K. P. RAO & CO.
CHARTERED ACCOUNTANTS

'Poornima', IInd Floor, 25, State Bank Road,
Bangalore - 560 001. Karnataka, India.

K. P. RAO
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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 2022, 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, 2022, 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

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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 2021-22.

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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.

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- 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..

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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, 2022 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 2022, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 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 A'

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 2022 on the consolidated financial position of the Group. Refer Note 20 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.

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iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

iv. The management has represented, 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 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:
   - 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 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. 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. 003135S

Mohan R Lavi
Partner
Membership No. 029340
UDIN: 22029340AVJCJN3959

Place: Bangalore
Date: September 06, 2022

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(xxi) of the Order is not applicable to the Holding Company.

for **K.P.Rao & Co.**
Chartered Accountants
Firm Reg. No. 003135S

K. P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

Mohan R Lavi
Partner
Membership No. 029340
UDIN: 22029340AVJCJN3959

Place: Bangalore
Date: September 06, 2022

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 2022, 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 2022, 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').

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

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.

For **K.P.Rao & Co.**
Chartered Accountants
Firm Reg. No. 003135S

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

Mohan R Lavi
Partner
Membership No. 029340

UDIN: 22029340AVJCJN3959

Place: Bangalore
Date: September 06, 2022

Anthem Biosciences Private limited
CIN:U24233KA2006PTC039703
Registered office:No 49,F1&F2,Canara Bank Road,
Bommasandra Industrial Area Phase 1,
Bommasandra, Bangalore-560099.

Consolidated Balance Sheet as at March 31, 2022 (₹.in Lakhs)

		As at March 31,2022	As at March 31,2021
I ASSETS			
1) Non-current assets			
a) Property, plant and equipment	3	31,962.51	35,305.38
b) Right to use assets (IND AS)	3.3	248.60	193.42
c) Capital work-in-progress	3.1	15,382.94	1,867.97
d) Other Intangible assets	3.2	689.89	641.82
e) Financial Assets			
i) Trade receivables	5	311.18	312.78
ii) Loans & Advances	6	477.39	474.92
iii) Other Financial Asset	7	432.08	353.11
f) Deferred tax assets (net)	8	1,593.78	1,386.99
g) Non-Current tax assets (net)	9	137.30	136.93
h) Other non-current assets	10	950.89	1,128.98
Total Non-current assets		**52,186.56**	**41,802.30**
2) Current assets			
a) Inventories	11	5,823.00	3,506.34
b) Financial assets			
i) Investment	4	27,282.93	20,912.34
ii) Trade receivables	5	32,619.45	25,464.92
iii) Cash and cash equivalents	12	33,830.75	3,628.15
iv) Bank balances, other than (iii) above	13	1,059.54	448.55
v) Other Financial Asset	7	28.98	46.60
c) Other current assets	14	9,055.49	7,573.41
Total Current assets		**109,700.14**	**61,580.30**
TOTAL ASSETS		**161,886.70**	**103,382.61**
II EQUITY AND LIABILITIES			
Equity			
a) Equity Share capital	15	877.63	848.46
b) Other equity	16	134,622.24	69,297.65
Total Equity		**135,499.87**	**70,146.11**
Liabilities			
1) Non-current liabilities			
a) Financial liabilities			
i) Lease liabilities	19	113.20	123.09
ii) Borrowings	17	589.84	1,972.14
iii) Other financial liabilities	19	392.17	398.75
b) Provisions	20	805.79	740.59
c) Other non-current liabilities	21	2,165.31	1,503.78
Total non-current liabilities		**4,066.31**	**4,738.35**
2) Current liabilities			
a) Financial liabilities			
i) Lease liabilities	19	117.22	113.02
i) Borrowings	17	2,959.26	8,028.94
ii) Trade Payables			-
- Total outstanding dues of micro enterprises and small enterprises	18	15.98	39.93
- Total outstanding dues to other than micro enterprises and small enterprises		6,468.14	7,652.57
iii) Other financial liabilities	19	236.24	62.61
b) Provisions	20	0.12	0.12
c) Other current liabilities	21	10,584.68	10,031.03
d) Current Tax Liabilities (net)	22	1,938.89	2,569.93
Total current liabilities		**22,320.52**	**28,498.14**
TOTAL EQUITY AND LIABILITIES		**161,886.70**	**103,382.61**
Corporate information and Significant accounting policies.	1&2		

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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06,2022

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 Bangalore

Anthem Biosciences Private limited
CIN:U24233KA2006PTC039703
Registered office:No 49,F1&F2,Canara Bank Road,
Bommasandra Industrial Area Phase I,
Bommasandra, Bangalore-560099.

Consolidated Statement of Profit and Loss for the period ending on March 31 (₹.in Lakhs)

	PARTICULARS		Year Ended March 31,2022	Year Ended March 31,2021
I	Gross Revenue from Operations	23	123,125.60	110,324.03
II	Other income	24	4,898.05	3,720.91
III	**Total Revenue (I + II)**		**128,023.66**	**114,044.94**
IV	**Expenses**			
	Cost of materials consumed & change in wip	25	41,029.77	40,788.22
	Change in Work in Progress	26	(137.35)	3,911.82
	Employee benefits expense	27	13,751.39	14,218.52
	Finance costs	28	1,008.63	1,696.63
	Depreciation and amortization expense	3	5,775.64	6,239.90
	Other expenses	29	11,981.50	10,633.27
	Total expenses (IV)		**73,409.57**	**77,488.36**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**54,614.09**	**36,556.57**
VI	Exceptional items		-	-
VII	**Profit/(Loss) before tax (V-VI)**		**54,614.09**	**36,556.57**
VIII	**Tax expense**	30		
	1) Current tax		14,238.89	9,669.93
	2) Deferred tax		(178.76)	(242.70)
			14,060.14	**9,427.23**
IX	**Profit/(Loss) for the year(VII VIII)**		**40,553.95**	**27,129.34**
X	**Other comprehensive income/(loss)**			
a)	**Items that will not be reclassified to profit or loss**	31		
	Remeasurements of the defined benefit plans		(111.38)	(45.46)
	Deferred Tax on above items		28.03	11.44
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)**		**40,470.61**	**27,095.32**
XII	**Earnings per equity share: (In Rs.)**			
	1) Basic		462.46	323.43
	2) Diluted		462.44	323.41
	Corporate information & significant accounting policies	1&2		

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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06,2022

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 Bangalore

Consolidated Statement of Changes In Equity for the period ending March 31, 2022

STATEMENT OF CHANGES IN EQUITY

A - Equity Share Capital

Particulars

(₹.in Lakhs)

Particulars	Number	Amount
Balance as at April 01, 2021	8,484,581.00	848.46
Add: Equity shares allotted during the year	291,673.00	29.17
Balance as at March 31, 2022	8,776,254.00	877.63

B - Other Equity

For the year ended March 31, 2022

(₹.in Lakhs)

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	Other items of Other Comprehensive Income		
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

For the year ended March 31, 2021

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	Other items of Other Comprehensive Income		
Balance as at April 01, 2020	500.00	3,070.29	1,532.08	36,270.87	(188.75)	164.24	41,348.74
Adjustment during the year				104.77			104.77
Profit for the year	-	-	-	27,129.34	-	-	27,129.34
Other Comprehensive income/(loss) for the year	-	-	-	-	(34.02)	-	(34.02)
Dividends & Dividend tax paid	-	-	-	(0.12)	-	-	(0.12)
Additions during the year	-	2,712.93	743.95	(2,712.93)	-	-	748.95
Balance as at March 31, 2021	500.00	5,783.22	2,281.03	60,791.93	(222.77)	164.24	69,297.65

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

K.P. RAO & CO. ★ CHARTERED ACCOUNTANTS ★ BANGALORE FRN: 003135S

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06,2022

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 Bangalore

Anthem Biosciences Private limited
CIN:U24233KA2006PTC039703
Registered office:No 49,F1&F2,Canara Bank Road,
Bommasandra Industrial Area Phase I,
Bommasandra, Bangalore-560099.

Consolidated Cash flow statement for the period ending March 31, 2022 (₹.in Lakhs)

Description	Year Ended March 31,2022	Year Ended March 31,2021
A. Cash Flow from operating activities:		
Net Profit before taxation	54,502.71	36,511.11
Adjustment:(+/-)		
Depreciation/ Amortisation	5,783.45	6,247.71
Provision for gratuity and leave encashment	65.20	(7.78)
Interest and Finance charges	1,008.63	1,696.63
Interest from deposits & advances	(957.57)	(84.46)
Dividend/Capital Gain from Mutual Funds	(937.66)	(109.70)
Provision for Bad Debts	-	34.77
(Profit)/Loss on sale of asset	16.46	11.09
Operating Profit before Working Capital Changes	59,481.21	44,299.37
Adjustment for changes in working capital:		
Other financial Assets	(61.36)	(69.77)
Other Current Assets	(1,482.08)	(2,471.41)
Other non-current Assets	169.91	(759.61)
Current Financial Liabilites	173.63	1,038.03
Trade and other receivables	(7,152.93)	(14,813.64)
Inventories	(2,316.66)	9,034.26
Trade payables and other liabilities	(1,208.38)	247.23
Other Current Liabilities	(2,012.09)	(1,640.91)
Provisions	-	(0.02)
Cash used in operations	**45,591.26**	**34,863.53**
Income taxes paid	(12,300.00)	(7,100.00)
Net cash generated in Operating Activities	**33,291.26**	**27,763.53**
B. Cash Flow from Investing Activities:		
Purchase of fixed assets and other capital expenditure	(2,066.05)	(11,581.58)
Right to use assets-IND AS	(178.05)	116.98
Sale of Fixed Assets	5.52	22.30
(Increase)/Decrease in CWIP	(13,514.96)	3,112.90
Purchase of Intangible Assets	(313.90)	(391.66)
Interest from deposits & advances	957.57	84.46
Dividend/capital gain from Mutual Funds	937.66	109.70
Investments in Mutual Fund and Equities	(6,370.60)	(11,046.22)
Receipt/(payment) of loans and advances to related party	(2.47)	(29.93)
Net cash used in Investing activities	**(20,545.27)**	**(19,603.05)**
C. Cash flow from Financing activities:		
Proceeds from issue of equity shares	24,749.97	759.42
Repayment of Borrowings	(1,382.31)	(7,557.50)
Other Non-Current liabilities	645.07	470.07
IND AS FV adjustment	133.30	126.16
Repayment of short term borrowings	(5,069.68)	1,572.09
Interest and Finance charges	(1,008.63)	(1,696.63)
Preference dividend (inclusive of tax)	(0.12)	(0.12)
Net cash (Used)/ Generated in Financing Activities	**18,067.60**	**(6,326.51)**
Net change in Cash and Cash Equivalents (A+B+C)	**30,813.59**	**1,833.98**
Cash and Cash Equivalents (beginning of the year)	4,076.70	2,242.72
Cash and Cash Equivalents (ending period)	**34,890.28**	**4,076.70**

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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

Mohan Lavi
Partner
Membership No.029340

Place : Bangalore
Date : September 06,2022

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 Bangalore

3 Property, Plant and Equipment

(₹.in Lakhs)

Particulars	Tangible Assets									
	Land - Free Hold *	Road	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Laboratory Equipment	Computers & Accessories	Total
Cost or Deemed cost										
As at April 01,2021	8,361.28	406.14	13,037.56	29,642.33	1,647.50	744.84	406.47	10,009.64	1,940.10	66,195.85
Additions during the year		0.87	55.03	1,023.45	26.15	-	26.46	799.85	134.24	2,066.05
Disposals/adjustments	-		53.51	78.41	-	-	-	4.09	-	136.02
As at March 31,2022	**8,361.28**	**407.01**	**13,039.07**	**30,587.37**	**1,673.65**	**744.84**	**432.93**	**10,805.39**	**2,074.34**	**68,125.88**
Depreciation										
As at April 01,2021	-	366.16	5,105.20	14,912.54	1,197.97	403.11	356.93	6,833.48	1,715.07	30,890.46
Charge for the period		15.50	875.27	2,948.61	116.69	105.61	31.78	1,093.88	199.61	5,386.95
Disposals/adjustments	-	-	36.60	74.08	-	-	-	3.35	-	114.04
As at March 31,2022	-	**381.66**	**5,943.87**	**17,787.07**	**1,314.66**	**508.72**	**388.72**	**7,924.00**	**1,914.68**	**36,163.37**
Net block										
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**
As at March 31,2021	8,361.28	39.98	7,932.36	14,729.79	449.53	341.73	49.53	3,176.16	225.03	35,305.38

***All title deeds of Immovable Properties are held in name of the Company except the below properties:**
Below title deeds of immovable properties not held in the name of company.

(₹.in Lakhs)

Relevent 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	<u>8acre land</u> Plot No. 313-P, 314-P & 318-P, Harohalli Industrial Area, 2nd Phase, comprised in sy.no.170, Bannikuppe, Hobli, Kanakapura Taluk, Ramanagar Dist.	1313.21447	The Karnataka Industrial Areas Development Board (KIADB)	NA	17/05/2018	Lease cum sale basis (99 years lease)
	<u>2acre land</u> Plot Nos. 276-P, 280-P & 281-A Harohalli Industrial Area, 2nd Phase, situated in Sy. no. 20 & 176, Bannikuppe village, Hobli, Kanakapura Taluk, Ramanagar Dist.	367.15414			26/09/2019	
	<u>30acre land</u> Plot no. 527 to 540 & 557 to 570 in Harohalli 3rd	4737.6864			02/02/2021	

Anthem Biosciences Private Limited
Bangalore

3.1 Capital work-in-progress

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Capital work-in-progress	15,382.94	1,867.97
	15,382.94	**1,867.97**

Capital work-in-progress ageing schedule

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	-	-	-	-	-

As at 31 March 2021

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	751.18	1,099.80	-	16.99	**1,867.97**
Projects temporarily suspended	-	-	-	-	-

3.2 Other Intangible assets

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Other Intangible Assets	689.89	641.82
Total	**689.89**	**641.82**

Particulars	(₹.in Lakhs)
Cost or Deemed cost	
As at April 01, 2021	1,504.68
Additions during the year	313.90
Disposals	-
As at March 31, 2022	**1,818.59**
Amortisation	
As at April 01, 2021	862.87
Charge for the period	265.83
Disposals	-
As at March 31, 2022	**1,128.69**
Net block	
As at March 31, 2022	**689.89**
As at March 31, 2021	641.82

3.3 Right to use assets

(₹.in Lakhs)

Particulars	FY 21-22	FY 20-21
Opening Balance	193.415	450.155
Adjustment during the year	50.770	(211.476)
Deletions during the year	-	(37.403)
Additions during the year	127.281	131.895
Depreciation during the year	(122.865)	(139.756)
Payment of lease liabilities	-	-
Closing Balance	**248.601**	**193.415**

Anthem Biosciences Private Limited Bangalore

15 Equity Share Capital

Particulars	As at 31.03.2022		As at 31.03.2021	
	No.of Shares	(₹.in Lakhs)	No.of Shares	(₹.in Lakhs)
Authorised Share capital				
Equity Shares of Rs. 10/- each	25,000,000	2,500	25,000,000	2,500
6% Cumulative Redeemable 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	25,000	250
	30,025,000	3,250	30,025,000	3,250
Issued, subscribed & fully paid share capital				
Equity Shares of Rs. 10/- each	8,776,254	878	8,484,581	843
0.05% Compulosrily Convertible Preference Share of Rs.1000/-each	23,316	233	23,316	233
Total	8,799,570	1,111	8,507,897	1,082

15.1 The Company has both equity & preference shares having a face value of Rs 10/- each & Rs.1000/-each respectively.

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. The Company pays preference dividend in Indian rupees and remitted in foreign currency to overseas investor. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General 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. The distribution will be in proportion to the number of equity shares held by the shareholders

15.3 Dividend on preference shares

The amount of per share dividend recognized as distributions to preference shareholders for the year ended March 31, 2022 and year ended March 31, 2021 was Rs.11,658/- and Rs.11,658/-respectively. The Board of Directors at its meeting recommended a preference dividend of Rs. 0.50 /- per preference share.

15.4 **The details of shareholder holding more than 5% shares as at March 31, 2022 and March 31, 2021 set out below:**

Sl. No	Name of the shareholder	As at 31.03.2022		As at 31.03.2021	
		No. of Shares held	% holding	No. of Shares held	% holding
1	Mr. Ajay Bhardwaj (Equity shares of Rs.10/-each)	4,635,705	52.82%	4,680,000	55.85%
2	Mr. Ravindra K C (Equity shares of Rs.10/-each)	1,038,422	11.83%	1,179,442	14.07%
3	Mr. Ganesh S (Equity shares of Rs.10/-each)	1,070,242	12.19%	1,179,442	14.07%
4	Viridity Tone LLP	730,656	8.32%	-	-
5	Portsmouth LLC (0.05% CCPS)	23,316	100%	23,316	100.00%

Shareholding of Promoters*

S. No	Promoter name	Shares held by promoters at the end of the year		% Change During the year
		No. of Shares**	%of total shares**	
1	Mr. Ajay Bhardwaj	4,635,705	52.82%	(0.95)
2	Mr. Ravindra K C	1,038,422	11.83%	(0.12)
3	Mr. Ganesh S	1,070,242	12.19%	(0.09)
	Total	6,744,369		

16 Other Equity

(₹.in Lakhs)

	Particulars	31.03.2022	31.03.2021
a)	Capital Redemption Reserve	500.00	500.00
b)	General Reserve	9 838.61	5,783.22
c)	Share Premium	27 001.83	2,281.03
d)	Retained Earnings	97 423.67	60,791.93
e)	Components of Other Comprehensive Income	(306.11)	(222.77)
f)	Equity Component of Compound Financial Instruments	164.24	164.24
	Balance at the end of the period (a+b+c+d+e+f)	134 622.24	69,297.65

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 equtiy portion. This has been computed for the .05% Compulsorily convertible preference shares

Anthem Biosciences Private Limited Bangalore

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

4 Investments

Sl. No.	Particulars	As at 31.03.2022				As at 31.03.2021			
		Amortised Cost	At Fair Value(₹.in Lakhs)		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	
	Mutual Funds (as per 4.1)	-	-	26,913.33	26,913.33	-	-	20,542.73	20,542.73
	Other investments (as per 4.2)	369.61	-	-	369.61	369.61		-	369.61
(A)	**Total**	**369.61**	-	**26,913.33**	**27,282.93**	**369.61**	-	**20,542.73**	**20,912.34**
(i)	Investments outside India								
(ii)	Investments in India	369.61	-	26,913.33	27,282.93	369.61	-	20,542.73	20,912.34
(B)	**Total**	**369.61**	-	**26,913.33**	**27,282.93**	**369.61**	-	**20,542.73**	**20,912.34**
	(A) - (B)	-	-	-	-	-	-	-	-
	Less: Impairment Loss Allowance			-	-	-	-	-	-
	Total	**369.61**	-	**26,913.33**	**27,282.93**	**369.61**	-	**20,542.73**	**20,912.34**

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
4.1 Trade - Quoted - at fair value		
a) Investments in Mutual Funds		
Aditya Birla Sun Life Mutual Fund	7,932.21	7,644.17
Kotak Equity Arbitrage Fund Growth	1,377.41	9,512.59
ICICI Prudential Mutual Fund	-	1,007.70
Nippon India Arbitrage- Growth	-	2,378.27
Tata Arbitrage Fund	2,789.64	-
ICICI Prudential Equity Arbitrage Fund-205-JB	2,072.54	-
Kotak Equity Arbitrage Fund-Direct Growth-523-JB	2,076.37	-
UTI-Arbitrage Fund-Direct Growth-914-JB	2,591.47	-
HDFC Overnight Fund-JB	8,073.69	-
Total investments at Fair Value	**26,913.33**	**20,542.73**

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
4.2 Other Investments		
a) Other Equity Investments		
Investment in Four EF Renewables Private Limited	123.20	123.20
b) Other Preference Investments		
Investment in Four EF Renewables Private Limited	246.41	246.41
Total investments at Fair Value	**369.61**	**369.61**

Anthem Biosciences Private Limited Bangalore

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 (FY2021: 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, 123,203 equity shares of Rs. 100 each (FY2021: 123,203 equity shares of Rs. 100/- each)

2. Investment in Four EF Renewables Private Limited, 246,406 Preference shares of Rs. 100 each (FY2021: 246,406 equity shares of Rs. 100/- each)

5 Trade Receivables

a) Non-current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Unsecured, considered good		
Trade Receivables from Related parties	311.18	312.78
Total	311.18	312.78

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		0.40			310.78	311.18
(ii) Undisputed Trade receivables – which have	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	-	0.40	-	-	310.78	311.18

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		2.00			310.78	312.78
(ii) Undisputed Trade receivables – which have	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	-	2.00	-	-	310.78	312.78

Anthem Biosciences Private Limited
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Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

b) Current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Unsecured, considered good		
(i) Trade Receivables	32,619.45	25,464.92
Unsecured, considered doubtful		
(i) Doubtful Debtors- Credit Impaired	-	232.13
(ii) Less: Provision for doubtful trade receivables	-	(232.13)
Total	32,619.45	25,464.92

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	32,490.87	64.22	55.19	9.09	0.08	32,619.45
(ii) Undisputed Trade receivables – which have	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	32,490.87	64.22	55.19	9.09	0.08	32,619.45

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	24,813.91	618.16	30.57	2.29	-	25,464.92
(ii) Undisputed Trade receivables – which have	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	232.13	232.13
(iv) Disputed Trade receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	24,813.91	618.16	30.57	2.29	232.13	25,697.05

Anthem Biosciences Private Limited
Bangalore

Notes forming part of the consolidated financial statements

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

Sl. No	Particulars	31.03.2022				31.03.2021			
		Amortised Cost	At Fair Value(₹.in Lakhs)		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	477.39	-	-	477.39	474.92	-	-	474.92
(A)	Total	477.39	-	-	477.39	474.92	-	-	474.92
(i)	Investments outside India	-	-	-	-	-	-	-	-
(ii)	Investments in India	477.39	-	-	477.39	474.92	-	-	474.92
(B)	Total	477.39	-	-	477.39	474.92	-	-	474.92
	(A) - (B)	-	-	-	-	-	-	-	-
	Less: Impairment Loss Allowance	-	-	-	-	-	-	-	-
	Total	477.39	-	-	477.39	474.92	-	-	474.92

7 Other Financial Asset

a) Non- Current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Un-secured Considered good		
Staff advances	79.24	11.06
Security Deposits	352.85	342.05
Total	432.08	353.11

b) Current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Un-secured Considered good		
Accrued interest	13.40	45.26
Staff advances-Current	15.58	1.34
Total	28.98	46.60

c) Fair Value Hierarchy

(₹.in Lakhs)

Particulars	Carrying value		Fair value	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Amortised cost				
(i) Loans	477.39	474.92	477.39	474.92
(ii) Other Investments	369.61	369.61	369.61	369.61
(iii) Trade Receivables	32,930.63	25,777.70	32,930.63	25,777.70
(iv) Other Financial Assets	461.06	399.70	461.06	399.70
(v) Cash and Cash Equivalents	34,890.28	4,076.70	34,890.28	4,076.70
Fair Value through Profit and Loss				
(i) Investments	26,913.33	20,542.73	26,913.33	20,542.73
Total Financial Assets	96,042.30	51,641.36	96,042.30	51,641.36

Anthem Biosciences Private Limited Bangalore

Notes forming part of the consolidated financial statements

d) Fair Value Hierarchy

(₹.in Lakhs)

	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Fund Units	26,913.33	0.00	0.00	26,913.33
Investment in Wholly Owned Subsidiary	0.00	0.00	0.00	0.00
Other Investments	369.61	0.00	0.00	369.61
Total	27,282.93	0.00	0.00	27,282.93

8 Deferred Tax Assets (Net)

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Deferred tax assets		
Deferred tax assets	1,386.99	1,154.24
Add: Adjustments during the year	206.79	232.75
Total	1,593.78	1,386.99

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

(₹.in Lakhs)

Deferred tax asset	31.03.2022	31.03.2021
Expenditure disallowed under Income Tax Act, 1961	805.79	740.59
Prepaid rent written off	1.93	3.79
Property, plant and equipment	5,082.34	4,067.50
On OCI (Gratuity)	129.81	100.64
Significant financing component	685.31	789.39
Director's Loan	-	87.23
Deferred Loan finance cost	8.14	7.81
Employee benefit expenses on staff loans	11.94	7.69
Interest on BIRAC Loan	50.02	55.13
Lease	145.72	-
	6,921.00	5,859.77
Deferred tax liability		
Interest income due to fair valuation of security deposits	2.01	3.97
Interest income recognised on Staff loan	13.46	17.08
Notional interest income on loan to Associate company	6.23	6.14
Actuarial gain/loss (OCI)	18.43	55.18
Compound financial instruments	6.58	7.24
BIRAC Loan grant recognised	23.78	23.77
Lease	140.74	236.17
	211.23	349.55
Total	6,709.77	5,510.22

Anthem Biosciences Private Limited Bangalore

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

9 Tax Assets (Net)

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Income Tax Refundable	137.30	136.93
Tctal	137.30	136.93

10 Other Non-current Assets

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Un-secured Considered good		
(i) Capital advances	630.09	852.47
(ii) Prepaid Rent	0.43	1.68
(iii) Deferred Employees Benefit	7.04	14.92
(iv) Deferred Loan - Anthem Biopharma Private Limited	242.20	250.01
(v) Prepaid Expenses-long term	71.13	9.90
Tctal	950.89	1,128.98

11 Inventories

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
(i) Raw materials	3,784.51	1,534.74
(ii) Work in Progress	1,176.10	1,135.54
(iii) Finished goods	455.36	358.57
(iv) Goods in transit	407.03	477.50
Tctal	5,823.00	3,506.34

Anthem Biosciences Private Limited Bangalore

Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

12 Cash and Cash Equivalents

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Balances with banks:		
(i) in current accounts	513.10	3,491.50
(ii) in deposit accounts	33,317.64	136.26
Cash in Hand:		
(i) Cash on hand	-	0.39
Total	**33,830.75**	**3,628.15**

13 Other Bank Balances

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Earmarked balances with Banks		
(i) Margin Money & Other Deposits	712.63	48.40
(ii) Debit balance in cash credit	346.90	400.15
Total	**1,059.54**	**448.55**

14 Other Current Assets

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Un-secured, Considered good		
(i) Balances with other statutory authorities	7,904.18	7,029.28
(ii) Prepaid Expenses	250.38	176.81
(iii) Advances to Suppliers	181.99	177.90
(iv) Export Incentives Receivable	718.93	188.94
(v) Others Receivable	-	0.48
Total	**9,055.49**	**7,573.41**

Anthem Biosciences Private Limited Bangalore

17 Borrowings

a) Non-current

Sl.No.	Particulars	31.03.2022				31.03.2021			
		Amortised Cost	At Fair Value(₹.in Lakhs)		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	
(a)	Term Loans								
	Secured								
(i)	from Banks	-	-	-	-	1,222.38	-	-	1,222.38
(ii)	from other parties	459.10	-	-	459.10	524.03	-	-	524.03
	Unsecured								
(i)	from Banks	-	-	-	-	-	-	-	-
(ii)	from Related parties	-	-	-	-	-	-	-	-
(b)	Finance lease obligations	130.74	-	-	130.74	225.74	-	-	225.74
(A)	Total	589.84	-	-	589.84	1,972.14	-	-	1,972.14
	Borrowings in India	589.84	-	-	589.84	1,972.14	-	-	1,972.14
	Borrowings outside India	-	-	-	-	-	-	-	-
(B)	Total	589.84	-	-	589.84	1,972.14	-	-	1,972.14
	(A) - (B)	-	-	-	-	-	-	-	-

b) Current

Sl.No.	Particulars	31.03.2022				31.03.2021			
		Amortised Cost	At Fair Value(₹.in Lakhs)		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	
(a)	Term Loans								
	Secured								
(i)	from Banks	-	-	-	-	5,662.26	-	-	5,662.26
(ii)	from other parties	114.95	-	-	114.95	116.90	-	-	116.90
	Unsecured								
(i)	from Banks	-	-	-	-	-	-	-	-
(ii)	from Related parties	-	-	-	-	-	-	-	-
(b)	Finance lease obligations	95.00	-	-	95.00	111.38	-	-	111.38
(c)	Cash Credit	2,749.30	-	-	2,749.30	2,138.40	-	-	2,138.40
(A)	Total	2,959.26	-	-	2,959.26	8,028.94	-	-	8,028.94
	Borrowings in India	2,959.26	-	-	2,959.26	8,028.94	-	-	8,028.94
	Borrowings outside India	-	-	-	-	-	-	-	-
(B)	Total	2,959.26	-	-	2,959.26	8,028.94	-	-	8,028.94
	(A) - (B)	-	-	-	-	-	-	-	-

Anthem Biosciences Private Limited Bangalore

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)	
			(For Current Reporting period)	(the previous reporting period)
Term Loan-Project	HDFC Bank	22 Quarterly Instalments	-	1,598.65
Term Loan-Project	Citi Bank	46 Quarterly Instalments	-	2,023.59
Term Loan-Project	Canara Bank	23 Quarterly Instalments	-	3,262.39
Term Loan-Project	Biotechnology Industry Research Assistance Council	10 Years	697.30	799.73
Working Capital	Citi Bank	Yearly Renewal	-	950.00
Cash credit	HDFC Bank	Yearly Renewal	-	-
Cash credit	Citi Bank	Yearly Renewal	1,010.01	-
Cash credit	Canara Bank	Yearly Renewal	-	284.79
PCFC	Citi Bank	Yearly Renewal	1,739.29	903.61
Vehicle Loan	HDFC Bank	60 EMI	2.08	19.91
Vehicle Loan	Kotak Bank	60 EMI	2.10	26.21
Vehicle Loan	Federal Bank	60 EMI	221.56	291.00

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; Canara Bank & HDFC Bank are secured by the first charge on pari-passu basis on all inventories and receivables, which is further secured by the personal guarantee of three Directors and 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 Vehicle loans from banks have been hypothecatated on cars with a note on the registration certificate by way of endorsement in favour of respective lending banks.

Terms of security and repayment

a. Mortgage / charge over the company's immovable and movable properties (other than project assets but including all receivables) both present and future;

b. Charge/assignment of revenues receivables

c. 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).

d. Assignment of insurance policies, interest, benefits, claims, guarantees ,performance bonds and liquidated damages;

e. The aforesaid charge will rank Pari - Passu with the mortgages and charges created/to be created in favour of participating institutions/banks.

17.7 **Obligations towards finance leases**

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Minimum Lease payments		
(i) Not later than one year	131.21	127.55
(ii) Later than one year but not later than five years	127.42	142.03
Total	258.63	269.58

Anthem Biosciences Private Limited Bangalore

Notes forming part of the consolidated financial statements

18 Trade Payables

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Current		
(i) Dues to micro, small and medium enterprises	15.98	39.93
(ii) Dues to others	5,593.45	6,056.35
(iii) Other Creditors	874.68	1,596.22
Total	6,484.12	7,692.50

Trade Payables Ageing
(For Current Reporting period)

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	15.98	-	-	-	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

Trade Payables Ageing
(For Previous Reporting period)

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	39.93	-	-	-	39.93
Others	7460.45	25.87	85.31	80.95	7,652.57
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	7,500.37	25.87	85.31	80.95	7,692.50

19 Other Financial Liabilities

Non Current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Lease Liability	113.20	123.09
Liability Component of Compound Financial Instruments	22.56	29.14
Performance guarantee deposit	369.61	369.51
Total	505.37	521.34

Current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Retention money	236.24	62.51
Lease Liability	117.22	113.02
Total	353.46	175.53

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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Amortised cost				
(i) Borrowings	3,549.09	10,001.08	3,549.09	10,001.08
(ii) Trade Payables	6,484.12	7,692.50	6,484.12	7,692.50
(iii) Other financial liabilities	858.83	697.47	858.83	697.47
Total Financial Liabilities	10,892.04	18,391.05	10,892.04	18,391.05

Private Limited Bangalore

Notes forming part of the consolidated financial statements

20 Provisions

a) Non Current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Provision for employee benefits		
(i) Gratuity Payable	523.21	479.66
(ii) Leave encashment	282.58	260.93
Total	805.79	740.59

(i) Movement in provisions

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
a) Provision for Gratuity		
Opening Balance	479.66	490.84
Additional Provisions made	132.55	88.87
Provisions released (paid)	89.00	100.05
Closing Balance	523.21	479.66
b) Leave Encashment		
Opening Balance	260.93	257.53
Additional Provisions made	193.46	151.27
Provisions released (paid)	171.81	147.86
Closing Balance	282.58	260.93

b) Current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Dividend	0.12	0.12
Total	0.12	0.12

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Anthem Biosciences Private Limited

Notes forming part of the consolidated financial statements

21 Other Liabilities

a) Non- Current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Defined Employee benefits - Ajay Bharadwaj Loan	-	0.00
Endo Global Biologicals - significant financing component	1,998.93	1,313.62
Deferred Grant	166.38	190.16
Total	2,165.31	1,503.78

b) Current

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Other accrued liabilities	1,914.12	2,382.76
Advances from customers	5,789.13	6,532.82
Capital creditors	2,637.45	745.83
Dues to statutory/government authorities	243.97	287.31
Grants received in advance	-	82.32
Total	10,584.68	10,031.03

22 Current Tax Liability (Net)

(₹.in Lakhs)

Particulars	31.03.2021	31.03.2021
Current		
Income Tax Provision	14,238.89	9,669.93
Less: Advance tax paid	12,300.00	7,100.00
Total	1,938.89	2,569.93

Notes forming part of the consolidated financial statements

23 Revenue From Operations

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Sale of products & services		
Domestic sales	23,215.28	15,946.21
Export sales	99,910.32	94,377.81
Total	**123,125.60**	**110,324.03**

23.1 Change in Contract Liabilities:

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Balance at the beginning of the year	1,313.62	524.23
Add: Interest expense during the year	685.31	789.39
Less: Invoices raised during the year	-	-
Balance at the end of the year	**1,998.93**	**1,313.62**
Expected revenue recognition from remaining performance obligations		
-within one year	1,998.93	-
-more than one year	-	1,313.62

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	31.03.2022	31.03.2021
Interest from deposits & advances	957.57	84.46
Other income	292.70	677.49
Capital Gain and Dividend	937.66	184.27
Fair value Gain-Mutual Fund	422.16	510.38
Forex gain (net)	1,332.57	1,597.12
Grant received	115.85	217.70
MEIS Duty Credit Scripts	835.11	445.05
Lease rent received	4.44	4.44
Total	**4,898.05**	3,720.91

Anthem Biosciences Private Limited Bangalore

Notes forming part of the consolidated financial statements

25 Cost of materials consumed

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Opening stock	1,534.74	6,560.70
Add: Chemicals and reagents	43,279.54	35,762.26
	44,814.28	**42,322.96**
Less: Closing stock	3,784.51	1,534.74
Total	**41,029.77**	**40,788.22**

26 Change in Work in Progress

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Opening stock		
Finished goods	358.57	3,454.93
Work-in-progress	1,135.54	1,951.00
	1,494.11	**5,405.93**
Less: Closing stock		
Finished goods	455.36	358.57
Work-in-progress	1,176.10	1,135.54
Total	**(137.35)**	**3,911.82**

27 Employee Benefits Expense

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Salaries and allowances	12,443.43	13,075.29
Contribution to provident and other funds	646.83	589.27
Staff welfare	649.19	546.27
Employees Benefit Expense	11.94	7.69
Total	**13,751.39**	**14,218.52**

28 Finance Costs

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Interest Expense on		
(i) Interest - Term loans	182.84	648.37
(ii) Interest - Cash credit	30.69	139.73
(iii) Interest - Finance lease	23.53	26.13
(iv) Interest - IND AS lease	22.86	16.60
(iv) Bank charges	62.90	115.10
(v) Interest on Endo Global-Significant Financing Component	685.31	623.01
(vi) Interest on MSME	0.50	1.82
(vi) Interest on unsecured loan	-	125.88
Total	**1,008.63**	**1,696.63**

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Notes forming part of the consolidated financial statements

29 Administrative Expenses

(₹.:n Lakhs)

Particulars	31.03.2022	31.03.2021
Advertisement and business promotion	11.68	11.82
Auditors' remuneration	17.50	16.00
Amortisation of deferred loan (ABPPL)	7.81	7.81
Bad debts/Provision for doubtful debts	-	34.77
Commission expenses	430.52	162.63
Communication expenses	88.06	82.55
Corporate social responsibility expenses	81.72	63.93
Donation	7.50	4.50
Freight and forwarding charges	531.60	604.31
Health and safety expenses	377.73	375.29
Insurance	299.99	265.03
Interest on statutory dues	210.29	18.36
Internal Audit Fees	5.50	6.50
Legal and professional fees	108.89	576.21
Loss from sale of assets	18.41	18.70
Membership and subscription	70.43	54.38
Miscellaneous expenses	18.52	145.89
Fair value measurment expenses	51.28	687.87
Pollution control expenses	338.88	120.03
Power and fuel	3,633.18	3,422.52
Printing and stationery	162.80	165.34
Processing charges	390.54	404.71
R & D expenses	2,478.80	688.73
R & M - Building	43.32	81.64
R & M - Others	595.74	505.35
R & M - Plant and machinery	1,172.92	1,084.80
Rates and taxes	517.84	784.06
Rent	24.01	25.48
Security charges	150.82	141.81
Training and recruitment expenses	7.69	4.02
Travelling and conveyance	127.52	68.23
Total	**11,981.50**	**10,633.27**

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

(Rs. in Lakhs)

Particulars	31.03.2022	31.03.2021
(i) Statutory audit fees	17.50	15.00
(ii) Certification and other reimbursement	1.92	-
(iii) Internal audit fees	5.50	6.50
Total	**24.92**	**21.50**

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Notes forming part of the consolidated financial statements

30 Tax Expense

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
A - Current Tax		
Current tax on profits for the year	14,238.89	9,669.93
Total	14,238.89	9,669.93

30.1 Reconciliation of tax expenses to accounting profit

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Accounting profit before tax	54,614.09	36,557.92
Tax @ 25.168%	13,745.27	9,200.90
Adjustments		
Expenses that are disallowed as per Income Tax Act	4,271.71	6,449.26
Expenses that are specifically allowed as per the Income Tax Act	(4,660.49)	(5,244.01)
Short term Capital gains	379.81	38.57
Long term Capital gains	557.86	37.78
Deduction under section 80JJA	(55.27)	(58.26)
Tax Expenses recognised in the statement of profit and loss	14,238.90	10,424.24
Income tax credit/(expense) recognised in Other Comprehensive Income :	28.03	11.44
Tax effect on actuarial gains/losses on defined benefit obligations	28.03	11.44

31 Other comprehensive income

(₹.in Lakhs)

Particulars	31.03.2022	31.03.2021
Items that will not be reclassified to profit or loss		
i) Actuarial gains & losses	(111.38)	(45.46)
ii) Deferred tax	28.03	11.44
Total	(83.34)	(34.02)

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Notes forming part of the consolidated financial statements

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	31.03.2022	31.03.2021
Salaries and allowances	654.19	474.27
Consumables	1,650.51	132.47
Electricity expenses	64.66	65.11
Other expenses	109.43	16.88
Total expenses charged to statement of profit and loss	**2,478.80**	**688.73**

33 Earnings per share

Particulars	For the year ended			
	31.03.2022		31.03.2021	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year	8,484,581	8,485,047	8,379,833	8,380,299
Weighted no of equity shares issued during the year	284,481	284,481	32,142	32,142
Weighted average number of equity shares for calculation of earnings per share	8,769,062	8,769,528	8,411,975	8,412,441

34 Employee benefit expenses

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2022	31.03.2021
(i) Salaries and Wages	12,443.43	13,075.29
(ii) Contribution to provident and other funds	646.83	589.27
(iii) Staff training and welfare expenses	649.19	546.27
(iv) Employee benefit expenses	11.94	7.69
Total	13,751.39	14,218.52

*Includes contribution to defined contribution plan for the year ended March 31, 2022 Rs.326.00 lacs (for the year ended March 31, 2021:Rs.240.13 lacs)

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Notes forming part of the consolidated financial statements

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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
(i) Present value of projected benefit obligation	909.72	795.60	282.58	260.93
(ii) Service cost	121.05	114.23	51.61	38.21
(iii) Net interest on net defined liability/(asset)	29.94	29.80	12.04	12.41
(iv) Re-measurement - actuarial (gain)/loss recognised in OCI	(18.43)	(55.18)	129.81	100.64
Net present value of projected benefit obligation	**1,042.28**	**884.45**	**476.04**	**412.20**
(i) Discount rate	7.39%	6.88%	7.39%	6.88%
(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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Change in projected benefit obligations				
(i) Obligations at the beginning of the year	795.60	715.68	260.93	257.53
(ii) Service cost	121.05	114.23	51.61	38.21
(iii) Interest expense	53.27	47.47	12.04	12.41
(iv) Benefits settled	(42.52)	(27.04)	(171.81)	(147.86)
(v) Actuarial (gain)/loss	(17.68)	(54.73)	129.81	100.64
Obligations at end of the year	909.72	795.60	282.58	260.93

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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
(i) Current liabilities	203.30	159.84	94.89	81.05
(ii) Non-Current liabilities	706.42	635.76	187.68	179.89

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(₹.in Lakhs)

Particulars	Gratuity		Leave encashment	
	For the year ended		For the year ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Change in plan assets				
(i) Plan assets at the beginning of the year, at fair value	315.95	224.83	-	-
(ii) Interest income on plan assets	23.34	17.67	-	-
(iii) Re-measurement - actuarial gain/ (loss)	0.75	0.45	-	-
(iv) Benefit payments from plan assets	(42.52)	(27.04)	-	-
(v) Contributions from employers	89.00	100.03	171.81	147.86
(vi) Benefits settled	-	-	(171.81)	(147.86)
Plan assets at the end of the year at fair value	386.51	315.95	-	-

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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
(i) Experience adjustment on plan liabilities	2.01	(50.70)	132.10	101.24
Percentage of opening plan liabilities	0.25%	-7.08%	50.63%	39.31%
(ii) Experience adjustment on plan assets	0.75	0.45	-	-
Percentage of opening plan assets	0.24%	0.20%	-	-

Maturity profile of defined benefit obligation:

(₹.in Lakhs)

Particulars	Gratuity		Leave encashment	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Year 1	203.30	159.84	94.89	81.05
Year 2	162.63	120.21	65.52	56.14
Year 3	146.88	112.89	49.19	43.56
Year 4	136.79	104.20	38.43	33.76
Year 5	107.56	100.83	27.43	27.79
Next 5 year Payouts	310.84	296.71	57.05	61.52

The weighted average of the defined benefit obligation for gratuity is 4.5 as at 31 March 2022

The weighted average of the defined benefit obligation for leave encashment is 3.67 as at 31 March 2022

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35 Disclosure with respect to Ind AS 116 - Leases

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

(₹.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at beginning of the year	193.42	450.16
Additions	127.28	131.90
Adjustments during the year	50.77	-211.48
Deletions	-	-37.40
Depreciation*	-122.87	-139.76
Balance as at end of the year	**248.60**	**193.42**

*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 group are as follows:

(₹.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at beginning of the year	236.12	762.17
Additions	127.28	150.86
Adjustments during the year	-15.08	-257.83
Deletions		-298.78
Payment of lease liabilities	-140.74	-136.90
Accreditation of interest	22.86	16.60
Balance as at end of the year	**230.43**	**236.12**
Current Liabilities	117.21	113.02
Non-Current Liabilities	113.21	123.09
Total cash outflow for leases	140.74	136.90

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

(₹.in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expenses relating to short-term leases and/or leases of low-value items		
Interest on lease liabilities	22.86	16.60
Depreciation expense	122.87	139.76
Total	145.72	156.35

Contractual maturities of Lease Liabilities on undiscounted basis

(₹.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	131.21	127.55
One to five years	127.42	142.03
	258.64	**269.58**

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36 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:

(₹.in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Cash & cash equivalents	33,830.75	3,628.15
Investments in mutual funds (quoted)	26,913.33	20,912.34

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(₹.in Lakhs)

Particulars	As at March 31, 2022		
	< 1 year	> 1 Year	Total
Loans & borrowings	2,959.26	539.84	**3,549.09**
Lease Liability	117.22	113.20	**230.42**
Trade payables and accrued expenses	6,484.12	-	**6,484.12**
Derivative financial instruments	-	-	-
Other liabilities	10,584.68	-	**10,584.68**

(₹.in Lakhs)

Particulars	As at March 31, 2021		
	< 1 year	> 1 Year	Total
Loans & borrowings	8,028.94	1,972.14	**10,001.08**
Lease Liability	113.02	123.09	**236.11**
Trade payables and accrued expenses	7,692.50	-	**7,692.50**
Derivative financial instruments	-	-	-
Other liabilities	10,031.03	-	**10,031.03**

(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.

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(₹.in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Total equity attributable to the equity share holders of the group	135,499.87	70,146.11
As percentage of the total capital	100%	100%
current loans & borrowings	2,959.26	8,028.94
Non current loans & borrowings	589.84	1,972.14
Total loans & borrowings	**3,549.09**	**10,001.08**
As percentage of the total capital	2.62%	14%
Total capital (loans and borrowings and equity)	139,048.96	80,147.19

38 **Contingent Liabilities & Capital Commitments**

(₹.in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Commitments		
Estimated amount of expected capital commitments	24,968	8,917
Contingent liabilities		
Claims against the company not		
Income tax - AY 2015-16 - CIT Appeals 1, Bengaluru	326	326
Income tax - AY 2017-18 - ITAT , Bengaluru	55	55
Service Tax-Appeal-FY: 2011-2015	12	12
Others:		
Letter of credit	47	597
Bank guarantees	70	70
Corporate guarantees:		
Guarantees given to Federal Bank on behalf of associate company for securing financial assistances in the form for working capital loan.	100	50

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Identification of Reportable Segments:

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 31,2022	Year ended March 31,2021
Segmental Performance		
Business Vertical:		
Contract Manufacturing	110,233	99,643.59
R&D Services	12,903	10,680.00
Total	**123,137**	**110,324**
Revenue wise		
Export	99,950	94,346
Domestic	23,186	15,977
Total	**123,137**	**110,324**
Geography wise sales		
North America (USA)	51,771	56,387
Europe	45,959	28,620
India	23,186	15,977
Rest of asia	1,431	8,682
Others	789	657
Total	**123,137**	**110,324**

Summarised segment information for the year ended March 31, 2022

Particulars	CDMO	Speciality Ingredients	Total(₹.in Lakhs)
Revenue from operaions	94,721	28,404	123,126
Allocated expenses	41,970	21,694	63,664
Segment Result	**52,751**	**6,711**	**59,462**
Total unallocable expenses			2,962
Operating income			**56,500**
Other income			4,898
Profit before tax			**54,614**
Tax expenses			14,060
Profit for the year			**40,554**
Depreciation and amortisation expenses (unallocable)			5,776

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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 2021-22 the company has spent below amounts towards rejuvenating bommasandra lake work initiated by bommasandra industrial association; construction of anganwadi kendra at ramnagar ; contribution to Vanavasi Kalyan for education of tribal children and their hostel expenses; contribution towards FNDR for research expenses for neglected diseases; etc. Apart from the amount spent company is also exploring some more CSR projects & also planning to undertake various infrastructure facilities in the coming years.

(₹.in Lakhs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
Gross amount required to be spent during the year	399.96	196.54
Amount spent during the year	81.72	63.93
Amount spent in local area	81.72	63.96
Shortfall at the end of the year / period.	**318.25**	**132.61**
Total of previous years shortfall.	**450.86**	**132.61**

As on March 31, 2022, a cumulative amount of Rs.450.86 lakhs is unspent. No provision towards the CSR expenditure has been made in the books of account.

41 Unhedged Foreign Currency Exposure:

(₹.in Lakhs)

	As at March 31, 2022					
Particulars	**Unhedged**		**Hedged through forward or derivative**		**Natural Hedge**	
	</=1 year	>1 year	</=1 year	>1 year	</=1 year	> 1 Year
FCY-Receivables (A)						
Exports	20,439.91	-	530.65	-	-	
Loans to JV/WOS	-	-	-	-	-	
Others	-	-	-	-	-	
Total (A)	**20,439.91**	-	**530.65**	-	-	
FCY-Payables (B)						
Imports	1,271.13	-	-	-	-	
Trade credits	-	-	-	-	-	
ECBs	-	-	-	-	-	
Other FCY loans	-	-	-	-	-	
Total (B)	**1,271.13**	-	-	-	-	
Total Exposure (A-B)/(B-A)	**19,168.78**	-	**530.65**	-	-	

42 Trade Payables and Micro, Small and medium Enterprises

Trade Payables have been classified as Current and Non-Current. The Management has identified:

(₹.in Lakhs)

	Particulars	As at March 31,2022	As at March 31,2021
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	15.98	39.93
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.50	1.82
(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	1.82
(v)	The amount of interest accrued and remanining unpaid at the end of the accounting year	2.32	1.82
(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	Director	Indian
Ganesh Sambasivam	Director	Indian
Ramakrishnan K	Company Secretary	Indian
Ishaan Bhardwaj	Manager-I	Indian
Krithika Ganesh	By.Manager-II	Indian
Anthem Biopharma Pvt Ltd	Common directors	India
Neoanthem Lifesciences Pvt Ltd	Wholly Owned Subsidiary	India

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43.1 Transactions with above related parties

(₹.in Lakhs)

Name of the related party	Nature of transaction	Year Ended	
		March 31,2022	March 31,2021
Ishaan Bhardwaj	Remuneration paid	28.60	38.70
Krithika Ganesh	Remuneration paid	5.07	-
Anthem Biopharma Pvt Ltd	Sale of goods & services	-	0.29
	Purchase of goods & services	-	14.17
	Business support services	8.69	10.58
	Interest income (Interest charged on loans given to Biopharma)	51.38	50.59

43.2 Balances receivable from related parties are as follows

(₹.in Lakhs)

Name of the Related Party	Classification	Year Ended	
		March 31,2022	March 31,2021
Anthem Biopharma Pvt Ltd	For sale of goods & services	310.78	310.78
	For rendering of services	0.40	2.00
	For loans and advances given	724.62	728.38

44 Remuneration paid to key management personnel

(₹.in Lakhs)

Name	Designation	Remuneration paid for the Year ended	
		March 31,2022	March 31,2021
Ajay Bhardwaj	Managing Director	434.86	591.74
Ravindra K C	Director	434.86	591.44
Ganesh Sambasivam	Director	434.86	591.44
Ramakrishnan K	Company Secretary	64.65	320.43

45 Covid-19 Impact :

Company has considered the possible effects that may result from the ongoing pandemic relating to COVID-19.In order to address the COVID-19 related impact, company has taken several business continutiy measures to ensure minimum disruption with respect to prodcution, supply chain & logistics, procurments and employee health and saftey during the financial year.While the company has not experinced any significant difficulties with respect to market demand, liquidity,sourcing and capital expansion project,company has assessed the financial impact of the covid-19 situation based on the internal and external source of information available and also company will continue to monitor any material changes to future economic conditions.

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46 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	4.91	2.16	Reduction in borrowings
2. Debt - Equity Ratio	0.03	0.14	Reduction in borrowings
3. Debt Service Coverage Ratio	7.65	8.67	NA
4. Return on Equity Ratio	0.39	0.48	NA
5. Inventory turnover ratio	26.40	13.75	Due to increase in inventory
6. Trade Receivables turnover ratio	4.24	6.13	Due to increase in receivable
7. Trade payables turnover ratio	6.11	5.99	NA
8. Net capital turnover ratio	2.04	4.53	Due to increase in current assets
9. Net profit ratio	0.33	0.25	Improved margins
10. Return on Capital employed	0.41	0.54	NA

47 Other Statutory Information

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

(ii) There are no transactions with struckoff companies

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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

(v) 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.

(vi) 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
(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.

(vii) The Company does not have any such transaction which are 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.

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ANTHEM BIOSCIENCES PRIVATE LIMITED
CIN: U24233KA2006PTC039703

Notes forming part of the audited Consolidated Financial Statements for the year ended March 31, 2022

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). As a result, these are the first Consolidated Financial Statements of the Company. 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:

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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, 2022. These consolidated financial statements were authorized for issuance by the Company's Board of Directors on 6th September 2022.

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:

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

ii. Defined benefit and other long-term employee benefits.

c) Basis of Consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over 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

P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS 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

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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 offinancial 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.

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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

K. P. RAO & CO. CHARTERED ACCOUNTANTS BANGALORE FRN: 003135S 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 or1-3 years

[illegible] 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.

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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:

(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 group is required to use the remaining contractual term of the financial instrument.

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(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

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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.

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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 there porting 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 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:

Group earns revenue primarily from sale of goods, providing scientific & technical consultancy services. Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer by delivery of goods for shipment as agreed with the customers.

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

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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:**

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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

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Recent Indian Accounting Standards (Ind AS)

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 23,2022, the "MCA" amended the Companies [Indian Accounting Standards] Amendment Rules, 2022, applicable from April 1, 2022, as below.

a. Ind AS 16-Property, Plant and Equipments:
b. Ind AS 37-Provisions, Contingent Liabilities and Contingent Assets;
c. Ind AS 103- Business Combination.
d. Ind AS 109-Financial Instruments.
e. Ind AS 101, First-time Adoption of Indian Accounting Standards
f. Ind AS 107, Financial Instruments: Disclosures

These amendments are effective from April 01, 2022.The Company believes that the aforementioned amendments will not materially impact the financial statements of the Company.

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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 weighted 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.

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