



N S NAGARAJ & Co.,

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
Adita Bio Sys Private Limited
CIN No. U85100KA2015PTC079003

Report on the Audit of the Consolidated Financial Statements

We have audited the consolidated financial statements of Adita Bio Sys Private Limited ("hereinafter referred to as "the Holding Company"), CIN No.U85100KA2015PTC079003(" the CIN") and its subsidiaries (the holding Company and its subsidiaries together referred to as "the Group"), which comprise the Balance sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss, including the Consolidated Cash Flow Statement for the year then ended and the statement of Changes in Equity 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).

Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Subsidiaries in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 Directors of the Holding Company, as aforesaid.

The Board of Directors and management personnels are also responsible for overseeing the Group financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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 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, its associates and subsidiaries as at 31st March, 2024, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements / financial information of M/s Siri Labvivo Diet Private Limited a Private Limited subsidiary, whose financial statements / financial information reflect total assets of Rs.1,79,36,848/- as at 31st March, 2024, total revenues of Rs.49,15,649/- and net cash flows amounting to Rs.24,62,455/- for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's net loss of Rs. (5,00,59,937)/- for the year ended 31st March, 2024, as considered in the consolidated financial statements, in respect of Rs. (73,63,663)/- of M/s Siri Labvivo Diet Private Limited a Private Limited subsidiary, whose financial statements / financial information have not been audited by us.



This financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, subsidiaries and associates, and our report in terms of sub-sections (3) and(11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

(b) We did not audit the financial statements / financial information of M/s Spring Labs a partnership firm subsidiary, whose financial statements / financial information reflect total assets ofRs.5,17,03,340/- as at 31st March, 2024, total revenues of Rs.10,78,765/- and net cash flows amounting toRs.20,86,541/- for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's share of net loss of Rs. (5,00,59,937)/- for the year ended 31st March, 2024, as considered in the consolidated financial statements, in respect of Rs. (34,13,413)/-M/s Spring Labs a partnership firm subsidiary, whose financial statements / financial information have not been audited by us.

This financial statements / financial information is audited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Actin so far as it relates to the aforesaid subsidiaries, is based solely on such audited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements /financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

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 sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies and associates incorporated in India, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required bySection143(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 and the reports of the other auditors.



- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies, its subsidiaries companies incorporated in India are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. As reported by other auditors of its associates and subsidiaries and as per explanations furnished by the Holding Company there are no litigations pending and the disclosures about the impact of pending litigations on its financial position in its consolidated financial statements is not applicable.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv.
 - a) The Group management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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;
 - b) The Group management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Group.

For N. S. NAGARAJ & CO
Chartered Accountants
FRN No.010530S

N.S. Nagaraj

[N S Nagaraj]
Proprietor
M. No. 211617



Place: Tumkur

Date: 23/05/2024

UDIN: 24211617BKGQWW9617

Consolidated Balance Sheet

As at March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
ASSETS				
Non-current assets				
Property, plant and equipment	3(a)	816.06	71.14	57.43
Capital work-in-progress	3(b)	373.65	581.95	430.51
Right-of-use assets	3(c)	190.00	-	-
Goodwill on Business purchase and consolidation		36.97	-	-
Financial assets				
(i) Other financial assets	4	1,285.10	24.92	24.92
Deferred tax assets (net)	5	145.93	3.70	3.05
Other non-current assets	6(a)	14.04	-	-
Total non-current assets		2,861.75	681.71	515.91
Current assets				
Inventories	7	42.00	136.30	81.93
Financial assets				
(i) Trade receivables	8	59.37	55.89	45.77
(ii) Cash and cash equivalents	9	184.33	76.90	41.58
(iii) Other financial assets	4(b)	21.82	-	-
Other current assets	6(b)	98.58	105.69	58.71
Total current assets		406.10	374.78	227.99
TOTAL ASSETS		3,267.85	1,056.49	743.89
EQUITY AND LIABILITIES				
Equity				
Equity share capital	10	367.85	100.00	100.00
Other equity	11	1,750.54	42.21	41.13
Equity attributable to the owners of the Company		2,118.38	142.21	141.13
Non-controlling Interest		(1.10)	-	-
Total equity		2,117.28	142.21	141.13
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	12(a)	358.54	136.53	175.45
(ii) Lease liabilities	3(c)	147.70	-	-
(iii) Other financial liabilities	13(a)	260.00	-	-
Provisions	14(a)	10.31	-	-
Total non-current liabilities		776.55	136.53	175.45
Current liabilities				
Financial liabilities				
(i) Borrowings	12(b)	120.40	198.35	291.77
(ii) Lease liabilities	3(c)	50.19	-	-
(iii) Trade payables				
total outstanding dues of micro and small enterprises	15	5.06	-	3.19
total outstanding dues of creditors other than micro and small enterprises	15	22.72	114.35	89.18
(iv) Other financial liabilities	13(b)	165.85	30.24	30.93
Provisions	14(b)	1.55	1.21	2.21
Other current liabilities	16	8.25	433.59	10.03
Total Current Liabilities		374.02	777.74	427.32
TOTAL EQUITY AND LIABILITIES		3,267.85	1,056.49	743.89

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 0105305

N.S. Nagaraj
CA NS Nagaraj

Proprietor

Membership No: 211617

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKQWW9617



For Adita Bio Sys Private Limited

Chethan Basavaraju
Chethan Basavaraju

Director

DIN : 08154725

Kondapura Jayadevappa Shivakumar

Kondapura Jayadevappa Shivakumar

Director

DIN : 10249553



Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	Year ended	
		31 March 2024	31 March 2023
Income			
Revenue from operations	17	358.68	451.75
Other income	18	32.27	2.82
Total income		390.95	454.57
Expenses			
Cost of materials consumed	19	211.15	205.87
Purchase of stock-in-trade	20	4.40	-
Changes in inventories of finished goods and work-in-progress	21	113.31	(42.80)
Employee benefits expense	22	261.29	151.02
Finance costs	23	125.15	24.41
Depreciation and amortisation expense	3	85.97	11.40
Other expenses	24	232.51	101.44
Total expenses		1,033.77	451.33
Profit before tax and exceptional items		(642.83)	3.24
Exceptional items		-	-
Profit before tax		(642.83)	3.24
Tax expense			
Current tax		-	2.81
Deferred tax		(142.23)	(0.66)
Total Tax Expense		(142.23)	2.15
Profit for the year		(500.60)	1.08
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans and equity instruments		-	-
Income tax effect		-	-
(ii) Items that will be reclassified subsequently to profit or loss			
Effective portion of gains/(losses) on hedging instrument in cash flow hedges		-	-
Income tax effect		-	-
Other comprehensive income for the year, net of taxes		-	-
Total comprehensive income for the year		(500.60)	1.08
Profit attributable to:			
Equity holders of the Holding company		(467.40)	1.08
Non-controlling interest		(33.20)	-
Profit for the year		(500.60)	1.08
Other comprehensive income attributable to:			
Equity holders of the Holding company		-	-
Non-controlling interest		-	-
Other comprehensive income for the year		-	-
Total comprehensive income attributable to:			
Equity holders of the Holding company		(467.40)	1.08
Non-controlling interest		(33.20)	-
Total comprehensive income for the year		(500.60)	1.08
Earnings per equity share			
Basic (in Rs)		(24.50)	0.11
Diluted (in Rs)		(24.50)	0.11

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 0105305

N.S. Nagaraj
CA NS Nagaraj

Proprietor

Membership No: 211617

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKGQWW9617

For Adita Bio Sys Private Limited

Chethan Basavaraju
Chethan Basavaraju

Director

DIN : 08154725

Kondapura Jayadevappa Shivakumar
Kondapura Jayadevappa Shivakumar

Director

DIN : 10249553



Standalone Statement of Changes in Equity

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

(A) Equity share capital

Particulars	No of shares	Amount
Balance as at April 1, 2022	10,00,000	100.00
Changes during the year	-	-
Balance as at March 31, 2023	10,00,000	100.00
Changes during the year	26,78,459	267.85
Balance as at March 31, 2024	36,78,459	367.85

(B) Other Equity

Particulars	Reserves and Surplus		
	Securities Premium	Retained Earnings	Total Equity
Balance as at April 1, 2022	-	41.13	41.13
Profit for the year	-	1.08	1.08
Other comprehensive income, net of tax	-	-	-
Issue of share capital	-	-	-
Balance as at March 31, 2023	-	42.21	42.21
Profit for the year	-	(434.44)	(434.44)
Other comprehensive income, net of tax	-	-	-
Issue of share capital	2,142.77	-	2,142.77
Balance as at March 31, 2024	2,142.77	(392.23)	1,750.54

As per our report of even date attached

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 0105305

N.S. Nagaraj

CA NS Nagaraj

Proprietor

Membership No: 211617

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKGQWW9617

For Adita Bio Sys Private Limited

Chethan Basavaraju

Chethan Basavaraju

Director

DIN : 08154725

Kondapura Jayadevappa Shivakumar

Kondapura Jayadevappa Shivakumar

Director

DIN : 10249553



Consolidated Statement of Cash Flows

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Net Profit Before Tax	(642.83)	3.24
<u>Adjustments to reconcile profit before tax to net cash flows:</u>		
Depreciation	85.97	11.40
Interest income	(32.27)	-
Finance Cost	125.15	24.41
Loss on sale of fixed asset	2.02	-
Write off of assets taken over in slump sale	45.99	-
<u>Adjustments for changes in working capital:</u>		
(Increase)/decrease in inventories	103.06	(54.37)
(Increase)/decrease in trade receivables	2.44	(10.12)
(Increase)/decrease in other current assets	23.32	(46.98)
Increase/(decrease) in trade payables	(86.70)	20.60
Increase/(decrease) in other financial liabilities	102.90	-
Increase/(decrease) in other provisions	10.65	-
Increase/(decrease) in other current liabilities	(478.62)	423.24
Cash generated from/(used in) operations	(738.93)	371.41
Income tax paid	-	(2.81)
Net cash flows generated from/(used in) operating activities (A)	(738.93)	368.60
Cash flows from investing activities		
Purchase of property, plant and equipment incl. CWIP	(350.64)	(176.54)
Sale of property, plant and equipment	14.65	-
Interest on bank deposits	32.24	-
Purchase of Siri Industries through Slump Sale	(75.02)	-
Loans given	(1,250.00)	-
Net cash flow generated from/(used in) investing activities (B)	(1,628.76)	(176.54)
Cash flow from Financing activities		
Proceeds from borrowing	153.00	(38.91)
Repayment of borrowing	(178.80)	(93.42)
Proceeds from issue of equity shares	2,442.61	-
Proceeds from Issue of preference share capital	300.00	-
Proceeds from partners' capital in subsidiary	0.10	-
Payment to exiting partner in subsidiary	(92.60)	-
Interest on loan	(105.80)	(24.41)
Repayment of lease liabilities	(43.39)	-
Net cash flow generated from/(used in) financing activities (C)	2,475.11	(156.74)
Net increase in cash and cash equivalents (A+B+C)	107.43	35.32
Cash and cash equivalents at the beginning of the year	76.90	41.58
Cash and cash equivalents at the end of the year	184.33	76.90
Cash and cash equivalents comprise		
Cash on hand	0.94	0.40
Balances with banks in current & deposit accounts	106.74	76.40
Deposits with original maturity of less than 3 months	76.65	0.10
Total cash and cash equivalents	184.33	76.90

As per our report of even date attached

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 0105305

N.S. Nagaraj
CA NS Nagaraj

Proprietor

Membership No: 211617

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKGQWW9617

For Adita Bio Sys Private Limited

Bannu
Chethan Basavaraju
Director
DIN : 08154725

Shivakumar

Kondapura Jayadevappa Shivakumar
Director
DIN : 10249553



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

1. General Information

Adita Bio Sys Private Limited (“the Company” or “the Holding Company”) is a private limited company domiciled and incorporated in India in accordance with the provisions of the Companies Act, 2013. The registered office of the company is located at Plot No.SPL-26, KSSIDC Industrial Estate, Antharasanahalli, Madhugiri Road, Tumkur 572106, Karnataka. The Company is engaged in the business of contract research and manufacturing services. These consolidated financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 23rd May 2024.

2. Significant accounting policies

2.1. Basis of Preparation of Consolidated Financial Statements

a) Statement of compliance

The consolidated financial statements of the company along with its subsidiaries (together referred to as “Group”) have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

The Group’s financial statements up to and for the year ended March 31, 2023 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (“Previous GAAP”).

As these are the Group’s first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Group is provided in Note 34.

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group’s annual reporting date, March 31, 2024. These financial statements were authorised for issuance by the Board of Directors on 23rd May 2024.

b) Basis of Consolidation

The company consolidates all entities which are controlled by it. The company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity’s returns by using its power over relevant activities of the entity. Entities controlled by the company are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation. Changes in the company’s interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the company’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the company.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Interest in the subsidiary

Subsidiary name	% of holding
Siri Labvivo Diet Private Limited	60%
Spring Labs, partnership firm	90%

c) Basis of measurement

The consolidated financial statements have been prepared on historical cost convention and on accrual basis, except for the following items in the balance sheet:

- Certain financial assets and liabilities measured either at fair value or at amortised cost depending on the classification.
- Defined employee benefit liabilities are recognised at the present value of defined benefit obligation adjusted for fair value of plan assets.

d) Current and non-current classification

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

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current assets/liabilities include the current portion of non-current assets/liabilities respectively. All other assets/liabilities including deferred tax assets and liabilities are classified as non-current.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

e) Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management of the Group to make judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period.

f) Fair value measurement

The Group's accounting policies and disclosures require the measurement of fair values, for certain financial and non-financial assets and liabilities based on their classification.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

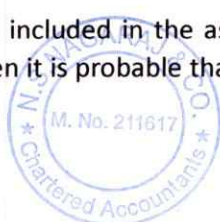
The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.2. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, freight, non-refundable taxes and duties, specified foreign exchange gains or losses and any other cost attributable to bring the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress' and hence not depreciated.

Depreciation method, estimated useful lives and residual values

The classification of Plant and equipment into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Depreciation on property, plant and equipment is provided on the Straight-Line Method (SLM) method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the other income/other expenses when the asset is derecognized.

2.3. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

2.4. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, other economic factors etc. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period, with the effect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Standalone statement of profit and loss unless such expenditure forms part of carrying value of another asset.

2.5. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.6. Leases (as a lessee)

The Group assesses whether a contract contains a lease, at the inception of 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 use of an identified asset, the Group assesses whether:

- The contract involves use of an identified asset;
- The Group has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Group has the right to direct the use of an asset.

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

Certain lease agreements include an option to extend or terminate the lease before the end of lease term. ROU assets and the lease liabilities includes these options when it is reasonably certain that they will be exercised.

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. For the purpose of impairment testing, the recoverable amount (i.e., higher of fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use assets if the Group changes its assessment if whether it will exercise an extension or a termination of option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

2.7. Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

2.8. Business combination

In accordance with Ind AS 103, Business combinations, the Group accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

2.9. Employee benefits

Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Post-employment benefits Defined benefit plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

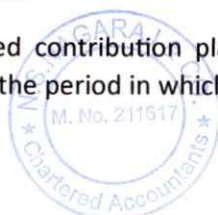
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

The Group has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for Defined Benefit Plans as the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service.

They are therefore measured annually by actuaries as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented under 'Employee benefit obligations' (current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.10. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Service Revenue

Service income is recognized as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and revenue excludes GST, wherever applicable.

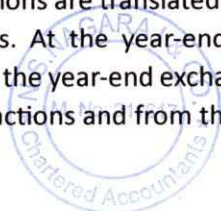
2.11. Foreign currency transactions and translation

Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (Rupees or Rs.), which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognized in profit and loss.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Foreign exchange differences regarded as an adjustment to borrowing costs, if any, are presented in the Statement of Profit and Loss, within 'Finance costs'. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within 'Other income'/'Other expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.12. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

2.13. Income Taxes

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

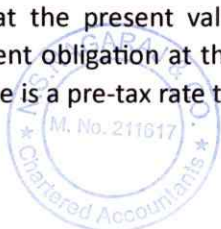
Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

2.14. Provision and Contingencies

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.15. Dividend Distributions

The Group recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.16. Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.17. Cash and cash equivalents

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

2.18. Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

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

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

2.19. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Group has only one reportable segment namely "Contract Research and Manufacturing Services".



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

2.20. Estimates and assumptions

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

- **Leases**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

- **Employee benefits (estimation of defined benefit obligation)**

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Impairment of trade receivables**

The risk of collectability of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- **Estimation of expected useful lives of property, plant and equipment**

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

- **Contingencies**

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Group often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Group consults with legal counsel and other experts on matters related to litigations. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed.

- **Valuation of deferred tax assets**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Fair value measurements**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.



Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

3(a) Property, plant and equipment and Capital work-in-progress

Particulars	Plant & equipment	Lab equipment	Furniture and fixtures	Vehicles	Computer and related equipment	Improvements on lease hold building	Total
Gross carrying amount							
At 01 April 2022	26.92	11.16	1.78	5.40	5.00	57.71	107.97
Additions during the year	7.03	-	0.92	15.53	1.63	-	25.11
Disposals during the year	-	-	-	-	-	-	-
At 31 March 2023	33.96	11.16	2.69	20.93	6.62	57.71	133.07
Additions during the year	380.39	95.49	313.76	-	3.51	-	793.15
Disposals during the year	-	-	-	5.40	-	-	5.40
At 31 March 2024	414.35	106.65	316.45	15.53	10.14	57.71	920.82
Accumulated depreciation							
At 01 April 2022	9.87	3.16	0.71	0.74	1.94	34.11	50.54
Depreciation for the year	2.07	1.06	0.18	0.65	1.34	6.09	11.40
Disposals during the year	-	-	-	-	-	-	-
At 31 March 2023	11.94	4.22	0.90	1.39	3.28	40.21	61.93
Depreciation for the year	5.66	4.08	24.53	1.97	2.01	6.09	44.34
Disposals during the year	-	-	-	1.51	-	-	1.51
At 31 March 2024	17.60	8.30	25.42	1.85	5.29	46.30	104.76
Net carrying amount							
31 March 2023	22.02	6.94	1.79	19.54	3.35	17.50	71.14
31 March 2024	396.75	98.36	291.02	13.67	4.85	11.41	816.06

3(b) Capital work-in-progress:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
Projects in Progress	373.65	581.95	430.51
	373.65	581.95	430.51

Ageing for capital work-in-progress as at March 31, 2024

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	215.74	157.91	-	-	373.65
	215.74	157.91	-	-	373.65

Ageing for capital work-in-progress as at March 31, 2023

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	151.43	294.30	61.02	75.18	581.95
	151.43	294.30	61.02	75.18	581.95

Ageing for capital work-in-progress as at March 31, 2022

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	294.30	61.02	75.18	-	430.51
	294.30	61.02	75.18	-	430.51



Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

3(c) Right of use assets and Lease liabilities

Particulars	Building
Gross carrying amount	
At 01 April 2022	-
Additions during the year	-
Disposals during the year	-
At 31 March 2023	-
Additions during the year	231.63
Disposals during the year	-
At 31 March 2024	231.63
Accumulated depreciation	
At 01 April 2022	-
Depreciation for the year	-
Disposals during the year	-
At 31 March 2023	-
Depreciation for the year	41.63
Disposals during the year	-
At 31 March 2024	41.63
Net carrying amount	
31 March 2023	-
31 March 2024	190.00

Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	-	-	-
Additions during the year	215.44	-	-
Finance cost accrued during the period	25.85	-	-
Deletions	-	-	-
Payment of lease liabilities	(43.39)	-	-
Balance at the end of the year	197.89	-	-

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Current lease liabilities	50.19	-	-
Non-current lease liabilities	147.70	-	-
	197.89	-	-

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Less than one year	56.21	-	-
One to five years	174.09	-	-
More than five years	125.31	-	-
	355.61	-	-

Amounts recognised in the statement of profit and loss

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Interest expenses on lease liabilities	25.85	-	-
Depreciation expenses on right of use-assets	41.63	-	-
	67.48	-	-



Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

4 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Security deposits	15.60	24.92	24.92
Lease deposits	19.50	-	-
Loan to related parties	1,250.00	-	-
	1,285.10	24.92	24.92
(b) Current			
Interest accrued on loans and advances	21.82	-	-
	21.82	-	-

5 Deferred tax asset (net)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Deferred tax asset/(liability) relates to the following:			
Provision for employee benefits	(2.78)	-	-
Carry forward tax loss and Unabsorbed depreciation	160.16	-	-
Property, plant and equipment	(11.45)	3.70	3.05
	#VALUE!	3.70	3.05

Movement in the Deferred Tax Assets

Particulars	Provision for employee benefits	Carry forward tax loss and Unabsorbed depreciation	Property, plant and equipment	Total
Opening balance as at April 1, 2022	-	-	3.05	3.05
Recognised in profit or loss	-	-	0.66	0.66
Recognised in OCI	-	-	-	-
Closing balance as at March 31, 2023	-	-	3.70	3.70
Opening balance as at April 1, 2023	-	-	3.70	3.70
Recognised in profit or loss	(2.78)	160.16	(15.16)	142.23
Recognised in OCI	-	-	-	-
Closing balance as at March 31, 2024	(2.78)	160.16	(11.45)	145.93

6 Other assets

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Capital advances	14.04	-	-
Product Development Expenses	-	-	-
Preliminary and pre-operative to the extent not written off	-	-	-
	14.04	-	-
(b) Current			
Balance with government authorities	95.10	47.73	36.35
Advances for services and supplies	0.48	50.35	15.34
Prepaid expenses	2.22	3.17	2.74
Employee advances	0.79	0.19	0.02
Other advances	-	4.26	4.26
	98.58	105.69	58.71

7 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Raw materials	35.22	13.56	1.99
Finished goods	6.78	122.74	79.95
	42.00	136.30	81.93



Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

8 Trade Receivables

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Unsecured Considered good	59.37	55.89	45.77
Less: Provision for bad and doubtful debts	-	-	-
Total Current Trade receivables	59.37	55.89	45.77

Trade Receivables ageing schedule as at 31 March 2024:

Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	42.20	4.39	2.18	3.20	7.39	59.37
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	42.20	4.39	2.18	3.20	7.39	59.37
Less: Allowance	-	-	-	-	-	-
Total Trade receivables	42.20	4.39	2.18	3.20	7.39	59.37

Trade Receivables ageing schedule as at 31 March 2023:

	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	36.28	3.17	5.02	9.56	1.87	55.89
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	36.28	3.17	5.02	9.56	1.87	55.89
Less: Allowance	-	-	-	-	-	-
Total Trade receivables	36.28	3.17	5.02	9.56	1.87	55.89

Trade Receivables ageing schedule as at 31 March 2022:

	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	28.56	1.96	9.91	5.22	0.12	45.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	28.56	1.96	9.91	5.22	0.12	45.77
Less: Allowance	-	-	-	-	-	-
Total Trade receivables	28.56	1.96	9.91	5.22	0.12	45.77

9 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance with Banks			
- in current accounts	76.65	0.10	40.95
Deposit with original maturity of less than 3 months	106.74	76.40	-
Cash on hand	0.94	0.40	0.62
	184.33	76.90	41.58



Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

10 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Authorised			
37,00,000 (31 March 2023: 10,00,000) equity shares of Rs 10 each			
3,00,000 (31 March 2023: NIL) preference shares of Rs. 100 each	670.00	100.00	100.00
Issued, subscribed and fully paid-up			
36,78,459 (31 March 2023: 10,00,000) equity shares of Rs 10 each	367.85	100.00	100.00
	367.85	100.00	100.00

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	10,00,000	100.00	10,00,000	100.00	10,00,000	100.00
Issued during the year	26,78,459	267.85	-	-	-	-
Balance at the end of the year	36,78,459	367.85	10,00,000	100.00	10,00,000	100.00

(ii) The Company has only one class of equity shares with voting rights having par value of Rs. 10 each. The rights, preferences and restrictions attached to such equity shares is in accordance with the terms of issue of equity shares under the Companies Act, 2013, the Articles of Association of the Company and relevant provisions of the listing agreement.

(ii) Details of shareholders holding more than 5% shares in the Company

S.No.	Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
		No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
1	Tumkur Trade Center Private Limited	1,900	0.05%	5,99,900	59.99%	6,00,000	60.00%
2	Swathi H V	-	-	80,000	8.00%	80,000	8.00%
3	Chethan Basavaraju	-	-	80,000	8.00%	80,000	8.00%
4	KR Raghunatha Reddy	-	-	80,000	8.00%	80,000	8.00%
5	Keshavamurthy S	10	0.00%	50,000	5.00%	50,000	5.00%
6	Pharmaids Pharmaceuticals Limited	36,73,308	99.86%	-	-	-	-

(iii) Shares held by promoters

S.No.	Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
		No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
1	Tumkur Trade Center Private Limited	-	-	5,99,900	59.99%	6,00,000	60.00%
2	Chethan Basavaraju	-	-	80,000	8.00%	80,000	8.00%
3	KR Raghunatha Reddy	-	-	80,000	8.00%	80,000	8.00%

11 Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Securities premium			
Balance at the beginning of the year	-	-	-
Add: Received during the year	2,142.77	-	-
Less: Utilised during the year	-	-	-
Balance at the end of the year	2,142.77	-	-
Retained Earnings			
Balance at the beginning of the year	42.21	41.13	40.17
Add: Net profit for the year	(434.44)	1.08	0.95
Add: Other comprehensive income net of tax	-	-	-
Balance at the end of the year	(392.23)	42.21	41.13
Total Other Equity	1,750.54	42.21	41.13



Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

12 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Secured			
Term loans from bank	358.54	136.53	175.45
Unsecured			
Loan from related parties	-	-	-
	358.54	136.53	175.45
(b) Current			
Working capital loans from bank	59.34	152.40	-
Current maturities of long-term borrowings			-
Secured			
-Term loan from bank	58.72	43.44	41.91
-Vehicle loan from bank	2.34	2.51	-
-Term loan from NBFC	-	-	200.66
Unsecured			
-Payable to shareholders	-	-	49.20
	120.40	198.35	291.77

The company obtained the working capital loan, term loan and vehicle loan from State Bank of India.

The loan from share holders was repaid in the year 2022-23.

The term loan borrowed from Moki Financials Services, NBFC was repaid in the year 2022-23.

13 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Non convertible redeemable preference shares	260.00	-	-
	260.00	-	-
Current			
Payable to employees	30.03	12.49	11.84
Creditors for capital expenditure	61.48	1.28	-
Creditors for expenses	27.85	16.37	19.00
Audit fee payable	0.99	0.10	0.10
Non convertible redeemable preference shares	40.00	-	-
Others	5.50	-	-
	165.85	30.24	30.93

The company has taken advance of Rs. 300 lakhs from customer during the year 2022-23, later the advance was converted into 3,00,000 Non-convertible redeemable preference shares of Rs. 100/- each. The preference shares are redeemable at an annualised premium of 13%. 40,000 shares are redeemed every year starting 1st October, 2024 and the remaining 1,40,000 shares will be redeemed in the 5th year, ie., on 1st October, 2028.

14 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Provision for employee benefits	-	-	-
Gratuity	10.31	-	-
	10.31	-	-
(b) Current			
Provision for employee benefits	1.18	1.21	-
Gratuity	0.37	-	-
Others	-	-	2.21
	1.55	1.21	2.21



Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

15 Trade Payables

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
Due to MSMED	5.06	-	3.19
Due to related parties MSMED	-	-	-
Due to other than MSMED			
- Due to related parties	-	-	-
- Due to others	22.72	114.35	89.18
	27.78	114.35	92.37

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act")

(i) The principal amount and interest due thereon remaining unpaid to supplier as at the end of each

- Principal amount	5.06	-	3.19
- Interest due on above	-	-	-

(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006

(iv) Interest accrued and remaining unpaid at the end of the year

(v) Interest remaining due and payable in succeeding years, in terms of Section 23 of the MSMED Act, 2006

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

(b) Aging schedule

31 March 2024	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	0.91	-	-	-	0.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	23.08	3.79	-	-	26.87
	23.99	3.79	-	-	27.78

31 March 2023	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	105.35	3.89	-	5.11	114.35
	105.35	3.89	-	5.11	114.35

31 March 2022	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	3.19	-	-	-	3.19
Total outstanding dues of creditors other than micro enterprises and small enterprises	84.07	-	-	5.11	89.18
	87.26	-	-	5.11	92.37



Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

16 Other liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Current			
Advances for services and supplies	0.16	425.00	0.73
Statutory dues	8.09	8.59	9.30
Others	0.01	-	-
	8.25	433.59	10.03

17 Revenue from operations

Particulars	As at 31 March 2024	As at 31 March 2023
Sale of products	322.67	450.71
Sale of services	33.60	1.04
Other operating revenues		
Renting of cages	2.23	-
Sale of bedding materials	0.05	-
Sale of animal feeds	0.13	-
	358.68	451.75

18 Other income

Particulars	As at 31 March 2024	As at 31 March 2023
Interest income	30.18	2.26
Interest on Lease deposit	2.09	-
Discount received	-	0.56
	32.27	2.82

19 Cost of materials consumed

Particulars	As at 31 March 2024	As at 31 March 2023
Inventory at the beginning of the year	13.56	1.99
Add : Stock received from Business transfer (Slump Sale)	8.75	-
Add : Purchases	221.40	217.44
Less: Inventory at the end of the year	(32.56)	(13.56)
	211.15	205.87

20 Purchase of stock-in-trade

Particulars	As at 31 March 2024	As at 31 March 2023
Purchase of stock-in-trade	4.40	-
Less: Purchase return during the year	-	-
	4.40	-

21 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	As at 31 March 2024	As at 31 March 2023
Inventories at the beginning of the year		
Finished goods	122.74	79.95
Stock-in-trade	-	-
	122.74	79.95
Inventories at the end of the year		
Finished goods	6.78	122.74
Stock-in-trade	2.66	-
	9.43	122.74
	113.31	(42.80)



Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

22 Employee benefits expense

Particulars	As at 31 March 2024	As at 31 March 2023
Salaries and wages	231.44	137.64
Contribution to provident and other funds	10.09	5.90
Gratuity	10.67	-
Staff welfare expenses	9.08	7.47
	261.29	151.02

23 Finance costs

Particulars	As at 31 March 2024	As at 31 March 2023
Interest	96.70	22.42
Interest on Lease Liability	25.85	-
Other borrowing cost	2.59	1.98
	125.15	24.41

24 Other expenses

Particulars	As at 31 March 2024	As at 31 March 2023
Direct expenses		
Power and Fuel charges	53.86	27.77
Lab maintenance expenses	0.59	1.34
Animal maintenance expenses	1.89	0.52
Freight charges	1.75	-
Purchase of Packing Bags	0.93	-
Purchase of Wood	0.46	-
Testing Charges	0.18	-
Water Charges	0.09	-
Indirect expenses		
Audit Fee	0.95	0.10
Professional & consultancy charges	17.90	2.51
Insurance	0.75	0.36
Rates and taxes	12.92	1.61
Bank Charges	0.12	0.08
Communication expenses	1.48	1.23
Membership and delegation fee	0.61	1.28
Travelling and conveyance	4.99	8.03
Rent Expenses	28.55	39.36
Repairs and maintenance	-	-
Building	2.89	0.62
Plant & Machinery	0.65	0.65
Others	17.49	2.18
Freight charges	0.90	6.79
Business promotion expenses	1.42	1.82
Office maintenance expenses	9.52	4.05
Printing and stationery	2.40	1.17
Loss on sale of fixed assets	2.02	-
Preliminary expenses written off	66.69	-
Receivables written off	0.51	-
	232.51	101.44

(a) Payments to the auditor

Particulars	As at 31 March 2024	As at 31 March 2023
As an auditor		
- Statutory audit	0.95	0.10
Reimbursement of expenses	-	-
	0.95	0.10



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

25. Tax expense

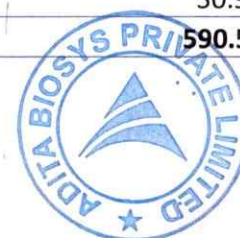
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	-	2.81
Deferred tax	(142.23)	(0.66)
Tax expense charged to Statement of Profit and Loss	(142.23)	2.15
Reconciliation of tax expense		
Profit before tax	(642.83)	3.24
Tax expense at applicable tax rates 26% (March 31, 2023: 26%;	-	0.84
Adjustments:		
Deferred tax assets not recognized / (utilized)	(142.23)	(0.66)
Tax effect on Non-deductible expense	-	1.97
Income tax expense	(142.23)	2.15

26. Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Earnings		
Profit for the year	(467.40)	1.08
Weighted average number of equity shares for basic EPS	19,07,456	10,00,000
Weighted average number of equity shares adjusted for the effect of dilution	19,07,456	10,00,000
Earnings per equity share		
Basic (in Rs.)	(24.50)	0.11
Diluted (in Rs.)	(24.50)	0.11

27. Fair value measurements

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Financial Assets			
Trade receivables	59.37	55.89	45.77
Cash and cash equivalents	184.33	76.90	41.58
Other financial assets	1,306.92	24.92	24.92
	1,550.62	157.71	112.26
Financial Liabilities			
Borrowings	478.93	334.88	467.21
Trade payables	27.78	114.35	92.37
Other financial liabilities	425.85	30.24	30.93
	932.57	479.48	590.52



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations.

The carrying amounts of trade receivables, trade payables and cash and bank balances are considered to be the same as their fair values, due to their short-term nature. The difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

28. Financial risk management objectives and policies

The possible risk to the Group is financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the Group focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Group. The Group continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Group's risk management framework.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, foreign currency risk and other price risk. Financial instruments of the Group affected by market risk include borrowings and deposits. The Group does not hold any financial instruments which have market risk.

Price risk

The Group does not have any investments which are classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. Hence, the Group is not exposed to any price risk.

Credit risk

Credit risk is the risk arising from credit exposure to customers and the counterparty will default on its contractual obligations.

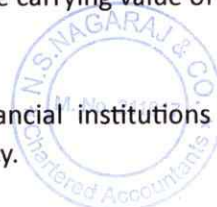
The Group has adopted a policy of only dealing with creditworthy customers/ corporates to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in banquets, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short-term deposits and interest receivable on deposits represents Group's maximum exposure to the credit risk. No other financial asset carries a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Liquidity risk

Liquidity risk is the risk that the Group will have difficulty in raising the financial resources required to fulfil its commitments.

Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.

29. Related party disclosures

Names of related parties and nature of relationship

Name of the Related Parties	Nature of Relationship
Key Management Personnel (KMP)	
Chethan Basavaraju	Executive Director
Samuel Sharmanraj	Non-executive Director
Shiva Kumar K J (appointed on 14-08-2023)	Non-executive Director
Raghunatha Reddy K R (resigned on 28-03-2023)	Executive Director

Holding Company

Pharmaids Pharmaceuticals Limited (w.e.f. 02-03-2024)

Entities in which some of the Directors or other relatives are interested

Bionees India Private Limited
Moki Financial Services

Others

Tumkur Trade Centre Private Limited	Shareholder
M B Sadashivaiah	Shareholder
K G Basavaraju	Shareholder

Details of transactions with related parties in the ordinary course of business

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Remuneration to Key Management Personnel (KMP)		
Chethan Basavaraju	31.30	18.51
Raghunatha Reddy K R	-	5.84
Unsecured Loan borrowed		
Tumkur Trade Centre Private Limited	-	50.00
Moki Financial Services	315.00	50.00
Unsecured Loan repaid		
Tumkur Trade Centre Private Limited	-	74.25
M B Sadashivaiah	-	17.45
K G Basavaraju	-	7.51
Moki Financial Services	315.00	250.00



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Unsecured Loan given		
Pharmaids Pharmaceuticals Limited	1,250.00	-
Interest income on Unsecured Loans		
Pharmaids Pharmaceuticals Limited	24.25	-
Interest expense on Unsecured Loans		
Moki Financial Services	8.45	17.67
Sale of products		
Bionees India Private Limited	134.80	242.78

Balances payable/(receivable)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Unsecured Loan borrowed			
Tumkur Trade Centre Private Limited	-	-	24.25
M B Sadashivaiah	-	-	17.45
K G Basavaraju	-	-	7.51
Moki Financial Services	-	-	200.00
Unsecured Loan given			
Pharmaids Pharmaceuticals Limited	1,250.00	-	-
Interest receivable on Unsecured Loans			
Pharmaids Pharmaceuticals Limited	21.82	-	-
Interest payable on Unsecured Loans			
Moki Financial Services	-	-	0.66
Dues receivable			
Bionees India Private Limited	6.23	18.24	12.89

30. Employee benefits

Defined Contribution Plans

The Group has recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employers' Contribution to Provident Fund	8.68	4.73
Employers' Contribution to Employee State Insurance	1.41	1.18



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Defined benefit plans

The Group provides for gratuity to employees as per the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age.

Amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	10.67	-
Past service cost	-	-
Loss/(gain) on curtailments and settlement	-	-
Net interest cost	-	-
Total amount recognized in the Statement Profit and Loss	10.67	-

Changes in present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the beginning of the year	-	-	-
Current service cost	10.67	-	-
Interest Expense or Cost	-	-	-
Re-measurement (or Actuarial) (gain)/loss	-	-	-
Past service cost	-	-	-
Benefits paid	-	-	-
Present value of obligation at the end of the year	10.67	-	-

The assumptions used for gratuity valuation are as below:

Particulars	As at 31 March 2024
Discount Rate	7.20% p.a.
Expected Return on Plan Assets	Not Applicable
Salary Growth Rate	7.00% p.a.
Withdrawal Rates:	
Age 25 & Below	10 % p.a.
Age 25 to 35	8 % p.a.
Age 35 to 45	6 % p.a.
Age 45 to 55	4 % p.a.
Age 55 & above	2 % p.a.

Risk exposure

These defined benefit plans typically expose the Group to actuarial risks as under:



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Group, there can be strain on the cashflows.

Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

31. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Group has only one reportable segment namely "Contract Research and Manufacturing Services".

32. Capital management

The Group's policy is to maintain strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business.



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

The Group manages its Capital structure through a balanced mix of debt and equity. The Group's capital structure is influenced by the changes in the regulatory frameworks, government policies, available options of financing and impact of the same on liquidity position.

The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Equity Share Capital	367.85	100.00	100.00
Other Equity	1,750.54	42.21	41.13
Total Equity (A)	2,118.38	142.21	141.13
Long-term borrowings	358.54	136.53	175.45
Short-term borrowings	120.40	198.35	291.77
Less: Cash and Cash equivalents	(184.33)	(76.90)	(41.58)
Total Debt (B)	294.61	257.98	425.64
Overall financing (C = A+B)	2,412.99	400.20	566.77
Gearing ratio (B/C)	12.21%	64.46%	75.10%



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

33. Information about subsidiaries

The consolidated financial statements of the Group include the following subsidiaries:

Name	Principal activities	Country of Incorporation	Ownership interest as at	
			31 March 2024	31 March 2023
Siri Labvivo Diet Private Limited	Contract research and manufacturing services	India	60%	0%
Spring Labs	Contract research and manufacturing services	India	90%	0%

Additional information pursuant to para 2 of general instructions for the preparation of the Consolidated Financial Statements as per Schedule III of the Act

Name of the entity	As at			Year ended		
	31 March 2024			31 March 2024		
	Net assets	Share in profit or loss	Share in other comprehensive income	Share in total comprehensive income	Amount	Amount
	As a % of consolidated net assets	As a % of consolidated net assets	As a % of consolidated net assets	As a % of consolidated net assets	As a % of consolidated net assets	As a % of consolidated net assets
Holding Company						
Adita Bio Sys Private Limited	100.42%	2,126.27	85.21%	(426.56)	-	85.21%
Subsidiaries						
Siri Labvivo Diet Private Limited	0.30%	6.36	14.71%	(73.64)	-	14.71%
Spring Labs	6.74%	142.63	6.82%	(34.13)	-	6.82%
		2,275.26		(534.33)	-	
Adjustment arising out of consolidation	-7.41%	(156.88)	-13.37%	66.93	-	-13.37%
Non controlling interest	-0.05%	(1.10)	6.63%	(33.20)	-	6.63%
Total		2,117.28		(500.60)	-	



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

34. First-time adoption of Ind AS

Particulars	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	57.43	-	57.43
Capital work-in-progress	430.51	-	430.51
Financial assets	-	-	-
(i) Investments	-	-	-
(ii) Other financial assets	-	24.92	24.92
Deferred tax assets (net)	3.05	-	3.05
Other non-current assets	24.92	(24.92)	-
Total non-current assets	515.91	-	515.91
Current assets			
Inventories	81.93	-	81.93
Financial assets	-	-	-
(i) Trade receivables	45.77	-	45.77
(ii) Cash and cash equivalents	41.58	-	41.58
(iii) Other financial assets	-	-	-
Other current assets	58.71	-	58.71
Total current assets	227.99	-	227.99
TOTAL ASSETS	743.89	-	743.89
EQUITY AND LIABILITIES			
Equity			
Equity share capital	100.00	-	100.00
Other equity	41.13	-	41.13
Total equity	141.13	-	141.13
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	175.45	-	175.45
Total non-current liabilities	175.45	-	175.45



Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Current liabilities

Financial liabilities

(i) Borrowings	291.77	-	291.77
(iii) Trade payables			
total outstanding dues of micro and small enterprises	3.19	-	3.19
total outstanding dues of creditors other than micro and small enterprises	108.17	(19.00)	89.18
(iv) Other financial liabilities	-	30.93	30.93
Provisions	2.21	-	2.21
Other current liabilities	21.97	(11.94)	10.03
Total Current Liabilities	427.32	-	427.32
TOTAL EQUITY AND LIABILITIES	743.89	-	743.89

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 010530S


CA NS Nagaraj

Proprietor

Membership No: 211617

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKGQWW9617

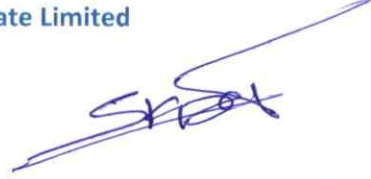


For Adita Bio Sys Private Limited


Chethan Basavaraju

Director

DIN : 08154725



Kondapura Jayadevappa
Shivakumar

Director

DIN : 10249553





N S NAGARAJ & Co.,

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
Adita Bio Sys Private Limited
CIN No. U85100KA2015PTC079003

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Adita Bio Sys Private Limited ("the Company"), CIN No.U85100KA2015PTC079003 ("the CIN") which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the Cash Flow Statement and the statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the financial statements). In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

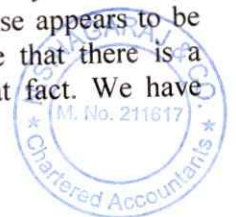
We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section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

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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.



Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



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

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

We communicate with board of directors 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 board of directors 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 sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 Balance Sheet, the Statement of Profit and Loss including the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



- i. As per explanations furnished by the Company there are no pending litigations against the company and the disclosures about the impact of pending litigations on its financial position in its financial statements is not applicable.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

For N S NAGARAJ & CO
Chartered Accountants
FRN No.010530S

N. S. Nagaraj
[N. S. Nagaraj]
Proprietor
M. No. 211617



Place: Tumkur
Date: 23/05/2024
UDIN: 24211617BKGQWV2203

Annexure '1' referred to in Paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date of Adita Biosys Private Limited for the year ended March 31, 2024.

- i (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (a) (B) The Company has maintained proper records showing full particulars of Tangible Assets and No Intangible Assets in Books of Accounts.
- (b) Property, plant and equipment have been physically verified by the management during the year at frequent intervals, which is in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed by the management.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment tangible or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are 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 company has inventory in its books of accounts, proper records showing full particulars, including quantitative details maintained by the company, which have been physically verified by the management during the year at frequent intervals, which is in our opinion, is reasonable having regard to the size of the Company.
- (b) The Company has working capital limits in its books of accounts, which is not exceeded the limits while check with aggregate from banks during the year on the basis of security of current assets of the Company, the quarterly returns/statements (including revised returns/statements) filed by the Company with such banks are in agreement with the books of accounts of the Company, hence the reporting under the clause of the order is not applicable.
- iii During the year, the company has made investment in M/s Siri Labvivo Diet Private limited by acquiring 60% of the share capital and also acquired 90% interest in M/s Spring Labs, a partnership firm. Hence the company is the holding company of M/s Siri Labvivo Diet Private Limited and M/s Spring Labs. The above investments are not prejudicial to the company's interest.

The company also advanced loans to its two subsidiaries and the holding company. The company advanced loan of Rs. 1,57,00,000/- to M/s Siri Labvivo Diet Private Limited, Rs. 60,00,000/- to M/s Spring Labs and Rs. 12,50,00,000/- to its holding company, M/s Pharmaids Pharmaceuticals Limited. The schedule of repayment of principal and payment of interest has been stipulated and the terms and conditions of the loan are not prejudicial to the company's interest.



- iv The company has not given any loans to directors or any other person in whom the director is interested, or made any investments, the compliance with the provisions governing such loans, investments and guarantees is not applicable, hence the reporting under the clause of the order is not applicable.
- v The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi The turnover of the company does not exceed the limit required for maintenance of cost records as per section 148 of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vii (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been deposited with the appropriate authorities, there are no serious delays in any cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix (a) The Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on clause (ix) (f) of the Order is not applicable to the Company.

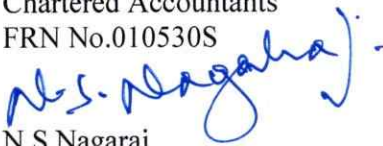


- x (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has made private placement of shares during the year and the requirements of sections 42 of the Companies Act, 2013 have been complied with. The funds raised, have been used for the purposes for which the funds were raised by the Company.
- xi (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii (a) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- xiii According to the information and explanations given by the management on certain transactions entered with the related parties being specialized nature, transactions with the related parties are in compliance with section 188 of Companies Act, 2013, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company.
- xiv (a) The Company is not required to have an internal audit system under Section 138 of the Companies Act, 2013.
- xv The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group; hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii The Company has incurred cash losses in the current financial year and not incurred cash losses in the immediately preceding financial year.



- xviii During the year, due to pre-occupation the statutory auditors has been resigned from the post and the out-going auditor has not taken-up any issues, objections and concerns while resignation.
- xix On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx As represented by the management to us, section 135 of the Companies Act, 2013 (the Act) is not applicable to the Company. Accordingly, the requirement to report on clause (xx)(a) and (b) of the Order is not applicable to the Company.
- xxi. As represented by the management to us, there are other group companies and consolidated financial statements applicable to the company.

For N S NAGARAJ & CO
Chartered Accountants
FRN No.010530S



N S Nagaraj
Proprietor
M. No. 211617

Place: Tumkur

Date: 23/05/2024

UDIN: **24211617BKGQWV2203**

Standalone Balance Sheet

As at March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
ASSETS				
Non-current assets				
Property, plant and equipment	3(a)	732.32	71.14	57.43
Capital work-in-progress	3(b)	4.53	581.95	430.51
Right-of-use assets	3(c)	107.48	-	-
Financial assets				
(i) Investments	4	48.90	-	-
(ii) Other financial assets	5	1,634.85	24.92	24.92
Deferred tax assets (net)	6	123.89	3.70	3.05
Other non-current assets	7(a)	0.54	-	-
Total non-current assets		2,652.50	681.71	515.91
Current assets				
Inventories	8	24.37	136.30	81.93
Financial assets				
(i) Trade receivables	9	52.51	55.89	45.77
(ii) Cash and cash equivalents	10	128.42	76.90	41.58
(iii) Other financial assets	5(b)	29.11	-	-
Other current assets	7(b)	72.90	105.69	58.71
Total current assets		307.32	374.78	227.99
TOTAL ASSETS		2,959.82	1,056.49	743.89
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	367.85	100.00	100.00
Other equity	12	1,758.42	42.21	41.13
Total equity		2,126.27	142.21	141.13
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	13(a)	176.54	136.53	175.45
(ii) Lease liabilities	3(c)	74.72	-	-
(iii) Other financial liabilities	14(a)	260.00	-	-
Provisions	15(a)	10.31	-	-
Total non-current liabilities		521.57	136.53	175.45
Current liabilities				
Financial liabilities				
(i) Borrowings	13(b)	120.40	198.35	291.77
(ii) Lease liabilities	3(c)	41.55	-	-
(iii) Trade payables				
total outstanding dues of micro and small enterprises	16	7.01	-	3.19
total outstanding dues of creditors other than micro and small enterprises	16	21.60	114.35	89.18
(iv) Other financial liabilities	14(b)	114.55	30.24	30.93
Provisions	15(b)	1.55	1.21	2.21
Other current liabilities	17	5.32	433.59	10.03
Total Current Liabilities		311.99	777.74	427.32
TOTAL EQUITY AND LIABILITIES		2,959.82	1,056.49	743.89

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 0105305

N.S. Nagaraj
CA NS Nagaraj
Proprietor

Membership No: 211617

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKGQWV2203

For Adita Bio Sys Private Limited

Chethan Basavaraju
Chethan Basavaraju
Director

DIN : 08154725

Kondapura Jayadevappa Shivakumar
Kondapura Jayadevappa Shivakumar
Director

DIN : 10249553



Standalone Statement of Profit and Loss

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	Year ended	
		31 March 2024	31 March 2023
Income			
Revenue from operations	18	304.97	451.75
Other income	19	40.18	2.82
Total income		345.15	454.57
Expenses			
Cost of materials consumed	20	182.18	205.87
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods and work-in-progress	21	115.97	(42.80)
Employee benefits expense	22	251.71	151.02
Finance costs	23	99.43	24.41
Depreciation and amortisation expense	3	77.33	11.40
Other expenses	24	165.28	101.44
Total expenses		891.89	451.33
Profit before tax and exceptional items		(546.74)	3.24
Exceptional items		-	-
Profit before tax		(546.74)	3.24
Tax expense			
Current tax		-	2.81
Deferred tax		(120.19)	(0.66)
Total Tax Expense		(120.19)	2.15
Profit for the year		(426.56)	1.08
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans and equity instruments		-	-
Income tax effect		-	-
(ii) Items that will be reclassified subsequently to profit or loss			
Effective portion of gains/(losses) on hedging instrument in cash flow hedges		-	-
Income tax effect		-	-
Other comprehensive income for the year, net of taxes		-	-
Total comprehensive income for the year		(426.56)	1.08
Earnings per equity share			
Basic (in Rs)		(22.36)	0.11
Diluted (in Rs)		(22.36)	0.11

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 010530S

CA NS Nagaraj

Proprietor

Membership No: 211617

For Adita Bio Sys Private Limited

Chethan Basavaraju

Director

DIN : 08154725

Kondapura Jayadevappa Shivakumar

Director

DIN : 10249553

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKGQWV2203



Standalone Statement of Changes in Equity

For the year ended March 31, 2024

(A) Equity share capital (Amount in Rs. lakhs, unless otherwise stated)

Particulars	No of shares	Amount
Balance as at April 1, 2022	10,00,000	100.00
Changes during the year	-	-
Balance as at March 31, 2023	10,00,000	100.00
Changes during the year	26,78,459	267.85
Balance as at March 31, 2024	36,78,459	367.85

(B) Other Equity

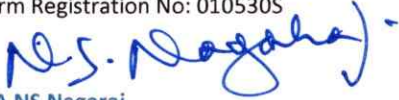
Particulars	Reserves and Surplus		
	Securities Premium	Retained Earnings	Total Equity
Balance as at April 1, 2022	-	41.13	41.13
Profit for the year	-	1.08	1.08
Other comprehensive income, net of tax	-	-	-
Issue of share capital	-	-	-
Balance as at March 31, 2023	-	42.21	42.21
Profit for the year	-	(426.56)	(426.56)
Other comprehensive income, net of tax	-	-	-
Issue of share capital	2,142.77	-	2,142.77
Balance as at March 31, 2024	2,142.77	(384.34)	1,758.42

As per our report of even date attached

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 0105305



CA NS Nagaraj

Proprietor

Membership No: 211617

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKGQWV2203

For Adita Bio Sys Private Limited



Chethan Basavaraju

Director

DIN : 08154725



Kondapura Jayadevappa Shivakumar

Director

DIN : 10249553



Standalone Statement of Cash Flows

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Net Profit Before Tax	(546.74)	3.24
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation	77.33	11.40
Interest income	(40.18)	(2.26)
Finance Cost	99.43	24.41
Loss on sale of fixed asset	2.02	-
Share of loss in partnership firm	33.73	-
Adjustments for changes in working capital:		
(Increase)/decrease in inventories	111.93	(54.37)
(Increase)/decrease in trade receivables	3.38	(10.12)
(Increase)/decrease in other current assets	3.67	(46.98)
Increase/(decrease) in trade payables	(85.74)	20.60
Increase/(decrease) in other financial liabilities	44.31	-
Increase/(decrease) in other provisions	10.65	-
Increase/(decrease) in other current liabilities	(428.26)	423.24
Cash generated from/(used in) operations	(714.48)	369.15
Income tax paid	-	(2.81)
Net cash flows generated from/(used in) operating activities (A)	(714.48)	366.34
Cash flows from investing activities		
Purchase of property, plant and equipment incl. CWIP	(129.69)	(176.54)
Sale of property, plant and equipment	1.87	-
Interest on bank deposits and loans	38.28	2.26
Investment in subsidiaries	(228.00)	-
Loans given	(1,467.00)	-
Net cash flow generated from/(used in) investing activities (B)	(1,784.54)	(174.28)
Cash flow from Financing activities		
Proceeds from/ (Repayment of) of borrowing	(37.95)	(132.33)
Proceeds from issue of equity shares	2,410.61	-
Proceeds from Issue of preference share capital	300.00	-
Interest on loan	(87.73)	(24.41)
Repayment of lease liabilities	(34.39)	-
Net cash flow generated from/(used in) financing activities (C)	2,550.54	(156.74)
Net increase in cash and cash equivalents (A+B+C)	51.52	35.32
Cash and cash equivalents at the beginning of the year	76.90	41.58
Cash and cash equivalents at the end of the year	128.42	76.90
Cash and cash equivalents comprise		
Cash on hand	0.93	0.40
Balances with banks in current & deposit accounts	20.74	0.10
Deposits with original maturity of less than 3 months	106.74	76.40
Total cash and cash equivalents	128.42	76.90

As per our report of even date attached

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 010530S

CA NS Nagaraj

Proprietor

Membership No: 211617

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKGQWV2203

For Adita Bio Sys Private Limited

Chethan Basavaraju

Director

DIN : 08154725

Kondapura Jayadevappa Shivakumar

Director

DIN : 10249553



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

1. Company Overview

Adita Bio Sys Private Limited (“the Company”) is a private limited company domiciled and incorporated in India in accordance with the provisions of the Companies Act, 2013. The registered office of the Company is located at Plot No.SPL-26, KSSIDC Industrial Estate, Antharasanahalli, Madhugiri Road, Tumkur 572106, Karnataka. The Company is engaged in the business of contract research and manufacturing services. These financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 23rd May 2024.

2. Significant accounting policies

2.1. Basis of Preparation of Financial Statements

a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

The Company’s financial statements up to and for the year ended March 31, 2023 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (“Previous GAAP”).

As these are the Company’s first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Company is provided in Note 34.

These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company’s annual reporting date, March 31, 2024. These financial statements were authorised for issuance by the Company’s Board of Directors on 23rd May 2024.

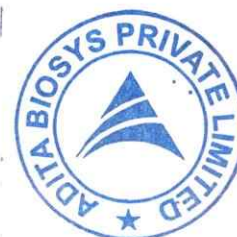
b) Basis of measurement

The financial statements have been prepared on historical cost convention and on accrual basis, except for the following items in the balance sheet:

- i. Certain financial assets and liabilities measured either at fair value or at amortised cost depending on the classification.
- ii. Defined employee benefit liabilities are recognised at the present value of defined benefit obligation adjusted for fair value of plan assets.

c) Current and non-current classification

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



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current assets/liabilities include the current portion of non-current assets/liabilities respectively. All other assets/liabilities including deferred tax assets and liabilities are classified as non-current.

d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management of the company to make judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period.

e) Fair value measurement

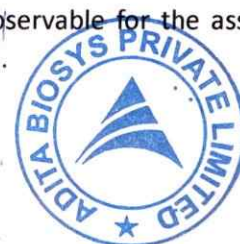
The Company's accounting policies and disclosures require the measurement of fair values, for certain financial and non-financial assets and liabilities based on their classification.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.2. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, freight, non-refundable taxes and duties, specified foreign exchange gains or losses and any other cost attributable to bring the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress' and hence not depreciated.

Depreciation method, estimated useful lives and residual values

The classification of Plant and equipment into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Depreciation on property, plant and equipment is provided on the Straight-Line Method (SLM) method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the other income/other expenses when the asset is derecognized.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

2.3. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

2.4. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, other economic factors etc. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period, with the effect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Standalone statement of profit and loss unless such expenditure forms part of carrying value of another asset.

2.5. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.6. Leases (as a lessee)

The company assesses whether a contract contains a lease, at the inception of 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 use of an identified asset, the company assesses whether:

- The contract involves use of an identified asset;



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

- The company has substantially all the economic benefits from the use of the asset through the period of lease; and
- The company has the right to direct the use of an asset.

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

Certain lease agreements include an option to extend or terminate the lease before the end of lease term. ROU assets and the lease liabilities includes these options when it is reasonably certain that they will be exercised.

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. For the purpose of impairment testing, the recoverable amount (i.e., higher of fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use assets if the company changes its assessment if whether it will exercise an extension or a termination of option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

2.7. Financial instruments

Recognition and initial measurement

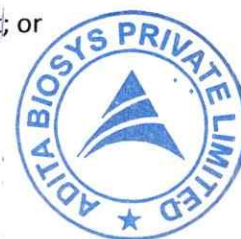
Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL).



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.8. Business combination

In accordance with Ind AS 103, Business combinations, the Company accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Company. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

2.9. Employee benefits

Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Post-employment benefits Defined benefit plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

The Company has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for Defined Benefit Plans as the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.

Other employee benefits

The liabilities for earned leave are settled wholly within the financial year in which the employees render the related service.

2.10. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Service Revenue

Service income is recognized as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and revenue excludes GST, wherever applicable.

2.11. Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. The foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within Other income/Other expenses.

2.12. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

2.13. Income Taxes

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

2.14. Provision and Contingencies



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.15. Dividend Distributions

The Company recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.16. Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17. Cash and cash equivalents

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

2.18. Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

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

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.19. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "Contract Research and Manufacturing Services".

2.20. Estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- **Leases**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

- **Employee benefits (estimation of defined benefit obligation)**

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Impairment of trade receivables**



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

The risk of collectability of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- **Estimation of expected useful lives of property, plant and equipment**

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

- **Contingencies**

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed.

- **Valuation of deferred tax assets**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Fair value measurements**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.



Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

3(a) Property, plant and equipment and Capital work-in-progress

Particulars	Plant & equipment	Lab equipment	Furniture and fixtures	Vehicles	Computer and related equipment	Improvements on lease hold building	Total
Gross carrying amount							
At 01 April 2022	26.92	11.16	1.78	5.40	5.00	57.71	107.97
Additions during the year	7.03	-	0.92	15.53	1.63	-	25.11
Disposals during the year	-	-	-	-	-	-	-
At 31 March 2023	33.96	11.16	2.69	20.93	6.62	57.71	133.07
Additions during the year	296.07	95.49	312.08	-	2.92	-	706.56
Disposals during the year	-	-	-	5.40	-	-	5.40
At 31 March 2024	330.03	106.65	314.77	15.53	9.55	57.71	834.23
Accumulated depreciation							
At 01 April 2022	9.87	3.16	0.71	0.74	1.94	34.11	50.54
Depreciation for the year	2.07	1.06	0.18	0.65	1.34	6.09	11.40
Disposals during the year	-	-	-	-	-	-	-
At 31 March 2023	11.94	4.22	0.90	1.39	3.28	40.21	61.93
Depreciation for the year	2.99	4.08	24.45	1.97	1.92	6.09	41.50
Disposals during the year	-	-	-	1.51	-	-	1.51
At 31 March 2024	14.93	8.30	25.34	1.85	5.20	46.30	101.92
Net carrying amount							
31 March 2023	22.02	6.94	1.79	19.54	3.35	17.50	71.14
31 March 2024	315.10	98.36	289.42	13.67	4.35	11.41	732.32

3(b) Capital work-in-progress:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Projects in Progress	4.53	581.95	430.51
	4.53	581.95	430.51

Ageing for capital work-in-progress as at March 31, 2024

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4.53	-	-	-	4.53
	4.53	-	-	-	4.53

Ageing for capital work-in-progress as at March 31, 2023

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	151.43	294.30	61.02	75.18	581.95
	151.43	294.30	61.02	75.18	581.95

Ageing for capital work-in-progress as at March 31, 2022

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	294.30	61.02	75.18	-	430.51
	294.30	61.02	75.18	-	430.51



Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

3(c) Right of use assets and Lease liabilities

Particulars	Building
Gross carrying amount	
At 01 April 2022	-
Additions during the year	-
Disposals during the year	-
At 31 March 2023	-
Additions during the year	143.31
Disposals during the year	-
At 31 March 2024	143.31
Accumulated depreciation	
At 01 April 2022	-
Depreciation for the year	-
Disposals during the year	-
At 31 March 2023	-
Depreciation for the year	35.84
Disposals during the year	-
At 31 March 2024	35.84
Net carrying amount	
31 March 2023	-
31 March 2024	107.48

Lease liabilities

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
Balance at the beginning of the year	-	-	-
Additions during the year	134.52	-	-
Finance cost accrued during the period	16.14	-	-
Deletions	-	-	-
Payment of lease liabilities	(34.39)	-	-
Balance at the end of the year	116.27	-	-

The following is the break-up of current and non-current lease liabilities:

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
Current lease liabilities	41.55	-	-
Non-current lease liabilities	74.72	-	-
	116.27	-	-

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
Less than one year	46.54	-	-
One to five years	118.97	-	-
More than five years	-	-	-
	165.51	-	-

Amounts recognised in the statement of profit and loss

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
Interest expenses on lease liabilities	16.14	-	-
Depreciation expenses on right of use-assets	35.84	-	-
	51.98	-	-



Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

4 Investments

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current investments			
Investment in equity shares (Unquoted)			
Investment in subsidiaries			
4,80,000 (31 March 2023: NIL) Equity shares of Rs. 10 each in Siri Labvivo Diet Pvt Ltd	48.00	-	-
Other investments (partnership firm) (Unquoted)			
Investment in subsidiaries			
90% (31 March 2023: NIL%) in Spring Labs	0.90	-	-
	48.90	-	-
Aggregate value of unquoted investments	48.90	-	-

5 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Security deposits	4.76	24.92	24.92
Lease deposits	17.71	-	-
Loan to related parties	1,467.00	-	-
Other advances	145.37	-	-
	1,634.85	24.92	24.92
(b) Current			
Interest accrued on loans and advances	29.11	-	-
	29.11	-	-

6 Deferred tax liability (net)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Deferred tax asset/(liability) relates to the following:			
Provision for employee benefits	(2.78)	-	-
Carry forward tax loss and Unabsorbed depreciation	136.97	-	-
Property, plant and equipment	(10.30)	3.70	3.05
	123.89	3.70	3.05

Movement in the Deferred Tax Assets

Particulars	Provision for employee benefits	Carry forward tax loss and Unabsorbed depreciation	Property, plant and equipment	Total
Opening balance as at April 1, 2022	-	-	3.05	3.05
Recognised in profit or loss	-	-	0.66	0.66
Recognised in OCI	-	-	-	-
Closing balance as at March 31, 2023	-	-	3.70	3.70
Opening balance as at April 1, 2023	-	-	3.70	3.70
Recognised in profit or loss	(2.78)	136.97	(14.01)	120.19
Recognised in OCI	-	-	-	-
Closing balance as at March 31, 2024	(2.78)	136.97	(10.30)	123.89



Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

7 Other assets

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Capital advances	0.54	-	-
	0.54	-	-
(b) Current			
Balance with government authorities	69.80	47.73	36.35
Advances for services and supplies	0.17	50.35	15.34
Prepaid expenses	2.14	3.17	2.74
Employee advances	0.79	0.19	0.02
Other advances	-	4.26	4.26
	72.90	105.69	58.71

8 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Raw materials	17.60	13.56	1.99
Finished goods	6.78	122.74	79.95
	24.37	136.30	81.93

9 Trade Receivables

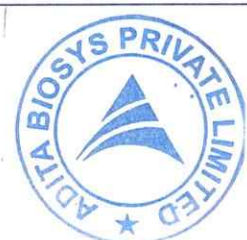
Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Unsecured Considered good	52.51	55.89	45.77
Less: Provision for bad and doubtful debts	-	-	-
Total Current Trade receivables	52.51	55.89	45.77

Trade Receivables ageing schedule as at 31 March 2024:

	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	35.81	3.93	2.18	3.20	7.39	52.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	35.81	3.93	2.18	3.20	7.39	52.51
Less: Allowance	-	-	-	-	-	-
Total Trade receivables	35.81	3.93	2.18	3.20	7.39	52.51

Trade Receivables ageing schedule as at 31 March 2023:

	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	36.28	3.17	5.02	9.56	1.87	55.89
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	36.28	3.17	5.02	9.56	1.87	55.89
Less: Allowance	-	-	-	-	-	-
Total Trade receivables	36.28	3.17	5.02	9.56	1.87	55.89



Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Trade Receivables ageing schedule as at 31 March 2022:

	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	28.56	1.96	9.91	5.22	0.12	45.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	28.56	1.96	9.91	5.22	0.12	45.77
Less: Allowance	-	-	-	-	-	-
Total Trade receivables	28.56	1.96	9.91	5.22	0.12	45.77

10 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Balance with Banks			
- in current accounts	20.74	0.10	40.95
Deposit with original maturity of less than 3 months	106.74	76.40	-
Cash on hand	0.93	0.40	0.62
	128.42	76.90	41.58

11 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Authorised			
37,00,000 (31 March 2023: 10,00,000) equity shares of Rs 10 each			
3,00,000 (31 March 2023: NIL) preference shares of Rs. 100 each	670.00	100.00	100.00
Issued, subscribed and fully paid-up			
36,78,459 (31 March 2023: 10,00,000) equity shares of Rs 10 each	367.85	100.00	100.00
	367.85	100.00	100.00

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	10,00,000	100.00	10,00,000	100.00	10,00,000	100.00
Issued during the year	26,78,459	267.85	-	-	-	-
Balance at the end of the year	36,78,459	367.85	10,00,000	100.00	10,00,000	100.00

(ii) The Company has only one class of equity shares with voting rights having par value of Rs. 10 each. The rights, preferences and restrictions attached to such equity shares is in accordance with the terms of issue of equity shares under the Companies Act, 2013, the Articles of Association of the Company and other relevant regulations.

(iii) Details of shareholders holding more than 5% shares in the Company

S.No.	Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
		No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
1	Tumkur Trade Center Private Limited	1,900	0.05%	5,99,900	59.99%	6,00,000	60.00%
2	Swathi H V	-	-	80,000	8.00%	80,000	8.00%
3	Chethan Basavaraju	-	-	80,000	8.00%	80,000	8.00%
4	KR Raghunatha Reddy	-	-	80,000	8.00%	80,000	8.00%
5	Keshavamurthy S	10	0.00%	50,000	5.00%	50,000	5.00%
6	Pharmaids Pharmaceuticals Limited	36,73,308	99.86%	-	-	-	-



Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

(iv) Shares held by promoters

S.No.	Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
		No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
1	Tumkur Trade Center Private Limited	-	-	5,99,900	59.99%	6,00,000	60.00%
2	Chethan Basavaraju	-	-	80,000	8.00%	80,000	8.00%
3	KR Raghunatha Reddy	-	-	80,000	8.00%	80,000	8.00%

12 Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Securities premium			
Balance at the beginning of the year	-	-	-
Add: Received during the year	2,142.77	-	-
Less: Utilised during the year	-	-	-
Balance at the end of the year	2,142.77	-	-
Retained Earnings			
Balance at the beginning of the year	42.21	41.13	40.17
Add: Net profit for the year	(426.56)	1.08	0.95
Add: Other comprehensive income net of tax	-	-	-
Balance at the end of the year	(384.34)	42.21	41.13
Total Other Equity	1,758.42	42.21	41.13

13 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Secured			
Term loans from bank	176.54	136.53	175.45
	176.54	136.53	175.45
(b) Current			
Working capital loans from bank	59.34	152.40	-
Current maturities of long-term borrowings			
Secured			
-Term loan from bank	58.72	43.44	41.91
-Vehicle loan from bank	2.34	2.51	-
-Term loan from NBFC	-	-	200.66
Unsecured			
-Payable to shareholders	-	-	49.20
	120.40	198.35	291.77

The company obtained the working capital loan, term loan and vehicle loan from State Bank of India.

The loan from share holders was repaid in the year 2022-23.

The term loan borrowed from Moki Financials Services, NBFC was repaid in the year 2022-23.

14 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Non convertible redeemable preference shares	260.00	-	-
	260.00	-	-
Current			
Payable to employees	27.23	12.49	11.84
Creditors for capital expenditure	21.14	1.28	-
Creditors for expenses	25.55	16.37	19.00
Audit fee payable	0.64	0.10	0.10
Non convertible redeemable preference shares	40.00	-	-
	114.55	30.24	30.93



Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

The company has taken advance of Rs. 300 lakhs from customer during the year 2022-23, later the advance was converted into 3,00,000 Non-convertible redeemable preference shares of Rs. 100/- each. The preference shares are redeemable at an annualised premium of 13%. 40,000 shares are redeemed every year starting 1st October, 2024 and the remaining 1,40,000 shares will be redeemed in the 5th year, ie., on 1st October, 2028.

15 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(a) Non-current			
Provision for employee benefits	-	-	-
Gratuity	10.31	-	-
	10.31	-	-
(b) Current			
Provision for employee benefits	1.18	1.21	-
Gratuity	0.37	-	-
Others	-	-	2.21
	1.55	1.21	2.21

16 Trade Payables

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Due to MSMED	3.68	-	3.19
Due to related parties MSMED	3.33	-	-
Due to other than MSMED			
- Due to related parties	-	-	-
- Due to others	21.60	114.35	89.18
	28.62	114.35	92.37

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act")

(i) The principal amount and interest due thereon remaining unpaid to supplier as at the end of each accounting year

- Principal amount	7.01	-	3.19
- Interest due on above	-	-	-

(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	-
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---	---	---

(iv) Interest accrued and remaining unpaid at the end of the year

(v) Interest remaining due and payable in succeeding years, in terms of Section 23 of the MSMED Act, 2006	-	-	-
-----------------------------------------------------------------------------------------------------------	---	---	---

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

(b) Aging schedule

31 March 2024	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	7.01	-	-	-	7.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	17.81	3.79	-	-	21.60
	24.83	3.79	-	-	28.62



Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

31 March 2023	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	105.35	3.89	-	5.11	114.35
	105.35	3.89	-	5.11	114.35

31 March 2022	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	3.19	-	-	-	3.19
Total outstanding dues of creditors other than micro enterprises and small enterprises	84.07	-	-	5.11	89.18
	87.26	-	-	5.11	92.37

17 Other liabilities

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022
Current			
Advances for services and supplies		0.16	425.00
Statutory dues		5.17	8.59
		5.32	433.59
			10.03

18 Revenue from operations

Particulars	As at	As at
	31 March 2024	31 March 2023
Sale of products	269.13	450.71
Sale of services	33.60	1.04
Other operating revenues		
Renting of cages	2.23	-
	304.97	451.75

19 Other income

Particulars	As at	As at
	31 March 2024	31 March 2023
Interest income	38.28	2.26
Interest on Lease deposit	1.90	-
Discount received	-	0.56
	40.18	2.82

20 Cost of materials consumed

Particulars	As at	As at
	31 March 2024	31 March 2023
Inventory at the beginning of the year	13.56	1.99
Add : Purchases	186.22	217.44
Less: Inventory at the end of the year	(17.60)	(13.56)
	182.18	205.87

21 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	As at	As at
	31 March 2024	31 March 2023
Inventories at the beginning of the year		
Finished goods	122.74	79.95
Inventories at the end of the year		
Finished goods	6.78	122.74
	6.78	122.74
	115.97	(42.80)



Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

22 Employee benefits expense

Particulars	As at 31 March 2024	As at 31 March 2023
Salaries and wages	222.32	137.64
Contribution to provident and other funds	10.09	5.90
Gratuity	10.67	-
Staff welfare expenses	8.62	7.47
	251.71	151.02

23 Finance costs

Particulars	As at 31 March 2024	As at 31 March 2023
Interest	80.69	22.42
Interest on Lease Liability	16.14	-
Other borrowing cost	2.59	1.98
	99.43	24.41

24 Other expenses

Particulars	As at 31 March 2024	As at 31 March 2023
Direct expenses		
Power and Fuel charges	44.93	27.77
Lab maintenance expenses	0.57	1.34
Animal maintenance expenses	1.77	0.52
Indirect expenses		
Audit Fee	0.60	0.10
Professional & consultancy charges	17.51	2.51
Insurance	0.63	0.36
Rates and taxes	11.98	1.61
Bank Charges	0.10	0.08
Communication expenses	1.28	1.23
Membership and delegation fee	0.61	1.28
Travelling and conveyance	3.98	8.03
Rent Expenses	25.23	39.36
Repairs and maintenance		
Building	2.89	0.62
Plant & Machinery	0.65	0.65
Others	4.57	2.18
Selling expenses		
Freight charges	0.90	6.79
Business promotion expenses	1.42	1.82
Office maintenance expenses	7.56	4.05
Printing and stationery	2.34	1.17
Loss on sale of fixed assets	2.02	-
Share of loss in partnership firm	33.73	-
	165.28	101.44

(a) Payments to the auditor

Particulars	As at 31 March 2024	As at 31 March 2023
As an auditor		
- Statutory audit	0.60	0.10
Reimbursement of expenses	-	-
	0.60	0.10



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

25. Tax expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	-	2.81
Deferred tax	(120.19)	(0.66)
Tax expense charged to Statement of Profit and Loss	(120.19)	2.15
Reconciliation of tax expense		
Profit before tax	(546.74)	3.24
Tax expense at applicable tax rates 26% (March 31, 2023: 26%;	-	0.84
Adjustments:		
Deferred tax assets not recognized / (utilized)	(120.19)	(0.66)
Tax effect on Non-deductible expense	-	1.97
Income tax expense	(120.19)	2.15

26. Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Earnings		
Profit for the year	(426.56)	1.08
Weighted average number of equity shares for basic EPS	19,07,456	10,00,000
Weighted average number of equity shares adjusted for the effect of dilution	19,07,456	10,00,000
Earnings per equity share		
Basic (in Rs.)	(22.36)	0.11
Diluted (in Rs.)	(22.36)	0.11

27. Fair value measurements

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Financial Assets			
Investments	48.90	-	-
Trade receivables	52.51	55.89	45.77
Cash and cash equivalents	128.42	76.90	41.58
Other financial assets	1,663.96	24.92	24.92
	1,893.79	157.71	112.26
Financial Liabilities			
Borrowings	296.93	334.88	467.21
Trade payables	28.62	114.35	92.37
Other financial liabilities	374.55	30.24	30.93
	700.10	479.48	590.52



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds investment in its subsidiaries.

The carrying amounts of trade receivables, trade payables and cash and bank balances are considered to be the same as their fair values, due to their short-term nature. The difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

28. Financial risk management objectives and policies

The possible risk to the Company is financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, foreign currency risk and other price risk. Financial instruments of the Company affected by market risk include borrowings and deposits. The company does not hold any financial instruments which have market risk.

Price risk

The Company does not have any investments which are classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. Hence, the Company is not exposed to any price risk.

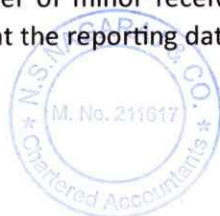
Credit risk

Credit risk is the risk arising from credit exposure to customers and the counterparty will default on its contractual obligations.

The Company has adopted a policy of only dealing with creditworthy customers/ corporates to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in bank cheques, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short-term deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carries a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

Liquidity risk

Liquidity risk is the risk that the Company will have difficulty in raising the financial resources required to fulfil its commitments.

Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.

29. Related party disclosures

Names of related parties and nature of relationship

Name of the Related Parties	Nature of Relationship
Key Management Personnel (KMP)	
Chethan Basavaraju	Executive Director
	Non-executive
Samuel Sharmanraj	Director
	Non-executive
Shiva Kumar K J (appointed on 14-08-2023)	Director
Raghunatha Reddy K R (resigned on 28-03-2023)	Executive Director
Subsidiaries	
Siri Labvivo Diet Private Limited (w.e.f. 29-12-2023)	
Spring Labs (w.e.f. 06-12-2023)	
Holding Company	
Pharmaids Pharmaceuticals Limited (w.e.f. 02-03-2024)	
Companies in Holding company Directors are interested	
Bionees India Private Limited	
Others	
Tumkur Trade Centre Private Limited	Shareholder
M B Sadashivaiah	Shareholder
K G Basavaraju	Shareholder

Details of transactions with related parties in the ordinary course of business

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Remuneration to Key Management Personnel (KMP)		
Chethan Basavaraju	31.30	18.51
Raghunatha Reddy K R	-	5.84



Notes forming part of the Standalone Financial Statements

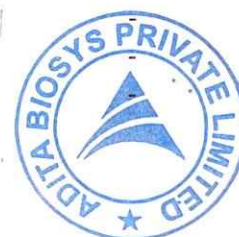
For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Unsecured Loan borrowed		
Tumkur Trade Centre Private Limited	-	50.00
Moki Financial Services	315.00	50.00
Unsecured Loan repaid		
Tumkur Trade Centre Private Limited	-	74.25
M B Sadashivaiah	-	17.45
K G Basavaraju	-	7.51
Moki Financial Services	315.00	250.00
Unsecured Loan given		
Siri Labvivo Diet Private Limited	157.00	-
Spring Labs	60.00	-
Pharmaids Pharmaceuticals Limited	1,250.00	-
Advance for supply		
Spring Labs	-	50.00
Conversion of advance for supply into capital		
Spring Labs	50.00	-
Interest Income on Unsecured Loans		
Siri Labvivo Diet Private Limited	6.04	-
Spring Labs	2.06	-
Pharmaids Pharmaceuticals Limited	24.25	-
Interest expense on Unsecured Loans		
Moki Financial Services	8.45	17.67
Sale of products		
Spring Labs	2.78	-
Bionees India Private Limited	134.80	242.78
Purchase of products		
Siri Labvivo Diet Private Limited	0.13	-
Spring Labs	3.33	-

Balances payable/(receivable)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Unsecured Loan borrowed			
Tumkur Trade Centre Private Limited	-	-	24.25
M B Sadashivaiah	-	-	17.45
K G Basavaraju	-	-	7.51
Moki Financial Services	-	-	200.00



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Unsecured Loan given

Siri Labvivo Diet Private Limited	157.00	-	-
Spring Labs	60.00	-	-
Pharmaids Pharmaceuticals Limited	1,250.00	-	-

Interest receivable on Unsecured Loans

Siri Labvivo Diet Private Limited	5.44	-	-
Spring Labs	1.86	-	-
Pharmaids Pharmaceuticals Limited	21.82	-	-

Interest payable on Unsecured Loans

Moki Financial Services	-	-	0.66
-------------------------	---	---	------

Dues payable

Spring Labs	2.78	-	-
-------------	------	---	---

Dues receivable

Spring Labs	3.33	-	-
Bioneeds India Private Limited	6.23	18.24	12.89

- The advance for purchase of lab animals of Rs. 50 lakhs given in the previous year to Spring Labs was converted into capital during current year.

30. Employee benefits

Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employers' Contribution to Provident Fund	8.68	4.73
Employers' Contribution to Employee State Insurance	1.41	1.18

Defined benefit plans

The Company provides for gratuity to employees as per the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age.

Amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	10.67	-
Past service cost	-	-
Loss/(gain) on curtailments and settlement	-	-
Net interest cost	-	-



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Total amount recognized in the Statement Profit and Loss	10.67	-
----------------------------------------------------------	-------	---

Changes in present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the beginning of the year	-	-	-
Current service cost	10.67	-	-
Interest Expense or Cost	-	-	-
Re-measurement (or Actuarial) (gain)/loss	-	-	-
Past service cost	-	-	-
Benefits paid	-	-	-
Present value of obligation at the end of the year	10.67	-	-

The assumptions used for gratuity valuation are as below:

Particulars	As at 31 March 2024
Discount Rate	7.20% p.a.
Expected Return on Plan Assets	Not Applicable
Salary Growth Rate	7.00% p.a.
Withdrawal Rates:	
Age 25 & Below	10 % p.a.
Age 25 to 35	8 % p.a.
Age 35 to 45	6 % p.a.
Age 45 to 55	4 % p.a.
Age 55 & above	2 % p.a.

Risk exposure

These defined benefit plans typically expose the Company to actuarial risks as under:

Actuarial Risk:

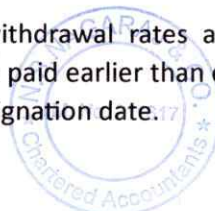
It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment Risk:



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company, there can be strain on the cashflows.

Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

31. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "Contract Research and Manufacturing Services".

32. Capital management

The Company's policy is to maintain strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business.

The Company manages its Capital structure through a balanced mix of debt and equity. The Company's capital structure is influenced by the changes in the regulatory frameworks, government policies, available options of financing and impact of the same on liquidity position.

The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Equity Share Capital	367.85	100.00	100.00
Other Equity	1,758.42	42.21	41.13
Total Equity (A)	2,126.27	142.21	141.13
Long-term borrowings	176.54	136.53	175.45
Short-term borrowings	120.40	198.35	291.77
Less: Cash and Cash equivalents	(128.42)	(76.90)	(41.58)
Total Debt (B)	168.51	257.98	425.64
Overall financing (C = A+B)	2,294.78	400.20	566.77
Gearing ratio (B/C)	7.34%	64.46%	75.10%

33. Ratios as per Schedule III requirements

Particulars	31 March 2024	31 March 2023	% Variance	Reason For Variance
Current Ratio	0.99	0.48	104%	Previous year current liabilities include the customer advance, which was converted to preference shares during the current year
Debt-Equity Ratio	0.14	2.35	-94%	Issue of equity shares during the year
Debt Service Coverage ratio	-1.25	0.12	-1169%	Increase in expenses towards GLP activities which resulted in loss during the year
Inventory Turnover Ratio	2.27	1.89	20%	Limited inventory is maintained in the current year than previous year
Trade Payable Turnover Ratio	4.17	1.58	164%	Reduction in the Trade payables in current year compared to previous year
Net Profit Ratio	-140%	0.24%	-58397%	Increase in expenses towards GLP activities which resulted in loss during the year
Return on Equity Ratio	-37.61%	0.77%	-5016%	Increase in equity due to issue of shares and also loss in the current year due increase in expenses towards GLP activities
Return on Investment Ratio	40.69%	8.94%	355%	Increase in investments during the year
Trade Receivables Turnover Ratio	5.63	8.89	-37%	Reduction in sales as the company focussed on GLP certification activities during the current year
Net Capital Turnover Ratio	-65.36	-1.12	5730%	Reduction in sales and conversion of current liability of previous year to preference shares in the current year
Return on Capital Employed	-0.17	0.10	-270%	Loss during the current year and increase in equity shares during the year



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Ratio	Formula
Current Ratio	Current Assets/Current Liabilities
Debt-Equity Ratio	Total debt/Total equity
Debt Service Coverage ratio	Earnings available for debt services (i.e., EBIT+Depreciation & Amortization)/Total interest and principal repayments
Inventory Turnover Ratio	Cost of materials consumed/Average inventory
Trade Payable Turnover Ratio	Total purchases/Average trade payables
Net Profit Ratio	Net profit after tax/Revenue from Operations
Return on Equity Ratio	Net profit after tax/Average Equity
Return on Investment Ratio	Interest Income/Average Investment in Fixed Deposits
Trade Receivables Turnover Ratio	Revenue from operations/Average trade receivables
Net Capital Turnover Ratio	Revenue from operations/Net Working capital (Net working capital = current assets - current liabilities)
Return on Capital Employed	Earnings before interest and taxes (EBIT)/Capital Employed

34. First-time adoption of Ind AS

Particulars	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current assets			
Property, plant and equipment	57.43	-	57.43
Capital work-in-progress	430.51	-	430.51
Financial assets	-	-	-
(i) Investments	-	-	-
(ii) Other financial assets	-	24.92	24.92
Deferred tax assets (net)	3.05	-	3.05
Other non-current assets	24.92	(24.92)	-
Total non-current assets	515.91	-	515.91
Current assets			
Inventories	81.93	-	81.93
Financial assets	-	-	-
(i) Trade receivables	45.77	-	45.77
(ii) Cash and cash equivalents	41.58	-	41.58
(iii) Other financial assets	-	-	-
Other current assets	58.71	-	58.71
Total current assets	227.99	-	227.99
TOTAL ASSETS	743.89	-	743.89



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

EQUITY AND LIABILITIES

Equity

Equity share capital	100.00	-	100.00
Other equity	41.13	-	41.13
Total equity	141.13	-	141.13

Liabilities

Non-current liabilities

Financial liabilities

(i) Borrowings	175.45	-	175.45
Total non-current liabilities	175.45	-	175.45

Current liabilities

Financial liabilities

(i) Borrowings	291.77	-	291.77
(iii) Trade payables			
total outstanding dues of micro and small enterprises	3.19	-	3.19
total outstanding dues of creditors other than micro and small enterprises	108.17	(19.00)	89.18
(iv) Other financial liabilities	-	30.93	30.93
Provisions	2.21	-	2.21
Other current liabilities	21.97	(11.94)	10.03
Total Current Liabilities	427.32	-	427.32
TOTAL EQUITY AND LIABILITIES	743.89	-	743.89

For N S Nagaraj & Co

Chartered Accountants

Firm Registration No: 010530S


CA NS Nagaraj

Proprietor

Membership No: 211617

Place: Tumkur

Date: 23-05-2024

UDIN: 24211617BKGQWV2203



For Adita Bio Sys Private Limited


Chethan Basavaraju

Director

DIN : 08154725


Kondapura Jayadevappa
Shivakumar

Director

DIN : 10249553

