ANNUAL REPORT

2022-2023

ENZENE BIOSCIENCES LIMITED

REGISTERED OFFICE : PLOT NO A-22, A-1 CHAKAN INDUSTRIAL AREA, PHASE 2, KHARABWADI, CHAKAN, PUNE, PUNE, MH, INDIA, 410501

[illegible] BIOSCIENCES LIMITED
STANDALONE FINANCIAL STATEMENTS
BALANCE SHEET AS AT 31 MARCH 2023

(Rs million)

Particulars	Note No.	As at 31 March, 2023	As at 31 March, 2022
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3.1	3,012.6	1,071.5
(b) Capital work in progress	3.1	463.2	192.5
(c) Right of use assets	3.1	106.2	95.9
(d) Intangible assets	3.1	7.6	6.4
(e) Investment in subsidiary	3.2	0.0	-
(f) Financial assets			
Other financial assets	3.10 (i)	1,100.0	-
(g) Deferred tax assets (net)	3.28 (i)	250.8	-
(h) Non-Current tax assets(Net)	3.7	120.8	62.7
(i) Other non-current assets	3.8	74.0	54.7
Total Non current assets		4,729.0	1,503.8
2 Current assets			
(a) Inventories	3.8	481.4	351.8
(b) Financial Assets			
(i) Trade receivables	3.5	547.0	306.1
(ii) Cash and cash equivalents	3.7	782.6	5.1
(iii) Bank balances other than (ii) above	3.8	1,285.7	210.2
(iv) Loans	3.5	8.0	1.6
(v) Other Current financial assets	3.10 (ii)	181.2	20.8
(c) Other current assets	3.11	455.2	183.8
Total Current assets		3,645.0	1,230.1
TOTAL ASSETS		7,783.4	2,383.7
II EQUITY AND LIABILITIES			
1 Equity			
(a) Share capital	3.12	891.1	683.4
(b) Other equity (Refer statement of changes in equity)		5,585.5	1,317.7
Total Equity		6,476.6	2,000.1
2 Non-Current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	3.15	8.8	2.0
(b) Provisions	3.16	27.7	71.1
(c) Other non-current liabilities	3.15	2.8	4.1
Total Non-Current liabilities		38.7	77.2
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	3.13	109.8	333.7
(ii) Lease Liabilities	3.14	8.8	1.8
(iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises	3.17	48.3	5.0
(b) Total Outstanding dues of creditors other than micro and small enterprises	3.17	199.8	165.7
(iv) Other financial liabilities	3.18	87.2	31.8
(b) Other current liabilities	3.19	757.8	416.0
(c) Provisions	3.20	56.2	7.2
Total Current liabilities		1,268.1	306.4
TOTAL EQUITY AND LIABILITIES		7,783.4	2,383.7

Significant Accounting Policies — 2
Critical accounting judgements and key sources of estimation uncertainty — 2
Notes to accounts — 3

The accompanying notes are an integral part of these Financial statements.

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

[illegible]
Partner
Membership No. [illegible]
Mumbai
Date: [illegible] May 2023

For and on behalf of the Board,
For [illegible] Biosciences Limited
CIN No. [illegible]

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

Sandeep Singh
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Chief Financial Officer
Pune
Date: [illegible] May 2023

[illegible]
Company Secretary
Pune
Date: [illegible] May 2023

[illegible] LIMITED
STANDALONE FINANCIAL STATEMENTS
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2023

(Rs. million)

Particulars	Note No.	For the year ended 31 March, 2023	For the year ended 31 March, 2022
1 Income			
(a) Revenue from operations	[illegible]	[illegible]	[illegible]
(b) Other income	[illegible]	[illegible]	[illegible]
Total income		[illegible]	[illegible]
2 Expenses			
(a) Cost of materials consumed	[illegible]	[illegible]	[illegible]
(b) Changes in inventories of work in progress	[illegible]	[illegible]	[illegible]
(c) Employee benefits expense	[illegible]	[illegible]	[illegible]
(d) Finance costs	[illegible]	[illegible]	[illegible]
(e) Depreciation and amortisation expenses	[illegible]	[illegible]	[illegible]
(f) Contract research and development expenses		[illegible]	[illegible]
(g) Other expenses	[illegible]	[illegible]	[illegible]
Total Expenses		[illegible]	[illegible]
3 Profit/(Loss) before tax (1 - 2)		[illegible]	[illegible]
4 Tax expense			
(a) Current tax		-	-
(b) Deferred tax	[illegible]	[illegible]	-
Total Tax expense		[illegible]	-
5 Profit/(Loss) for the year (3 - 4)		[illegible]	[illegible]
6 Other Comprehensive Income/ (Expense)			
(a) Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit plans		[illegible]	[illegible]
Total of Other Comprehensive Income/(Expense) for the year, net of tax		[illegible]	[illegible]
7 Total Comprehensive Income/ (Expense) for the year (5 + 6)		[illegible]	[illegible]
(a) Basic earnings per share	[illegible]	[illegible]	[illegible]
(b) Diluted earnings per share	[illegible]	[illegible]	[illegible]

Significant Accounting Policies [illegible]
Critical accounting judgements and key sources of estimation uncertainty [illegible]
Notes to Accounts [illegible]

The accompanying notes are an integral part of these financial statements.

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. [illegible]

[illegible]
Partner
Membership No. [illegible]
Mumbai
Date: [illegible] May 2023

For and on behalf of the Board,
For [illegible] Limited
CIN No. [illegible]

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Chief Financial Officer
Pune
Date: [illegible] May 2023

[illegible]
Company Secretary
Pune
Date: [illegible] May 2023

[illegible] LIMITED
STANDALONE FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

(a) Share capital

(Rs. million)

	Equity share capital		Preference share capital	
	Number	Rs.	Number	Rs.
Balance as on 1 April 2021	[illegible]	[illegible]	-	-
Issue of Share capital	[illegible]	[illegible]	-	-
Balance as on 31 March 2022	[illegible]	[illegible]	-	-
Issue of Share capital	[illegible]	[illegible]	[illegible]	[illegible]
Balance as on 31 March 2023	[illegible]	[illegible]	[illegible]	[illegible]

(b) Other Equity

(Rs. million)

Particulars	Share Application Money pending allotment	General Reserve	Share Option Outstanding account	Securities Premium	Retained earnings	Total other equity
Balance at 1 April 2021	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total comprehensive income						
Loss for the year					[illegible]	[illegible]
Other comprehensive loss					[illegible]	[illegible]
ESOP exercised during the year			[illegible]			[illegible]
Equity shares issued during the year	[illegible]	-	[illegible]	[illegible]		[illegible]
Transfer to General Reserve			-			-
Share application money refunded	-	-	-	-	-	-
Balance at 31 March 2022	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total comprehensive income					[illegible]	[illegible]
Loss for the year	-	-	-	-	[illegible]	[illegible]
Other comprehensive income	-	-	-	-	-	-
ESOP exercised during the year	-	-	[illegible]	[illegible]	-	[illegible]
Equity shares issued during the year	-	-		[illegible]		[illegible]
Preference shares issued during the year						
Transfer to General Reserve	-					
Balance at 31 March 2023	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

# Denotes amount less than one million

Description of the nature and purpose of each reserve within equity

Share application money pending allotment: [illegible]

General Reserve: [illegible]

Share option outstanding account (SBOA): [illegible]

Security Premium: [illegible]

Retained Earnings: [illegible]

The accompanying notes are an integral part of these financial statements.

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: [illegible]

[illegible]
Partner
Membership No.: [illegible]
Mumbai
Date: [illegible] May 2023

For and on behalf of the Board
For [illegible] Limited
CIN No: [illegible]

[illegible]
Director
DIN No.: [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Director
DIN No.: [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Chief Financial Officer
Pune
Date: [illegible] May 2023

[illegible]
Company Secretary
Pune
Date: [illegible] May 2023

[illegible] LIMITED
STANDALONE FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2023

([illegible])

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
A. Cash flow from operating activities		
Net loss before tax	[illegible]	[illegible]
Adjustments for:		
Depreciation and amortisation expenses	[illegible]	[illegible]
Unrealised (gain)/loss	[illegible]	[illegible]
Loss on [illegible] of property plant and equipment (net)	[illegible]	[illegible]
Finance cost	[illegible]	[illegible]
Government grant amortisation	[illegible]	-
Interest income	[illegible]	[illegible]
Subtotal of adjustments	[illegible]	[illegible]
Operating loss before working capital changes	[illegible]	[illegible]
Adjustments for:		
[illegible] in loans	[illegible]	[illegible]
[illegible] in inventories	[illegible]	[illegible]
[illegible] in other financial assets and other assets	[illegible]	[illegible]
[illegible] in trade receivables	[illegible]	[illegible]
[illegible] in trade payable	[illegible]	[illegible]
[illegible] in other financial liabilities and other liabilities	[illegible]	[illegible]
[illegible] in provisions	[illegible]	[illegible]
Subtotal of adjustments	[illegible]	[illegible]
Cash used in operations	[illegible]	[illegible]
Less: Direct taxes paid	[illegible]	[illegible]
Net Cash used in operating activities	[illegible]	[illegible]
B. Cash flow from investing activities		
Purchase of property, plant and equipment including CWIP	[illegible]	[illegible]
[illegible] bank deposits	[illegible]	[illegible]
Interest received	[illegible]	[illegible]
Interest accrued on Deposit	[illegible]	-
Investment in subsidiary	[illegible]	-
Net cash used in investing activities	[illegible]	[illegible]
C. Cash flow from financing activities		
Repayment of lease liabilities	[illegible]	[illegible]
Repayment of borrowings	[illegible]	[illegible]
Proceeds from issue of shares	[illegible]	[illegible]
Interest paid	[illegible]	[illegible]
Net Cash [illegible] from financing activities	[illegible]	[illegible]
D. Net increase/ (Decrease) in Cash & cash equivalents (A+B+C)	[illegible]	[illegible]
E. Cash & cash equivalents as at 1 April, [illegible]	[illegible]	[illegible]
F. Cash & cash equivalents as at 31 March, [illegible] (D+E) (Refer note [illegible])	[illegible]	[illegible]

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard [illegible] Cash Flow Statement.

2. Purchase of Property, Plant and Equipment includes movement of capital work in progress (including capital advances) during the year.

3. [illegible] in accordance with Ind AS 7

([illegible])

Particulars	Current Borrowings
As at 1 April [illegible]	[illegible]
Cash flows [illegible] during the year	[illegible]
As at 31 March [illegible] (Refer note [illegible])	[illegible]
Cash flows [illegible] during the year	[illegible]
As at 31 March [illegible] (Refer note [illegible])	[illegible]

The accompanying notes are an integral part of financial statements.

As per our Report of even date
For [illegible] & Co. LLP
Chartered Accountants
Firm's Registration No. [illegible]

[illegible]
Partner
Membership No. [illegible]
Mumbai
Date: [illegible] May 2023

For and on behalf of the Board
For [illegible] Limited
CIN No. [illegible]

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Chief Financial Officer
Pune
Date: [illegible] May 2023

[illegible]
Company Secretary
Pune
Date: [illegible] May 2023

1A General Information

[illegible]

1B Basis of Preparation

a) [illegible]

b) [illegible]

c) [illegible]

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.
An asset is classified as current when it is:
a) [illegible]
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
a) It is expected to be settled in normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is due to be settled within twelve months after the reporting period,
d) [illegible]

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) Basis of measurement
[illegible]

e) Functional and Presentation Currency
[illegible]

Pune

01. Significant accounting policies

1.1 Property, plant and equipment("PPE")

a) Items of PPE are carried at cost less accumulated depreciation and impairment losses, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition and location for its intended use and any trade discount and rebates are deducted in arriving at purchase price. Cost of the assets also includes interest on borrowings attributable to acquisition of qualifying PPE up to the date the asset is ready for its intended use incurred up to that date. Subsequent expenditure relating to PPE is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

b) Cost of items of PPE not ready for intended use as on the balance sheet date, is disclosed as capital work in progress. Advances given towards acquisition of PPE outstanding at each balance sheet date are disclosed as Capital Advance under Other non current assets.

1.2 Intangible assets:

i. Recognition and measurement

Research and development	Expenditure on research activities is recognised in standalone statement of profit and loss as incurred.
	Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit and loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.
Other intangible assets	Other intangible assets, such as computer software and trademarks and patents, that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

1.3 Depreciation and amortisation:

Depreciation and amortisation is provided on a straight line basis for all assets. Depreciation is provided based on the useful life of assets. The carrying amount as on 1st April, 2014 and addition made thereafter is depreciated over the revised remaining useful life as under. The useful lives and residual values of Company's assets are determined by management as per schedule II of the Companies Act, 2013.

Tangible assets	Useful life
Leasehold Land	Amortised over the period of lease
Building	5 Years to 60 Years
Plant and Machinery	1 Year to 20 Years
Furniture and Fixtures	10 Years
Office Equipments	3 Years to 5 Years

Intangible assets	Useful life
Computer Software	3 to 6 Years

1.4 Impairment of assets:

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For 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 (referred as 'Cash Generating Units'('CGU')). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in standalone statement of profit and loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Pune

1.8 Leases:

The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether:

(i) the contract involves the use of an identified asset;
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend the lease before the end of the lease term, but the renewal option has not been considered in the lease term unless the option to renew the lease lies with both the lessor and the lessee.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using discount rates generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the standalone financial Notes.

1.9 Financial instruments:

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the financial asset. However trade receivables that do not contain a significant financing component are measured at transaction price.

(a) Financial assets

The Company determines the classification of its financial assets at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

<u>The financial assets are classified in the following measurement categories:</u>
a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
b) Those to be measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in standalone statement of profit and loss and other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in standalone statement of profit and loss as incurred.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

The Company follows trade date accounting for all regular way purchase or sale of financial assets.

[illegible] Amortised cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met

a) The asset is held within a business model with the objective of collecting the contractual cash flows, and

b) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortised cost include loans receivables, trade and other receivables, and other financial assets that are held with the objective of collecting contractual cash flows. After initial measurement at fair value, the standalone financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the Statement of Profit or Loss in other income.

(ii) Fair value through other comprehensive income

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

(iii) Financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss

a) Debt investments that do not qualify for measurement at amortised cost;

b) Debt investments that do not qualify for measurement at fair value through other comprehensive income; and

c) Debt investments that have been designated at fair value through profit or loss.

Financial assets at fair value through profit or loss include financial assets held for trading, debt securities and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value presented as finance costs in profit or loss. Interests, dividends and gain/loss on foreign exchange on financial assets at fair value through profit or loss are included separately in other income.

If Company elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments shall continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. There are no impairment requirements for equity investments measured at fair value through other comprehensive income. Changes in the fair value of financial assets at fair value through profit or loss shall be recognised in other gain/(losses) in the statement of profit or loss as applicable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of Financial Assets

Credit risk exposure

a) Financial assets that are debt instruments and are measured at amortised cost e.g., loans, deposits, and bank balance

b) Trade receivables or any contractual right to receive cash or other financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

Expected credit losses are the probability-weighted estimate of credit losses (i.e. present value of all cash shortfalls) over the expected life of the financial asset. A cash shortfall is the difference between the cash flows that are due in accordance with the contract and the cash flows that the company expects to receive. The expected credit losses consider the amount and timing of payments and hence, a credit loss arises even if the Company expects to receive the payment in full but later than when contractually due. The expected credit loss method requires to assess credit risk, default and timing of collection since initial recognition. This requires recognising allowance for expected credit losses in profit or loss even for receivables that are newly originated or acquired.

Impairment of financial assets is measured as either 12 month expected credit losses or life time expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. '12 month expected credit losses' represent the expected credit losses resulting from default events that are possible within 12 months after the reporting date. 'Lifetime expected credit losses' represent the expected credit losses that result from all possible default events over the expected life of the financial asset.

Trade receivables are of a short duration, normally less than 12 months and hence the loss allowance measured as lifetime expected credit losses does not differ from that measured as 12 month expected credit losses. The Company uses the practical expedient in Ind AS 109 for measuring expected credit losses for trade receivables using a provision matrix based on ageing of receivables.

The Company uses historical loss experience and derived loss rates based on the past twelve months and adjusts the historical loss rates to reflect the information about current conditions and reasonable and supportable forecasts of future economic conditions. The loss rates differ based on the ageing of the amounts that are past due and are generally higher for those with the higher ageing.

Interest Income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate (EIR), which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original EIR of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original EIR.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(b) Financial liabilities

The Company determines the classification of its financial liabilities at initial recognition.

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured

Pune

Initial recognition and measurement

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. At initial recognition, the Company measures financial liabilities at its fair value. Financial liabilities at fair value through profit and loss are carried in the standalone Balance Sheet at fair value with changes recognised in the standalone statement of Profit and Loss.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:
i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
i) The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;
or
iii) it forms part of a contract containing one or more embedded derivatives, and IND AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with IND AS 109.

The Company has issued CCPS which contain embedded derivative. These CCPS are measured at fair value through profit or loss. Any coupon or dividend payments will be recorded as a finance cost in the standalone statement of profit or loss.

Financial liabilities at fair value through profit and loss
Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. At initial recognition, the Company measures financial liabilities at its fair value. Financial liabilities at fair value through profit and loss are carried in the Balance Sheet at fair value with changes recognised in the Statement of Profit and Loss.

Financial liabilities measured at amortised cost

Financial liabilities are initially recognised at fair value, net of transaction cost incurred and are subsequently measured at amortised cost, using the EIR method. Any difference between the proceeds (net of transaction costs) and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating finance charge over the relevant effective interest rate period. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the standalone Statement of Profit and Loss.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the standalone Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counter party.

4.7 Equity instruments

[illegible] issued by the Company are classified according to the substance of the contractual arrangements [illegible] the definitions of an equity instrument. An equity instrument is any contract that evidences a residual [illegible] of the Company after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issuance [illegible] Inventories

a) Raw materials and packing materials are valued at cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. If the decline in price of materials indicate that the cost of finished goods exceeds net realisable value, the materials are written down to net realisable value; cost is calculated on moving weighted average basis.

b) Finished goods and work-in-progress are valued at lower of cost and net realisable value. In respect of finished goods & work-in-progress, cost includes materials, appropriate share of utilities, other overheads and non refundable taxes. Trading Goods are valued at lower of cost (on moving weighted average basis) and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

c) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

[illegible] Revenue recognition

<u>Revenue from sale of products</u>

a) Revenue from sale of products is recognised when the Company satisfies a performance obligation upon transfer of control of products to customers at the time of shipment. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts etc. all of which are established at the time of sale.

<u>Contract development and manufacturing services (Income)</u>

a) The Company's derives revenues from contract development and manufacturing services.

b) Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company is expected to receive in exchange for those services. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service.

c) Invoices are issued as per the general business terms and are payable in accordance with the contractually agreed credit period.

d) Revenue is recognised based on the percentage of completion method.

e) The consideration received by the Company in exchange for its goods may be fixed or variable. Variable consideration is only recognised when it is considered highly probable that a significant revenue reversal will not occur once the underlying uncertainty related to variable consideration is subsequently resolved.

f) Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

g) Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

The Company assesses promises in the contract that are separate performance obligations to which a transaction price is allocated.

[illegible] Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in statement of profit and loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

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1.51 Employee benefits:

a) Post Employment Benefits and Other Long Term Benefits
i) Defined Contribution Plans
Company's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to the Statement of Profit and Loss.
The Company's contribution towards provident fund and superannuation fund for certain eligible employees are considered to be defined contribution plan for which the Company makes a contribution on a monthly basis.

ii) Defined Benefit and Other Long Term Benefit Plans:
Company's liabilities towards defined benefit plans and other long term benefits viz. gratuity and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the statement of other comprehensive income in the period of occurrence of such gains and losses. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any.

iii) Short term Employee Benefits
Short term employee benefits are benefits payable and recognised in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year as the related services are rendered by the employee. These benefits include performance incentives.

1.52 Taxes on Income:
Income tax expense represents the sum of the current tax and deferred tax.

Current tax payable or recoverable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Profit and Loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.
The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.
Deferred tax assets and liabilities are offset against each other and the resultant net amount is presented in the Balance Sheet, if and only if the Company currently has a legally enforceable right to set off the current income tax assets and liabilities.

1.53 Borrowing costs:
[illegible] are interest and other costs incurred by the Company in connection with the borrowing of funds. [illegible] directly attributable to acquisition or construction of those tangible Property, plant and equipment which [illegible] a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are [illegible] expenses in the Statement of Profit and Loss of the period in which they are incurred.

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1.11 Provisions, contingent liabilities and contingent assets:

A provision is recognized if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

1.12 Earnings per share (EPS):

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

1.13 Government grants:

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants received in relation to assets are recognised as deferred income and amortised over the useful life of such asset. Government grants, which are revenue in nature are either recognised as income or deducted in reporting the related expense based on the terms of the grant, as applicable.

1.14 Employee stock option scheme:

The excess of fair value of shares, at the date of grant of options under the Employee stock option scheme of the Company, over the exercise price is regarded as employee compensation, and recognised on a straight-line basis over the period as expense in the statement of profit and loss over which the employees would become unconditionally entitled to apply for the shares.

1.15 Investments in subsidiaries:

Equity investments in subsidiaries are carried at cost less accumulated impairment losses, if any.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

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1.19 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:
Ind AS 1 - Presentation of Standalone Financial Statements

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

Ind AS 12 - Income Taxes

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

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

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

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Note 2: Critical accounting judgements and key sources of estimation uncertainty

The Company prepares its standalone financial statements in accordance with Ind AS as issued by the MCA, the application of which often requires judgements to be made by management when formulating the Company's financial position and results. The Directors are required to adopt those accounting policies most appropriate to the Company's circumstances for the purpose of presenting fairly the Company's financial position, financial performance and cash flows.

In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the Company should it later be determined that a different choice would be more appropriate.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an explanation of each below. The discussion below should also be read in conjunction with the Company's disclosure of significant accounting policies which are provided in note 1 to the financial statements, 'Significant accounting policies'.

a. **Recognition of deferred tax assets**

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the foreseeable future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

b. **Estimation of useful life**

The useful life used to amortise or depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from the asset. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Statement of Profit and Loss.

The useful lives and residual values of Company's assets are determined by management as per schedule II of the Companies Act, 2013.

c. **Provisions and contingent liabilities**

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

d. **Defined Benefit Plans**

The cost of the defined benefit gratuity plan and other post-employment benefits and present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. **Expected Credit Loss (ECL)**

The Company applies Expected Credit Losses ("ECL") model for measurement and recognition of loss allowance on Trade receivables.

f. **Inventories**

The factors that the Company considers in determining the provision for slow moving, obsolete and other non-saleable inventory include estimated shelf life and ageing of inventory, to the extent each of these factors impact the Company's business. The [illegible] considers all these factors and adjusts the inventory obsolescence to reflect its actual experience on a periodic basis.

g. **Percentage of Completion (POC)**

Revenue for [illegible] contracts is recognised using percentage of completion method. The Company uses judgement in estimating the [illegible] to completion of the contracts which is used to determine degree of completion of the performance obligation.

[illegible]

[illegible]

[illegible]										
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

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[illegible]

Biosciences Ltd

Pune

[illegible]

Pune

[illegible]

[illegible]

Particulars	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
TOTAL	[illegible]	[illegible]
[illegible]		
[illegible]		
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
TOTAL	[illegible]	[illegible]

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[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

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[illegible]

Pune

[illegible]

[illegible]

[illegible] [illegible]

[illegible] [illegible]

[illegible]	[illegible]	As of	
		[illegible]	[illegible]
1	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	Total	[illegible]	[illegible]

[illegible]

[illegible]

[illegible] [illegible]

[illegible]	[illegible]	As of	
		[illegible]	[illegible]
1	[illegible]	[illegible]	[illegible]
2	[illegible]	-	[illegible]
3	[illegible]	[illegible]	[illegible]

[illegible] [illegible]

[illegible]

[illegible]

[illegible]	[illegible]	As of	
		[illegible]	[illegible]
1	[illegible]	[illegible]	[illegible]
2	[illegible]	-	-
3	[illegible]	-	-
4	[illegible]	-	-
5	[illegible]	-	-
6	[illegible]	-	-

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[illegible]
[illegible]

[illegible] Disclosure of Employee Benefits [illegible]

[illegible]

[illegible]

[illegible] (Rs. million)

Particulars	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

(Rs. million)

Sr. No.	Particulars	[illegible]	[illegible]
I	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
II	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
III	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
IV	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
V	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

	[illegible]		[illegible]	
	Increase	Decrease	Increase	Decrease
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

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[illegible]

[illegible]

Maturity Profile of Defined Benefit Obligation

[illegible]

Particulars	[illegible]	[illegible]
Year 1	[illegible]	[illegible]
Year 2	[illegible]	[illegible]
Year 3	[illegible]	[illegible]
Year 4	[illegible]	[illegible]
Year 5	[illegible]	[illegible]
Years 6 to 10	[illegible]	[illegible]
Above 10 Years	[illegible]	[illegible]

[illegible] Earnings per share (EPS)

Particulars			Year ended [illegible]	Year ended [illegible]
Profit (loss) after tax attributable to equity shareholders	[illegible]	[illegible]	[illegible]	[illegible]
Number of equity shares at the beginning of the year	Nos.		[illegible]	[illegible]
Equity shares issued during the period	Nos.		[illegible]	[illegible]
Number of equity shares outstanding at the end of the year	Nos.		[illegible]	[illegible]
Weighted average number of equity shares outstanding during the period (Basic)	Nos.	[illegible]	[illegible]	[illegible]
Basic earnings per equity share [illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Weighted average number of equity shares outstanding during the period (Diluted)	[illegible]	[illegible]	[illegible]	[illegible]
Diluted earnings per equity share [illegible]			[illegible]	[illegible]

[illegible]

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[illegible] LIMITED

NOTES ANNEXED TO STANDALONE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH [illegible]

[illegible] Disclosure as per Indian Accounting Standard 116 on Leases

(Rs. million)

i. Right-of-use assets	As at 31 March, [illegible]	As at 31 March, [illegible]
	Land and Buildings	Land and Buildings
Opening Balance	[illegible]	[illegible]
Amortisation charge for the year	[illegible]	[illegible]
Additions to right-of-use assets	-	-
Deletions / Adjustments of right of use assets, net	[illegible]	-
Carrying amount of right-of-use assets as at 31 March [illegible]	[illegible]	[illegible]

(Rs. million)

ii. Lease liability	As at 31 March, [illegible]	As at 31 March, [illegible]
Maturity analysis of lease liability - contractual undiscounted cash flows		
Less than one year	[illegible]	[illegible]
One to five years	[illegible]	[illegible]
More than five years	[illegible]	[illegible]
Total undiscounted cash flows	[illegible]	[illegible]
Current	[illegible]	[illegible]
Non-current	[illegible]	[illegible]

iii. Lease arrangements in profit or loss	For the year 31 March, [illegible]	For the year 31 March, [illegible]
Amortisation and impairment expenses		
Amortisation of right of use lease asset	[illegible]	[illegible]
Finance cost		
Interest expense on lease liability	[illegible]	[illegible]
	[illegible]	[illegible]

(Rs. million)

iv. Amount recognised in statement of cash flows	As at 31 March, [illegible]	As at 31 March, [illegible]
Principal element of lease cash outflow for long term leases	[illegible]	[illegible]
Interest element of lease cash outflow for lease arrangements	[illegible]	[illegible]
Total cash outflow for leases	[illegible]	[illegible]

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[illegible] Employee share-based payment plans

As at 31 March, [illegible], the Company has following share based payment arrangements for employees:
ESOS 2016
The Scheme shall be called [illegible] Employee Stock Option Scheme 2016 ("ESOS 2016"/"Scheme")

[illegible]

The terms and conditions related to the grant of the above options are as follows:

1

Date of Grant	[illegible]
Exercise price per Option	Rs. [illegible]
Number of Options granted	[illegible]
Exercise period	Shall be 2 years from the date of respective vesting. The Board in its meeting on [illegible] November [illegible] have approved the following changes: i. The Exercise Period, for the unexercised Options as on [illegible] November [illegible], shall be until liquidity event from the date of respective vesting of Options. ii. This shall not apply to the Options that have been already Exercised or have Lapsed or not Granted as on [illegible] November [illegible]. iii. The Options shall be deemed to have been exercised when an Employee makes an application in writing to the Company or by any other means as decided by the Board, for the issuance of Equity Shares against the Options vested in him, subject to Applicable Laws. Liquidity event is defined as: a. An IPO b. Strategic sale of part of business / control to third party c. Substantial change in shareholding / management d. Merger with another entity
Vesting Period	[illegible] years from the date of grant as stated below
Vesting Schedule	As mentioned below

Vesting schedule		
End of vesting period	Vesting period after the date of grant	Vesting based on time
[illegible]	1 year from the date of grant	[illegible]
[illegible]	2 years from the date of grant	[illegible]
[illegible]	3 years from the date of grant	[illegible]
[illegible]	4 years from the date of grant	[illegible]
[illegible]	5 years from the date of grant	[illegible]
	Total	100%

2

Date of Grant	[illegible]
Exercise price per Option	Rs. [illegible]
Number of Options granted	[illegible]
Exercise period	Shall be 2 years from the date of respective vesting. The Board in its meeting on [illegible] November [illegible] have approved the following changes: i. The Exercise Period, for the unexercised Options as on [illegible] November [illegible], shall be until liquidity event from the date of respective vesting of Options. ii. This shall not apply to the Options that have been already Exercised or have Lapsed or not Granted as on [illegible] November [illegible]. iii. The Options shall be deemed to have been exercised when an Employee makes an application in writing to the Company or by any other means as decided by the Board, for the issuance of Equity Shares against the Options vested in him, subject to Applicable Laws. Liquidity event is defined as: a. An IPO b. Strategic sale of part of business / control to third party c. Substantial change in shareholding / management d. Merger with another entity
Vesting Period	[illegible] years from the date of grant as stated below
Vesting Schedule	As mentioned below

Vesting Schedule		
End of vesting period	Vesting period after the date of grant	Vesting based on time
[illegible]	[illegible] year from the date of grant	[illegible]

Pune

27-Jun-21	3 years from the date of grant	25%
27-Jun-22	4 years from the date of grant	25%
27-Jun-23	5 years from the date of grant	25%
	Total	100%

4

Date of Grant	23-May-17
Exercise price per Option	Rs. [illegible]
Number of Options granted	[illegible]
Exercise period	Would be 3 years from the date of respective vesting. The board in its meeting on 9th November 2020 have approved the following changes: i. The Exercise Period, for the unexercised Options as on 9th November 2020, shall be until liquidity event from the date of respective vesting of Options. ii. This shall not apply to the Options that have been already Exercised or have Lapsed or been Expired as on 9th November 2020. iii. The Options shall be deemed to have been exercised when an Employee makes an application in writing to the Company or by any other means as decided by the Board, for the issuance of Equity Shares against the Options vested in him, subject to Applicable Laws. * Liquidity event is defined as a. An IPO b. Strategic sale of part of business / control to third party c. Substantial change in shareholding / management d. Merger with another entity
Vesting Period	1 to 5 years from the date of grant as stated below
Vesting Schedule	As mentioned below

Vesting Schedule		
End of vesting period	Vesting period after the date of grant	Vesting Percent (% OS)
23-May-18	1 year from the date of grant	5%
23-May-19	2 years from the date of grant	20%
23-May-20	3 years from the date of grant	25%
23-May-21	4 years from the date of grant	25%
23-May-22	5 years from the date of grant	25%
	Total	100%

ESOP 2022

[illegible] Employee Stock Option Plan ("ESOP 2022")
ESOP 2022 is established with effect from 24th February 2022, on which the shareholders have approved the Plan by way of a Special Resolution and shall continue to be in force until its termination by the Board/ the Company/ the Committee. The plan entitles the employees who as may be decided by the Committee at its own discretion to participate in this option plan to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled by crediting the shares in their Demat account.

Reconciliation of outstanding share options

Particulars	Number of Options	
	31 March, 2023	31 March, 2022
Outstanding at the start	53,200	1,08,400
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	55,200
Lapsed during the year	-	-
Outstanding at 31st March	53,200	53,200

1. The estimated grant-date fair value of Stock options granted under ESOS 2016 (I) plan is Rs. 83.94
2. The estimated grant-date fair value of Stock options granted under ESOS 2016 (II) plan is Rs. 147.43
3. The estimated grant-date fair value of Stock options granted under ESOS 2016 (III) plan is Rs. 75.48

The fair values are measured based on the Black-Scholes-Merton formula. Expected volatility as input in this formula, is estimated by considering historical average of share price volatility of peer companies. The inputs used in the measurement of grant-date fair values are as follows:

Particulars	ESOS 2016 (I)	ESOS 2016 (II)	ESOS 2016 (III)
Fair Value of Equity Share	100	100	100
Continuous Risk Free Interest Rate	7.10%	7.10%	7.50%
Expected volatility	11.83%	11.83%	11.83%

Pune

[illegible] LIMITED
NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[illegible] Information on related party transactions as required by Indian Accounting Standard 24 (Ind AS 24) on related party disclosures for the year ended 31 March, 2022

List of related parties and their relationship

a Holding Company

Name of the Corporation	Country of Incorporation
[illegible] Laboratories Limited	India

b

Subsidiary Company	Country of Incorporation
[illegible] INC	United States of America

c Fellow Subsidiaries

Name of the Corporation	Country of Incorporation
[illegible] Pharmaceuticals Pvt Ltd	India
[illegible] Health Specialities Pvt Ltd	India
[illegible] Foundation	India
[illegible] Private Limited	India
The PharmaNetwork, LLC	United States of America
Accord Laboratories, LLC (Wholly owned by The PharmaNetwork, LLC)	United States of America
[illegible] Pharma LLC (Wholly owned by The PharmaNetwork, LLC)	United States of America
[illegible] Pharma Inc (wholly owned subsidiary of The PharmaNetwork, LLC) [illegible] January 2022, dissolved on [illegible] January 2022	United States of America
Accord Laboratories, [illegible]	United Kingdom
[illegible] Holdings B.V.	Netherlands
Pharmacor Pty Limited	Australia
Accord Laboratories PTY Limited	South Africa
Accord Laboratories S.A. DE C.V. (Wholly owned by [illegible]) [illegible] 2021)	Mexico
The PharmaNetwork LLP	Kazakhstan
Accord Laboratories SpA	Chile
Pharma Network SpA (Wholly owned by Accord Laboratories SpA)	Chile
Accord Laboratories Corporation	Philippines
Accord GmbH	Germany
Accord Laboratories [illegible]	Malaysia
[illegible]	Korea
Pharmacor Ltd	Kenya
[illegible] LLP (up to 11 September 2020)	India
Accord Laboratories SAS	Colombia
Pharmacor Limited (Wholly owned subsidiary of Pharmacor Pty Limited) (w.e.f. 1 June 2020)	New Zealand

d Key Management Personnel ("KMP")

[illegible]	Director
[illegible]	Director
[illegible]	Director
[illegible]	Whole-time Director & CEO
[illegible]	Independent Director
[illegible]	Independent Director
[illegible]	Non - Executive Nominee Director
[illegible]	Chief Financial Officer
[illegible]	Company Secretary

Pune

[illegible] LIMITED

NOTES [illegible] FOR THE YEAR ENDED 31 MARCH, 2022

[illegible] Key Management Personnel ("KMP") [illegible]

[illegible]

Details of transactions with related parties

(Rs. million)

Sr. No.	Particulars	Year ended 31 March, 2022				
		Holding Company	Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Total
		[illegible]		[illegible]	[illegible]	
1	Remuneration #	-		37.3	4.2	45.4
		-		(26.7)	(1.5)	[illegible]
2	Sale of Goods	408.9		-	-	408.9
		(358.1)		-	-	(358.1)
3	[illegible]	138.7		-	-	138.7
		(202.4)		-	-	(202.4)
4	[illegible] Sales	154.0		-	-	154.0
				-	-	-
5	[illegible]	-		-	-	-
		(59.0)		-	-	(59.0)
6	Reimbursement of expenses		18.4	-	-	18.4
		(18.0)		-	-	(18.0)
7	Sale of R&D Samples	-		-	-	-
		(0.4)		-	-	[illegible]
8	Royalty	14.4		-	-	14.4
		(3.4)		-	-	(3.4)
9	[illegible] purchase	8.8		-	-	8.8
		-		-	-	-
10	Other Payable	1.8				
11	Equity infusion	2,300	5.0	-	-	2,304
		(759.4)	-	(8.6)	-	(759.8)

[illegible]

[illegible]

[illegible]

Key management personnel compensation

Key management personnel compensation comprised the following: (Rs. million)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Short-term employee benefits	96.3	80.3
Post-employment benefits	3.1	8.2
Other long term benefits	4.2	8.4
Share Based payment [illegible]	-	4.3
Sitting fees paid to independent director	8.6	8.4

Balance due from / to the related Parties (Rs. million)

Sr. No.	Particulars	As at 31 March, 2022				
		Holding Company	Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Total
1	[illegible]	209.9	53.5	-	-	273.3
		(187.5)		-	-	(187.5)
2	Trade Payable	17.2		-	-	17.2
		(0.4)		-	-	(0.4)

[illegible]

Note:

[illegible] figures of the previous year.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Level 1: [illegible]
Level 2: [illegible]

Level 3: [illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible] LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2021

[illegible] Financial instruments – Fair values and risk management

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

			Contractual cash flows				
31st March, 2021	Carrying amount	Total	3 months or less	3-12 months	1-3 years	3-5 years	More than 5 years
Lease liabilities Non Current	8.8	8.8	-	-	8.8	-	-
Current borrowings	[illegible]	[illegible]	[illegible]	-	-	-	-
Trade and other payables	[illegible]	[illegible]	[illegible]	-	-	-	-
Lease Liabilities - Current	[illegible]	[illegible]	-	[illegible]	-	-	-
Other current financial liabilities	[illegible]	[illegible]	[illegible]	-	-	-	-

			Contractual cash flows				
31st March, 2020	Carrying amount	Total	3 months or less	3-12 months	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities							
Lease liabilities Non Current	[illegible]	[illegible]	-	-	[illegible]	-	-
Current borrowings	[illegible]	[illegible]	[illegible]	-	-	-	-
Trade and other payables	[illegible]	[illegible]	[illegible]	-	-	-	-
Lease Liabilities - Current	[illegible]	[illegible]	-	[illegible]	-	-	-
Other current financial liabilities	[illegible]	[illegible]	[illegible]	-	-	-	-

Pune

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

	[illegible]		
	[illegible]	[illegible]	[illegible]
[illegible]			
[illegible]			[illegible]
			[illegible]
[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]

	[illegible]		
	[illegible]	[illegible]	[illegible]
[illegible]			
[illegible]	[illegible]		[illegible]
	[illegible]		[illegible]
[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]

[illegible]

	[illegible]	
	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Pune

[illegible]

[illegible]

[illegible]

Interest rate risk

[illegible]

Exposure to interest rate risk

[illegible]

	[illegible]	
	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

Sensitivity analysis

	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]

	[illegible]	
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]

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[illegible]

[illegible]

[illegible] Capital Management

[illegible]

[illegible]

[illegible]

Particulars	As at 31 March, [illegible]	As at 31 March, [illegible]
Total Borrowings	[illegible]	[illegible]
Less: Cash and cash equivalent	[illegible]	[illegible]
Adjusted net debt	[illegible]	[illegible]
Total equity	[illegible]	[illegible]
Adjusted net debt to equity ratio	[illegible]	[illegible]

[illegible] Segment Reporting

[illegible]

Pune

[illegible]

[illegible] Payment to auditors (excluding taxes)

(Rs. million)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
As auditor		
Audit fees	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible] Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. [illegible]

D. Tax assets and liabilities

(Rs. million)

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current tax assets (net)	[illegible]	[illegible]

E. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Gross Amount	Unrecognised deferred tax asset	Gross Amount	Unrecognised deferred tax asset
Deductible temporary differences	[illegible]	[illegible]	[illegible]	[illegible]
Tax losses	[illegible]	[illegible]	[illegible]	[illegible]

Tax losses carried forward

(Rs. million)

Particulars	Expiry date	As at 31 March 2023	Expiry date	As at 31 March 2022
Brought forward losses - allowed to carry forward for specified period	[illegible]	[illegible]	[illegible]	[illegible]
Brought forward losses - allowed to carry forward for infinite period		-		[illegible]

F. Reconciliation of effective tax rate

Particulars	%	As at 31 March 2023	As at 31 March 2022
Profit before tax		[illegible]	[illegible]
Tax using the Company's domestic tax rate	[illegible]	-	
			-
[illegible]		[illegible]	
Total tax expense		[illegible]	

[illegible] LIMITED

NOTE 3: NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

3.46 Grant from Biotechnology Industry Research Assistance Council

[illegible]

[illegible]

[illegible]

(Rs. million)

Particulars	As at 31 March 2023	As at 31 March 2022
Current	[illegible]	[illegible]
Non Current	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

3.47 Ratios

Particulars	Numerator	Denominator	Units	As at 31 March 2023	As at 31 March 2022	% Variance
Current Ratio	Current Assets	Current Liabilities	times	[illegible]	[illegible]	[illegible]
Debt-Equity Ratio	Net Debt	Total Equity	times	[illegible]	[illegible]	[illegible]
Interest Coverage Ratio	EBIT	Finance Cost	times	[illegible]	[illegible]	[illegible]
Return on Equity Ratio	PAT	Total Equity	%	[illegible]	[illegible]	[illegible]
Inventory Turnover Ratio	Inventory	Revenue from Operations * 365 days	No of Days	[illegible]	[illegible]	[illegible]
Trade Receivables Turnover Ratio	Trade Receivables	Revenue from Operations * 365 days	No of Days	[illegible]	[illegible]	[illegible]
Trade Payables Turnover Ratio	Trade Payables	Total Purchases * 365 days	No of Days	[illegible]	[illegible]	[illegible]
Net Capital Turnover Ratio	Net Annual Sales	Working Capital	times	[illegible]	[illegible]	[illegible]
Net Profit Ratio	PAT	Revenue from Operations	%	[illegible]	[illegible]	[illegible]
Return on Capital Employed	EBIT	Capital Employed	%	[illegible]	[illegible]	[illegible]
Return on Investment	PAT	Total Assets	%	[illegible]	[illegible]	[illegible]

Commentary on significant changes in Key financials ratios (i.e. changes of 25% or more as compared to the immediately preceding financial year):

Current Ratio: [illegible]

Interest Coverage Ratio: Interest coverage ratio has improved due to decrease in finance cost and also reduction in losses.

Return on Equity Ratio: [illegible]

Inventory Turnover Ratio: [illegible]

Trade Receivables Ratio: [illegible]

Net Capital Turnover Ratio: [illegible]

Net Profit Ratio: [illegible]

Return on Capital Employed/ROCE: [illegible]

Return on Investment: [illegible]

3.48 [illegible]

[illegible]

As per our Report of even date
For [illegible]
Chartered Accountants
Firm Registration No: [illegible]

[illegible]
Partner
Membership No: [illegible]
Mumbai
Date: [illegible] May 2023

For and on behalf of the Board
For [illegible] Limited
CIN No: [illegible]

[illegible]
Director
DIN No: [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Director
DIN No: [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Chief Financial Officer
Pune
Date: [illegible] May 2023

[illegible]
Company Secretary
Pune
Date: [illegible] May 2023

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai – 400063, India
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Fax: +91 (22) 6257 1010

Independent Auditors' Report

To the Members of Enzene Biosciences Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Enzene Biosciences Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, 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.

Report on Other Legal and Regulatory Requirements

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

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

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

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

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

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

   e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

   a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 3.28 to the standalone financial statements.

   b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

   d (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 3.42 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 3.42 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) 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), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. 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 remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Date: 22 May 2023

Membership No.: 111410

ICAI UDIN:23111410BGYAUS7843

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Enzene Biosciences Limited for the year ended 31 March 2023

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

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

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

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

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

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

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and provided advances in the nature of loans, in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties. The Company has not given any advances in the nature of loans to companies, firms and limited liability partnership.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided advances in the nature of loans as below:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Enzene Biosciences Limited for the year ended 31 March 2023 (Continued)

Particulars	Advances in nature of loans (Rs. in million)
Others - Aggregate amount given during the year	4.52
Others - Balance outstanding as at balance sheet date of the above	2.69

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of advances in the nature of loans given, in our opinion the repayment has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of advances in the nature of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods (and/or services provided by it) and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Enzene Biosciences Limited for the year ended 31 March 2023 (Continued)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Value Added Tax, Service Tax, Duty of Customs, Duty of Excise or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Value Added Tax, Service Tax, Duty of Customs, Duty of Excise or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in million)	Amount paid under dispute	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	34.1	9.7	FY 2015 -16 and 2016-17	Commissioner of Income Tax Appeals
Karnataka Value Added Tax Act, 2003	Value Added Tax	22.6	6.8	FY 2015 -16 and 2016-17	Joint Commissioner of Commercial Taxes, Appeals

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

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

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Eruzne Biosciences Limited for the year ended 31 March 2023 (Continued)

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities.

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not issued fully or partly convertible debentures during the year. In our opinion, in respect of private placement and preferential allotment of equity shares made during the year, the Company has duly complied with the requirements of Section 42 and 62 of the Act. The proceeds from issue of equity shares have been partially utilised for the purposes raised and the balance is held by the Company in deposits with banks as at 31 March 2023.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Establishment of vigil mechanism is not mandated for the Company. We have taken into consideration the whistle blower complaints received under the vigil mechanism established voluntarily by the Company during the year and shared with us while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Hence clauses 3(xiv)(a) and (b) are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

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

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

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Eruzone Biosciences Limited for the year ended 31 March 2023 (Continued)

within the Group.

(xvii) The Company has incurred cash losses of Rs 270.2 million in the current financial year and Rs 301.1 million in the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Date: 22 May 2023

Membership No.: 111410

ICAI UDIN: 23111410BGYAUS7843

Annexure B to the Independent Auditor's Report on the standalone financial statements of Enzene Biosciences Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Enzene Biosciences Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to

Annexure B to the Independent Auditor's Report on the standalone financial statements of Enzene Biosciences Limited for the year ended 31 March 2023 (Continued)

provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Date: 22 May 2023

Membership No.: 111410

ICAI UDIN:23111410BGYAUS7843

CONSOLIDATED FINANCIAL STATEMENTS
BALANCE SHEET AS AT 31 MARCH, [illegible]

(Rs. in [illegible])

Particulars	Note No.	As at 31 March, [illegible]	As at 31 March, [illegible]
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	[illegible]	[illegible]	[illegible]
(b) Capital work-in-progress	[illegible]	[illegible]	[illegible]
(c) Right of use assets	[illegible]	[illegible]	[illegible]
(d) Intangible assets	[illegible]	7.4	[illegible]
(e) Financial assets			
Other financial assets	[illegible]	[illegible]	-
(f) Deferred tax assets (net)	[illegible]	[illegible]	-
(g) Non-current tax assets (net)	[illegible]	[illegible]	[illegible]
(h) Other non-current assets	[illegible]	[illegible]	[illegible]
Total Non-current assets		[illegible]	[illegible]
2 Current assets			
(a) Inventories	[illegible]	[illegible]	[illegible]
(b) Financial Assets			
(i) Trade receivables	[illegible]	[illegible]	[illegible]
(ii) Cash and cash equivalents	[illegible]	[illegible]	[illegible]
(iii) Bank balances other than (ii) above	[illegible]	[illegible]	[illegible]
(iv) Loans	[illegible]	[illegible]	[illegible]
(v) Other current financial assets	[illegible]	[illegible]	[illegible]
(c) Other current assets	[illegible]	[illegible]	[illegible]
Total Current assets		[illegible]	[illegible]
TOTAL ASSETS		[illegible]	[illegible]
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Share capital	[illegible]	[illegible]	[illegible]
(b) Other equity (Refer statement of changes in equity)		[illegible]	[illegible]
Total Equity		[illegible]	[illegible]
2 Non-Current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	[illegible]	[illegible]	[illegible]
(b) Provisions	[illegible]	[illegible]	[illegible]
(c) Other Non-current liabilities	[illegible]	[illegible]	[illegible]
Total Non-Current liabilities		[illegible]	[illegible]
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	[illegible]	[illegible]	[illegible]
(ii) Lease Liabilities	[illegible]	[illegible]	[illegible]
(iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises	[illegible]	[illegible]	[illegible]
(b) Total Outstanding dues of creditors other than micro and small enterprises	[illegible]	[illegible]	[illegible]
(iv) Other financial liabilities	[illegible]	[illegible]	[illegible]
(b) Other current liabilities	[illegible]	[illegible]	[illegible]
(c) Provisions	[illegible]	[illegible]	[illegible]
Total Current liabilities		[illegible]	[illegible]
TOTAL EQUITY AND LIABILITIES		[illegible]	[illegible]

Significant Accounting Policies	[illegible]
Critical accounting judgements and key sources of estimation uncertainty	2
Notes to Accounts	3

The accompanying notes are an integral part of these financial statements.

As per our Report of even date
For [illegible] LLP
Chartered Accountants
Firm's Registration No. [illegible]

[illegible]
Partner
Membership No. [illegible]
Mumbai
Date: [illegible]

For and on behalf of the Board
For [illegible] Limited
CIN No. [illegible]

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible]

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible]

[illegible]
Chief Financial Officer
Pune
Date: [illegible]

[illegible]
Company Secretary
Pune
Date: [illegible]

CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2023

(Rs. in [illegible])

Particulars	Note No.	For the year ended 31 March, 2023	For the year ended 31 March, 2022
1 Income			
(a) Revenue from operations	[illegible]	[illegible]	875.1
(b) Other income	[illegible]	78.8	[illegible]
Total Income		[illegible]	[illegible]
2 Expenses			
(a) Cost of materials consumed	[illegible]	[illegible]	[illegible]
(b) Changes in inventories of work-in-progress	[illegible]	[illegible]	[illegible]
(c) Employee benefits expense	[illegible]	[illegible]	[illegible]
(d) Finance costs	[illegible]	[illegible]	[illegible]
(e) Depreciation and amortisation expenses	[illegible]	[illegible]	[illegible]
(f) Contract research and development expenses		[illegible]	[illegible]
(g) Other expenses	[illegible]	[illegible]	[illegible]
Total Expenses		[illegible]	[illegible]
3 Profit/(Loss) before tax (1 - 2)		[illegible]	[illegible]
4 Tax expense			
(a) Current tax		-	-
(b) Deferred tax	[illegible]	[illegible]	-
Total Tax Expense		[illegible]	-
5 Profit/(Loss) for the year (3 - 4)		[illegible]	[illegible]
6 Other Comprehensive Income/(Expense)			
(a) Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit plans			
Tax on Remeasurements of defined benefit plans		[illegible]	[illegible]
Total of Other Comprehensive Income/(Expense) for the year, net of tax		[illegible]	[illegible]
7 Total Comprehensive Income/(Expense) for the year (5 + 6)		[illegible]	[illegible]
8 Basic earnings per share	[illegible]	[illegible]	[illegible]
9 Diluted earnings per share	[illegible]	[illegible]	[illegible]

Significant Accounting Policies [illegible]
Critical accounting judgements and key sources of estimation uncertainty [illegible]
Notes to Accounts [illegible]

The accompanying notes are an integral part of these financial statements.

As per our Report of even date
For [illegible]
Chartered Accountants
Firm's Registration No. [illegible]

[illegible]
Partner
Membership No. [illegible]
Mumbai
Date: [illegible] May 2023

For and on behalf of the Board,
[illegible] Limited
CIN No. [illegible]

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

[illegible] Singh
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Chief Financial Officer
Pune
Date: [illegible] May 2023

[illegible]
Company Secretary
Pune
Date: [illegible] May 2023

[illegible] LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH [illegible]

(a) Share capital (Rs. million)

	Equity share capital		Preference share capital	
	Number	Rs.	Number	Rs.
Balance as at 01 April [illegible]	[illegible]	[illegible]	-	-
Issue of share capital	[illegible]	[illegible]	-	-
Balance as at 31 March [illegible]	[illegible]	[illegible]	-	-
Issue of share capital	[illegible]	[illegible]	[illegible]	[illegible]
Balance as at 31 March [illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(b) Other Equity (Rs. million)

Particulars	Share Application Money pending allotment	General Reserve	Share Option Outstanding account	Securities Premium	Retained Earnings	Total other equity
Balance at 1 April [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total comprehensive income						
Loss for the year					[illegible]	[illegible]
Other comprehensive loss					[illegible]	[illegible]
ESOP expensed during the year			[illegible]			[illegible]
Added/(Deleted) during the year	[illegible]	-	[illegible]	[illegible]		[illegible]
Transfer to General Reserve			-			-
Share Application money [illegible]	-	-	-	-	-	-
Balance at 31 March [illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total comprehensive income						
Loss for the year	-	-	-	-	[illegible]	[illegible]
Other comprehensive income	-	-	-	-	[illegible]	[illegible]
ESOP expensed during the year	-	-	-	-	-	-
Equity shares - Added/(Deleted) during the year	-	-	[illegible]	[illegible]	-	[illegible]
Preference shares - Added/(Deleted) during the year				[illegible]		[illegible]
Transfer to General Reserve	-	-	-		-	-
Balance at 31 March [illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

# Denotes amount less than one million

Description of the nature and purpose of each reserve within equity

Share application money pending allotment: [illegible] ESOP [illegible]

General Reserve: General reserve [illegible] ESOP [illegible]

Share option outstanding account (ESOP): [illegible]
[illegible]

Securities Premium: Securities premium is credited when shares are issued at a premium. [illegible] Companies Act, 2013 [illegible]

Retained Earnings: [illegible]

The accompanying notes are an integral part of these financial statements.

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. [illegible]

[illegible]
Partner
Membership No. [illegible]
[illegible]
Date: [illegible]

For and on behalf of the Board
[illegible] Limited
CIN No: [illegible]

[illegible]
Director
DIN No.: [illegible]
Pune
Date: [illegible]

[illegible]
Director
DIN No.: [illegible]
Pune
Date: [illegible]

[illegible]
Chief Financial Officer
Pune
Date: [illegible]

[illegible]
Company Secretary
Pune
Date: [illegible]

[illegible] LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2023

(Rs million)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
A. Cash flow from operating activities		
Net loss before tax	[illegible]	[illegible]
Adjustment for:		
Depreciation and amortisation expenses	[illegible]	[illegible]
Unrealised (gain)/loss	[illegible]	[illegible]
Loss on sale/discard/write-off of property, plant and equipment (net)	[illegible]	[illegible]
Finance cost	13.4	8.9
Government grant amortisation	8.2	
Interest received	[illegible]	[illegible]
Subtotal of adjustments	[illegible]	[illegible]
Operating profit before working capital changes	[illegible]	[illegible]
Adjustment for:		
Decrease / (increase) in loans	[illegible]	[illegible]
Decrease / (increase) in inventories	[illegible]	[illegible]
Decrease / (increase) in other financial assets and other assets	[illegible]	[illegible]
(Increase) / Decrease in trade receivables	[illegible]	[illegible]
(Decrease) / Increase in trade payable	[illegible]	[illegible]
(Decrease) / Increase in other financial liabilities and other liabilities	[illegible]	[illegible]
Increase / (Decrease) in provisions	7.7	[illegible]
Subtotal of adjustments	[illegible]	[illegible]
Cash used in operations	[illegible]	[illegible]
Less: Direct taxes paid	[illegible]	[illegible]
Net Cash used in operating activities	[illegible]	[illegible]
B. Cash flow from investing activities		
Purchases of property, plant and equipment including CWIP	[illegible]	[illegible]
Redemption of / (investments in) bank deposits	[illegible]	[illegible]
Interest received	47.1	[illegible]
Interest accrued on Deposit	[illegible]	
Investments in subsidiary	-	-
Net cash used in investing activities	[illegible]	[illegible]
C. Cash flow from financing activities		
Repayment of lease liabilities	[illegible]	[illegible]
Repayment of borrowings	[illegible]	[illegible]
Proceeds from issue of shares	[illegible]	[illegible]
Interest paid	[illegible]	[illegible]
Net Cash (used)/ generated from financing activities	[illegible]	[illegible]
D. Net increase/(decrease) in Cash & cash equivalents (A+B+C)	[illegible]	[illegible]
E. Cash & cash equivalents as at 1 April, 2022	[illegible]	[illegible]
F. Cash & cash equivalents as at 31 March, 2023 (D+E) (Refer note [illegible])	[illegible]	[illegible]

Notes:
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) on Cash Flow Statement.
2) Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.
3) Debt reconciliation in accordance with Ind AS 7:

(Rs million)

Particulars	Borrowings
As at 1 April 2021	[illegible]
Cash flows from borrowing during the year	[illegible]
As at 31 March 2022 (Refer note [illegible])	[illegible]
Cash flows from borrowing during the year	[illegible]
As at 31 March 2023 (Refer note [illegible])	[illegible]

The accompanying notes are an integral part of financial statements.

As per our Report of even date
For [illegible] & Co. LLP
Chartered Accountants
Firm's Registration No. [illegible]

[illegible]
Partner
Membership No. [illegible]
Mumbai
Date: [illegible] May 2023

For and on behalf of the Board
For [illegible] Limited
CIN No. [illegible]

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Director
DIN No. [illegible]
Pune
Date: [illegible] May 2023

[illegible]
Chief Financial Officer
Pune
Date: [illegible] May 2023

[illegible]
Company Secretary
Pune
Date: [illegible] May 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2023

1a General Information

Enzene Biosciences Limited ('the Company') was incorporated in 2005 under the provisions of Companies Act 1956. The Company is domiciled in India with its registered office address being Plot No. A 23, [illegible] Chakan Industrial Area, Phase 2, Waghe[illegible], Chakan, Pune 410501, Maharashtra, India. The Company is engaged in the business of research & development of biotechnology products and has started commercial manufacturing of biosimilar and pharmaceutical products in FY 2021-22 and also provides contract development and manufacturing services.

1b Basis of Preparation

a) The consolidated financial statements of the Company as at and for the year ended 31 March 2023 have been prepared in accordance with Indian Accounting standards (Ind AS) notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Act.

The consolidated financial statements are rounded off to Indian Rupees in Million, except for share data and per share data, unless otherwise stated.

The consolidated financial statements are authorised for issue by the Board of Directors of the Company at its meeting held on 22 May 2023.

b) The consolidated financial statements of the Company as at and for the year ended 31st March, 2023 have been prepared in accordance with Indian Accounting standards (Ind AS) notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (As amended) and the relevant provisions of the Act.

c) The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) It is expected to be settled in normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is due to be settled within twelve months after the reporting period,

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) **Basis of measurement**

These consolidated financial statements are prepared under historical cost convention except for provision for defined benefit obligations and certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies in 1C.

e) **Presentation of [illegible] Financial Statements**

[illegible] statements are presented in Indian rupees, which is the functional currency of the Company [illegible] economic environment in which the Company operates.

Pune

1C Significant accounting policies

1.1 Property, plant and equipment ("PPE")

[illegible]

[illegible]

1.2 Intangible assets

i) Recognition and measurement

Research and development	[illegible]
Other intangible assets	[illegible]

1.3 Depreciation and amortisation

[illegible]

Tangible assets	Useful life
Leasehold Land	Amortised over the period of Lease
Building	[illegible]
Plant and Machinery	1 Year to 20 Years
Furniture and Fixtures	[illegible]
Office Equipments	3 Years to 5 Years

Intangible assets	Useful life
Computer Software	[illegible]

1.4 Impairment of assets

[illegible]

1.7 Leases:

The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset;
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend the lease before the end of the lease term, but the renewal option has not been added to the lease term since the option to renew the lease lies with both the lessee and the lessor.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using discount rates generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the consolidated Balance Sheet.

1.8 Financial Instruments:

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised on trade date, the date on which the Company commits to purchase or sell the financial asset. However trade receivables that do not contain a significant financing component are measured at transaction price.

(a) Financial assets

The Company determines the classification of its financial assets at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

<u>The financial assets are classified in the following measurement categories:</u>
a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
b) Those to be measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in consolidated statement of profit and loss and other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.
At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in consolidated statement of profit and loss as incurred.
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

The Company follows trade date accounting for all regular way purchase or sale of financial assets.

(i) Amortised cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

a) The asset is held within a business model with the objective of collecting the contractual cash flows, and

b) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortised cost include loans receivable, trade and other receivables, and other financial assets that are held with the objective of collecting contractual cash flows. After initial measurement at fair value, the consolidated financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the Statement of Profit or Loss in other income.

(ii) Fair value through other comprehensive income

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

(iii) Financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss:

a) Debt investments that do not qualify for measurement at amortised cost;

b) Debt investments that do not qualify for measurement at fair value through other comprehensive income; and

c) Debt investments that have been designated at fair value through profit or loss.

Financial assets at fair value through profit or loss include financial assets held for trading, debt securities and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value presented as finance costs in profit or loss. Interests, dividends and gain/loss on foreign exchange on financial assets at fair value through profit or loss are included separately in other income.

If Company elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments shall continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. There are no impairment requirements for equity investments measured at fair value through other comprehensive income. Changes in the fair value of financial assets at fair value through profit or loss shall be recognised in other gain/(losses) in the statement of profit or loss as applicable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of Financial Assets

Credit risk exposure

a) Financial assets that are debt instruments and are measured at amortised cost e.g., loans, deposits, and bank balance.

b) Trade receivables or any contractual right to receive cash or other financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

Expected credit losses is the probability-weighted estimate of credit losses (i.e. present value of all cash shortfalls) over the expected life of the financial asset. A cash shortfall is the difference between the cash flows that are due in accordance with the contract and the cash flows that the company expects to receive. The expected credit losses consider the amount and timing of payments and hence, a credit loss arises even if the Company expects to receive the payment in full but later than when contractually due. The expected credit loss method requires to assess credit risk, default and timing of collection since initial recognition. This requires recognising allowance for expected credit losses in profit or loss even for receivables that are newly originated or acquired.

Impairment of financial assets is measured as either 12 month expected credit losses or life time expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. '12 month expected credit losses' represent the expected credit losses resulting from default events that are possible within 12 months after the reporting date. 'Lifetime expected credit losses' represent the expected credit losses that result from all possible default events over the expected life of the financial asset.

Trade receivables are of a short duration, normally less than 12 months and hence the loss allowance measured as lifetime expected credit losses does not differ from that measured as 12 month expected credit losses. The Company uses the practical expedient in Ind AS 109 for measuring expected credit losses for trade receivables using a provision matrix based on ageing of receivables.

The Company uses historical loss experience and derived loss rates based on the past twelve months and adjusts the historical loss rates to reflect the information about current conditions and reasonable and supportable forecasts of future economic conditions. The loss rates differ based on the ageing of the amounts that are past due and are generally higher for those with the higher ageing.

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate (EIR), which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original EIR of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original EIR.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(b) Financial liabilities

The Company determines the classification of its financial liabilities at initial recognition.

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Pune

Initial recognition and measurement

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. At initial recognition, the Company measures financial liabilities at its fair value. Financial liabilities at fair value through profit and loss are carried in the consolidated Balance Sheet at fair value with changes recognised in the consolidated statement of Profit and Loss.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:
i) Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
ii) The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;
or
iii) It forms part of a contract containing one or more embedded derivatives, and IND AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with IND AS 109.

The Company has issued CCPS which contain embedded derivatives. These CCPS are measured at fair value through profit or loss. Any coupon or dividend payments will be recorded as a finance cost in the consolidated statement of profit or loss.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. At initial recognition, the Company measures financial liabilities at its fair value. Financial liabilities at fair value through profit and loss are carried in the Balance Sheet at fair value with changes recognised in the Statement of Profit and Loss.

Financial liabilities measured at amortised cost

Financial liabilities are initially recognised at fair value, net of transaction cost incurred and are subsequently measured at amortised cost, using the EIR method. Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the consolidated Statement of Profit and Loss.

(iii) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the consolidated Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counter party.

(iv) **Equity instruments**

Equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issuance costs.

Pune

1.8 Inventories:

a) Raw materials and packing materials are valued at cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. If the decline in price of materials indicate that the cost of finished goods exceeds net realisable value, the materials are written down to net realisable value. Cost is calculated on moving weighted average basis.

b) Finished goods and work-in-progress are valued at lower of cost and net realisable value. In respect of finished goods & work in progress, cost includes materials, appropriate share of utilities, other overheads and non refundable taxes. Trading Goods are valued at lower of cost (on moving weighted average basis) and net realisable value. Cost of inventories comprises all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

c) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

1.9 Revenue recognition

Revenue from sale of products

a) Revenue from sale of products is recognised when the Company satisfies a performance obligation upon transfer of control of products to customers at the time of shipment. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts etc. all of which are established at the time of sale.

Contract development and manufacturing services income

a) The Company derives revenues from contract development and manufacturing services.

b) Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company is expected to receive in exchange for those services. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service.

c) Invoices are issued as per the general business terms and are payable in accordance with the contractually agreed credit period.

d) Revenue is recognised based on the percentage of completion method.

e) The consideration received by the Company in exchange for its goods may be fixed or variable. Variable consideration is only recognised when it is considered highly probable that a significant revenue reversal will not occur once the underlying uncertainty related to variable consideration is subsequently resolved.

f) Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

g) Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

The Company assesses promises in the contract that are separate performance obligations to which a transaction price is allocated.

1.10 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in statement of profit and loss. Non-monetary items that are measured based on [illegible] cost in a foreign currency are not translated.

Pune

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, [illegible]

1.11 Employee benefits:

a) Post Employment Benefits and Other Long Term Benefits

i) Defined Contribution Plan

Company's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to the Statement of Profit and Loss.

The Company's contribution towards provident fund and superannuation fund for certain eligible employees are considered to be defined contribution plan for which the Company makes a contribution on a monthly basis.

ii) Defined Benefit and Other Long Term Benefit Plans

Company's liabilities towards defined benefit plans and other long term benefits viz. gratuity and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the statement of other comprehensive income in the period of occurrence of such gains and losses. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any.

b) Short term Employee Benefits

Short term employee benefits are benefits payable and recognised in 12 months. Short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year as the related services are rendered by the employee. These benefits include performance incentives.

1.12 Taxes on Income

Income tax expense represents the sum of the current tax and deferred tax.

Current tax payable or recoverable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Profit and Loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are offset against each other and the resultant net amount is presented in the Balance Sheet, if and only if the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities.

1.13 Borrowing costs:

Borrowing costs are interest and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible Property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the Statement of Profit and Loss of the period in which they are incurred.

1.14 Provisions, contingent liabilities and contingent assets:

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount can not be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

1.15 Earnings per share ('EPS')

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

1.16 Government grants:

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants received in relation to assets are recognised as deferred income and amortised over the useful life of such asset. Government grants, which are revenue in nature are either recognised as income or deducted in reporting the related expense based on the terms of the grant, as applicable.

1.17 Employee stock option scheme:

The excess of fair value of shares, at the date of grant of options under the Employee stock option scheme of the Company, over the exercise price is regarded as employee compensation, and recognised on a straight-line basis over the period as expense in the statement of profit and loss over which the employees would become unconditionally entitled to apply for the shares.

1.18 Investments in subsidiaries:

Equity investments in subsidiaries are carried at cost less accumulated impairment losses, if any.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2023

1.38 Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies(Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:
Ind AS 1 – Presentation of consolidated Financial Statements

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

Ind AS 12 – Income Taxes

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

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

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

Chartered Accountants

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Note 2: Critical accounting judgements and key sources of estimation uncertainty

The Company prepares its consolidated financial statements in accordance with Ind AS as issued by the MCA, the application of which often requires judgements to be made by management when formulating the Company's financial position and results. The Directors are required to adopt those accounting policies most appropriate to the Company's circumstances for the purpose of presenting fairly the Company's financial position, financial performance and cash flows.

In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the Company should it later be determined that a different choice would be more appropriate.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provides an explanation of each below. The discussion below should also be read in conjunction with the Company's disclosure of significant accounting policies which are provided in note 1 to the financial statements, 'Significant accounting policies'.

a. **Recognition of deferred tax assets**

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the foreseeable future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

b. **Estimation of useful life**

The useful life used to amortise or depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from the asset. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Statement of Profit and Loss.

The useful lives and residual values of Company's assets are determined by management as per schedule II of the Companies Act, 2013.

c. Provisions and contingent liabilities

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

d. Defined Benefit Plans

The cost of the defined benefit gratuity plan and other post-employment benefits and present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Expected Credit Loss (ECL)

The Company applies Expected Credit Losses ("ECL") model for measurement and recognition of loss allowance on Trade receivables.

f. Inventories

The factors that the Company considers in determining the provision for slow moving, obsolete and other non-saleable inventory include estimated shelf life, and ageing of inventory, to the extent each of these factors impact the Company's business. The Company considers all these factors and adjusts the inventory obsolescence to reflect its actual experience on a periodic basis.

g. Percentage of completion (POC)

Revenue for fixed price contracts is recognised using percentage of completion method. The Company uses judgement to estimate the future cost to completion of the contracts which is used to determine degree of completion of the performance obligation.

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

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[illegible]

[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Pune

[illegible]

Particulars		[illegible]	[illegible]
[illegible]			
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
		[illegible]	[illegible]
[illegible]			
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
	Total	[illegible]	[illegible]
[illegible]			
[illegible]			
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
	Total	[illegible]	[illegible]

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[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

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[illegible]

[illegible] [illegible]

[illegible]

[illegible]	[illegible]	[illegible]	
		[illegible]	[illegible]
[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	Total	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	
		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

[illegible] [illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	
		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-
[illegible]	[illegible]	-	-
[illegible]	[illegible]	-	-
[illegible]	[illegible]	-	-
[illegible]	[illegible]	-	-

Pune

[illegible]

[illegible] [illegible]

i) [illegible]

[illegible]

[illegible]

Particulars	[illegible]	
	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

ii) [illegible]

[illegible]

a) [illegible]

[illegible]

b) [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Sr. No.	Particulars	[illegible]	[illegible]
I	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
II	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
III	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
IV	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
V	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]

[illegible]

[illegible]

[illegible]

	[illegible]		[illegible]	
	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NOTE 1: NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, [illegible]

Maturity Profile of Defined Benefit Obligation

Expected Future Cashflows

(Rs. million)

Particulars	As at 31 March [illegible]	As at 31 March [illegible]
Year 1	[illegible]	[illegible]
Year 2	[illegible]	[illegible]
Year 3	[illegible]	[illegible]
Year 4	[illegible]	[illegible]
Year 5	[illegible]	[illegible]
Years 6 to 10	[illegible]	[illegible]
Above 10 Years	[illegible]	[illegible]

[illegible] Earnings per share (EPS)

(Rs. million)

Particulars			Year ended 31 March, [illegible]	Year ended 31 March, [illegible]
Profit/(loss) after tax attributable to equity shareholders	in Rs.	A	[illegible]	[illegible]
Number of equity shares at the beginning of the year	Nos.		[illegible]	[illegible]
Equity shares issued during the period	Nos.		[illegible]	[illegible]
Number of equity shares outstanding at the end of the year	Nos.		[illegible]	[illegible]
Weighted average number of equity shares outstanding during the period (Basic)	Nos.	B	[illegible]	[illegible]
Basic earnings per equity share (Rs.) - Face value of Rs. 10 per share	in Rs.	(A / B)	[illegible]	[illegible]
Weighted average number of equity shares outstanding during the period (Diluted)	[illegible]	C	[illegible]	-
Diluted earnings per equity share (Rs.) - Face value of Rs. 10 per share			[illegible]	[illegible]

[illegible]

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[illegible]

[illegible]

[illegible]	As at [illegible]	As at [illegible]
	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]

[illegible]	As at [illegible]	As at [illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible]	For the year [illegible]	For the year [illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

[illegible]	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

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NOTE [illegible] NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH [illegible]

[illegible] Employee [illegible]

As at 31 [illegible], the Company has following share based payment arrangements for employees
[illegible]
[illegible]

[illegible]

The terms and conditions related to the grant of the [illegible] are as follows:

[illegible]	Date of Grant	[illegible]
	Exercise price per Option	[illegible]
	Number of Options granted	[illegible]
	Exercise period	[illegible]
	Vesting Period	[illegible]
	Vesting Schedule	[illegible]

Vesting Schedule		
End of vesting period	Vesting period after the date of grant	Vesting based on ratio
[illegible]	1 year from the date of grant	[illegible]
[illegible]	2 years from the date of grant	[illegible]
[illegible]	3 years from the date of grant	[illegible]
[illegible]	4 years from the date of grant	[illegible]
[illegible]	5 years from the date of grant	[illegible]
	Total	[illegible]

[illegible]	Date of Grant	[illegible]
	Exercise price per Option	[illegible]
	Number of Options granted	[illegible]
	Exercise period	[illegible]
	Vesting Period	[illegible]
	Vesting Schedule	[illegible]

Vesting Schedule		
End of vesting period	Vesting period after the date of grant	Vesting based on ratio
[illegible]	1 year from the date of grant	[illegible]

NOTE [illegible] TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2023

[illegible]	[illegible] years from the date of grant	[illegible]%
[illegible]	[illegible] years from the date of grant	[illegible]%
[illegible]	[illegible] years from the date of grant	[illegible]%
	Total	100%

Date of Grant	[illegible]
Exercise price per Option	Rs. [illegible]
Number of Options granted	[illegible]
Exercise period	Shall be [illegible] years from the date of respective vesting. The Board in its meeting on 9th November 2022 have approved the following changes: a. The Exercise Period for the unexercised Options as on 9th November 2022 shall be until liquidity event from the date of respective vesting of Options. b. This shall not apply to the Options that have been already Exercised or have Lapsed or not Vested as on 9th November 2022. c. The Options shall be deemed to have been exercised when an Employee makes an application in writing to the Company or by any other means as decided by the Board, for the issuance of Equity Shares against the Options vested in him, subject to Applicable Laws. Liquidity event to be defined as: a. An IPO b. Strategic sale of part of business / or stake to third party c. Substantial change in shareholding / management d. Merger with another entity
Vesting Period	1 to 5 years from the date of grant as stated below
Vesting Schedule	As mentioned below

Vesting Schedule		
End of vesting period	Vesting period after the date of grant	Vesting based on time
[illegible]	1 year from the date of grant	[illegible]%
[illegible]	2 years from the date of grant	[illegible]%
[illegible]	3 years from the date of grant	[illegible]%
[illegible]	4 years from the date of grant	[illegible]%
[illegible]	5 years from the date of grant	[illegible]%
	Total	100%

ESOP 2022

Employee Stock Option Plan (ESOP 2022)

ESOP 2022 is established with effect from [illegible] February [illegible], on which the shareholders have approved the Plan by way of a Special Resolution and shall continue to be in force until its termination by the Board / the Company / the Committee. The plan entitles the employees who as may be decided by the Committee at its own discretion to participate in this option plan to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled by crediting the shares in their Demat account.

Reconciliation of outstanding share options

Particulars	Number of Options	
	31 March, 2023	31 March, 2022
Outstanding at 1st April	[illegible]	[illegible]
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	[illegible]
Expired during the year	-	-
Outstanding at 31st March	[illegible]	[illegible]

1. The estimated grant date fair value of Stock options granted under ESOS [illegible] plan is Rs. [illegible]
2. The estimated grant date fair value of Stock options granted under ESOS [illegible] plan is Rs. [illegible]
3. The estimated grant date fair value of Stock options granted under ESOS [illegible] plan is Rs. [illegible]

The fair values are measured based on the Black-Scholes-Merton formula. Expected volatility, an input to the formula, is estimated by considering historical average of share price volatility of peer companies. The inputs used in the measurement of grant-date fair values are as follows:

Particulars	ESOS [illegible]	ESOS [illegible]	ESOS [illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]%	[illegible]%	[illegible]%
[illegible]	[illegible]%	[illegible]%	[illegible]%

NOTES ANNEXED TO CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2023

[illegible] Information on related party transactions as required by Indian Accounting Standard 24 (Ind AS 24) on related party disclosures for the year ended 31 March, 2023

List of related parties and their relationship

A. Holding Company

Name of the Company	Country of Incorporation
Alkem Laboratories Limited	India

B.

Subsidiary Company	Country of Incorporation
Enzene Inc.	United States of America

C. Fellow Subsidiaries

Name of the Companies	Country of Incorporation
Cachet Pharmaceuticals Pvt. Ltd.	India
Indchemie Health Specialities Pvt. Ltd.	India
Alkem Foundation	India
Connect 2 Clinic Private Limited	India
The PharmaNetwork, LLC	United States of America
Ascend Laboratories, LLC (Wholly owned by The PharmaNetwork, LLC)	United States of America
S & B Pharma LLC (wholly owned by The PharmaNetwork, LLC)	United States of America
S & B Pharma Inc. (Wholly owned subsidiary of The PharmaNetwork, LLC from [illegible] January 2023), dissolved on [illegible] January 2023	United States of America
Ascend Laboratories (UK) Ltd.	United Kingdom
S & B Holdings B.V.	Netherlands
Pharmacor Pty Limited	Australia
Ascend Laboratories (PTY) Limited	South Africa
Ascend Laboratories S.A. DE C.V. (Wholly owned by Ascend Laboratories SpA from 1 [illegible] 2022)	Mexico
The Pharma Network, LLP	Kazakhstan
Ascend Laboratories SpA	Chile
Pharma Network SpA (Wholly owned by Ascend Laboratories SpA)	Chile
Alkem Laboratories Corporation	Philippines
Ascend GmbH	Germany
Ascend Laboratories SDN BHD	Malaysia
Alkem Laboratories Korea Inc.	Korea
Pharmacor Ltd.	Kenya
Alkem Real Estate LLP (upto [illegible] September 2022)	India
Ascend Laboratories SAS	Colombia
Pharmacor Limited (Wholly owned subsidiary of Pharmacor Pty Limited (w.e.f. 1 June 2022))	New Zealand

D. Key Managerial Personnel ("KMP")

Basudeo Narain Singh	Director
Sandeep Singh	Director
[illegible]	Director
Himanshu Gadgil	Whole-time Director & CEO
Sangeeta Singh	Independent Director
Radhika Rao	Independent Director
[illegible]	Non - Executive Nominee Director
[illegible]	Chief Financial Officer
[illegible]	Company Secretary

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NOTE [illegible] NOTES TO CONSOLIDATED [illegible] FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2023

[illegible] Relatives of Key Management Personnel ("KMP") with whom transactions have taken place during the year:

[illegible]

Details of transactions with related parties

(Rs. million)

Sr. No.	Particulars	Holding Company	Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Total
		Year ended 31 March, 2023				
1	Remuneration #	-		27.8	5.2	[illegible]
		-		[illegible]	[illegible]	[illegible]
2	Sale of Goods	[illegible]		-	-	[illegible]
		[illegible]		-	-	[illegible]
3	[illegible]	[illegible]		-	-	[illegible]
		[illegible]		-	-	[illegible]
4	CDMO [illegible]	[illegible]		-	-	[illegible]
				-	-	-
5	Deposits on account of [illegible] and Others	-		-	-	-
		[illegible]		-	-	[illegible]
6	Reimbursement of expenses		[illegible]	-	-	[illegible]
		[illegible]		-	-	[illegible]
7	Sale of R&D Samples	-		-	-	-
		[illegible]		-	-	[illegible]
8	Royalty	[illegible]		-	-	[illegible]
		[illegible]		-	-	[illegible]
9	Raw material purchase	[illegible]		-	-	[illegible]
		-		-	-	-
10	Other Payable	[illegible]				
11	[illegible]	[illegible]	[illegible]	-	-	[illegible]
		[illegible]	-	[illegible]	-	[illegible]

Remuneration does not include post employment benefits & other long term benefits

[illegible]

The holding company has given [illegible] 31 March 2023 of Rs [illegible] million (31 March 2022 Rs [illegible] million) [illegible]

Key management personnel compensation

Key management personnel compensation comprised the following:

(Rs. million)

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
Short term employee benefits	[illegible]	[illegible]
Post employment benefits	[illegible]	[illegible]
Other long term benefits	[illegible]	[illegible]
Share Based payment [illegible]	[illegible]	[illegible]
Sitting fees paid to independent directors	-	[illegible]
	[illegible]	[illegible]

Balance (due from / to) the related Parties

(Rs. million)

Sr. No.	Particulars	Holding Company	Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Total
		As at 31 March, 2023				
1	Trade Receivable - Sale of Goods & CDMO	[illegible]	[illegible]	-	-	[illegible]
		[illegible]		-	-	[illegible]
2	Trade Payable	[illegible]		-	-	[illegible]
		[illegible]		-	-	[illegible]

[illegible]

Note:

Figures in [illegible] denote the corresponding figures of the previous year.

Pune

[illegible]

[illegible]

[illegible]								
[illegible]	[illegible]	[illegible]	[illegible]	Total	Level 1	Level 2	Level 3	Total
[illegible]								

[illegible]								
[illegible]	[illegible]	[illegible]	[illegible]	Total	Level 1	Level 2	Level 3	Total
[illegible]								

[illegible]

[illegible]

[illegible]

[illegible]

Level 1 [illegible]
Level 2 [illegible]

Level 3 [illegible]

[illegible]

[illegible]

[illegible]

Particulars	As at [illegible]	As at [illegible]
[illegible]	[illegible]	[illegible]

[illegible]

Pune

NOTES FORMING PART OF CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, [illegible]

[illegible] Financial instruments – Fair values and risk management

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

			Contractual cash flows				
31st March, [illegible]	Carrying amount	Total	3 months or less	3-12 months	1-3 years	3-5 years	More than 5 years
Lease liabilities Non Current	[illegible]	[illegible]	-	-	[illegible]	-	-
Current borrowings	[illegible]	[illegible]	[illegible]	-	-	-	-
Trade and other payables	[illegible]	[illegible]	[illegible]	-	-	-	-
Lease Liabilities - Current	[illegible]	[illegible]	-	[illegible]	-	-	-
Other current financial liabilities	[illegible]	[illegible]	[illegible]	-	-	-	-

			Contractual cash flows				
31st March, [illegible]	Carrying amount	Total	3 months or less	3-12 months	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities							
Lease liabilities Non Current	[illegible]	[illegible]	-	-	[illegible]	-	-
Current borrowings	[illegible]	[illegible]	[illegible]	-	-	-	-
Trade and other payables	[illegible]	[illegible]	[illegible]	-	-	-	-
Lease Liabilities - Current	[illegible]	[illegible]	-	[illegible]	-	-	-
Other current financial liabilities	[illegible]	[illegible]	[illegible]	-	-	-	-

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

	[illegible]		
	EURO	GBP	USD
[illegible]			
[illegible]			[illegible]
	-	-	[illegible]
[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]

	[illegible]		
	EURO	GBP	USD
[illegible]			
[illegible]	[illegible]	-	[illegible]
	[illegible]	-	[illegible]
[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]

[illegible]

	[illegible]	
Rs.	[illegible]	[illegible]
EURO	[illegible]	[illegible]
GBP	[illegible]	[illegible]
USD	[illegible]	[illegible]

Sensitivity analysis

[illegible]

(Rs. million)

	Profit / Loss	
[illegible]	Strengthening	Weakening
[illegible]		
[illegible]		
EURO	[illegible]	[illegible]
GBP	[illegible]	[illegible]
USD	[illegible]	[illegible]
	[illegible]	[illegible]

(Rs. million)

	Profit / Loss	
[illegible]	Strengthening	Weakening
[illegible]		
[illegible]		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]

Pune

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

			[illegible]
		[illegible]	
[illegible]	[illegible]		[illegible]
[illegible]	-		-
[illegible]	-		-
Total	-		-

[illegible]

		[illegible]	
[illegible]	[illegible]		[illegible]
[illegible]	-		-

		[illegible]	
[illegible]	[illegible]		[illegible]
	-		-

[illegible]

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[illegible]

[illegible] Capital Management

[illegible]

[illegible]

[illegible]

Particulars	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

[illegible] Segment Reporting

[illegible]

Sr	Particulars	[illegible]	[illegible]
[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]
		[illegible]	[illegible]

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[illegible]

[illegible]

(Rs. million)

Particulars	Year ended 31 March, [illegible]	Year ended 31 March, [illegible]
[illegible]		
[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

B. [illegible]

(Rs. million)

Particulars	As at 31 March, [illegible]	As at 31 March, [illegible]
[illegible]	[illegible]	[illegible]

C. Unrecognised deferred tax assets

[illegible]

Particulars	As at 31 March, [illegible]		As at 31 March, [illegible]	
	Gross Amount	Unrecognised Deferred Tax Asset	Gross Amount	Unrecognised Deferred Tax Asset
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tax Losses	[illegible]	[illegible]	[illegible]	[illegible]

Tax losses [illegible]

(Rs. million)

Particulars	Expiry Date	As at 31 March, [illegible]	Expiry Date	As at 31 March, [illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		-		[illegible]

D. Reconciliation of effective tax rate

Particulars	%	As at 31 March, [illegible]	As at 31 March, [illegible]
Profit before tax			
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		-	-
[illegible]		[illegible]	
		[illegible]	

Pune

[illegible] BIOSCIENCES LIMITED

NOTE 2: NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Pune

[illegible]

[illegible]

[illegible] [illegible]

[illegible]

[illegible]

[illegible]

Particulars	As at 31 March 2023	As at 31 March 2022
Current	[illegible]	[illegible]
Non Current	[illegible]	[illegible]
Total	[illegible]	[illegible]

[illegible]

[illegible] Ratios

Particulars	Numerator	Denominator	Units	As at 31 March 2023	As at 31 March 2022	% Variance
Current Ratio	Current Assets	Current Liabilities	times	[illegible]	[illegible]	[illegible]
Debt Equity Ratio	Net Debt	Total Equity	times	[illegible]	[illegible]	[illegible]
Interest Coverage Ratio	PBIT	Finance Cost	times	[illegible]	[illegible]	[illegible]
Return on Equity Ratio	PAT	Total Equity	%	[illegible]	[illegible]	[illegible]
Inventory Turnover Ratio	Inventory	Revenue from Operations * 365 days	No of Days	[illegible]	[illegible]	[illegible]
Trade Receivables Turnover Ratio	Trade Receivables	Revenue from Operations * 365 days	No of Days	[illegible]	[illegible]	[illegible]
Trade Payable Turnover Ratio	Trade Payables	Total Purchases * 365 days	No of Days	[illegible]	[illegible]	[illegible]
Net Capital Turnover Ratio	Net Annual Sales	Working Capital	times	[illegible]	[illegible]	[illegible]
Net Profit Ratio	PAT	Revenue from Operations	%	[illegible]	[illegible]	[illegible]
Return on Capital Employed	EBIT	Capital Employed	%	[illegible]	[illegible]	[illegible]
Return on Investment	PAT	Investments	%	[illegible]	[illegible]	[illegible]

[illegible]

Current Ratio: [illegible]

Interest Coverage Ratio: [illegible]

Return on Equity Ratio: [illegible]

Trade Receivables Ratio: [illegible]

Inventory Turnover Ratio: [illegible]

Net Capital Turnover Ratio: [illegible]

Net Profit Ratio: [illegible]

Return on Capital Employed: [illegible]

Return on Investment: [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

B S R & Co. LLP

Chartered Accountants

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Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai – 400063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Independent Auditor's Report

To the Members of Enzene Biosciences Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Enzene Biosciences 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 31 March 2023, and 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 significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's directors' report, but does not include the financial statements and auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this report.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated loss and other comprehensive loss, consolidated statement of changes in equity and consolidated cash flows 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 Management and 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated 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 Management and 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 Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company 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.

Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant 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 31 March 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 3.27 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2023.

d (i) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the Note 3.41 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the Note 3.41 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) 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), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company has neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Date: 22 May 2023

Membership No.: 111410

ICAI UDIN:23111410BGYAUT8523

B S R & Co. LLP

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Enzene Biosciences Limited for the year ended 31 March 2023

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

(xxi) According to the information and explanations given to us and based on our examination, there are no companies included in the consolidated financial statements of the Holding Company which are companies incorporated in India except the Holding Company. The Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavourable answers or qualifications or adverse remarks.

Name of the entities	CIN	Relationship	Clause number of the CARO report which is unfavourable or qualified or adverse
Enzene Biosciences Limited	U24232PN2008PLC165010	Holding Company	3 (xx)(b)

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Date: 22 May 2023

Membership No.: 111410

ICAI UDIN:23111410BGZYAL7535

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Enzene Biosciences Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Enzene Biosciences Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company , as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. 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 the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the consolidated 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 financial statements.

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Enzene Biosciences Limited for the year ended 31 March 2023 (Continued)

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Membership No.: 111410

Date: 22 May 2023

ICAI UDIN:23111410BGYAUT6620