



## INDEPENDENT AUDITORS' REPORT

To the Members of Casper Pharma Private Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Casper Pharma Private Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2023, and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended on that date and 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 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act. Read with the companies (Indian Accounting Standards) rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on the date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) 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 ethical requirements that are relevant to our audit of the financial statements in terms of 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us 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 is responsible for the other information. The other information comprises the information included in Board Report but does not include the Financial Statements and our Auditors 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 required to report that fact. We have nothing to report in this regard.

### **Management's Responsibilities for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in the 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 and financial performance including other comprehensive income, changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also include maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; 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 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, the respective 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.

The Board of Directors is 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 financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the companies' 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.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, 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 so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors none of the Directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the company and the operating effectiveness of such controls. Refer to our separate report in "Annexure B".
  - g) As required by section 197(16) of the Act, we report that the Company has not paid any remuneration to its directors during the year.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
    - i. The Company does not have any pending litigations which impact of its Financial Position in its Financial Statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company



iv.

- a) The management has represented that to the best of its knowledge and belief, no funds(which are material either individually or in the aggregate) have been advanced or loaned or invested(either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity(intermediaries), with the understanding directly or indirectly lend or invest in other persons or entity's 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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (Funding Parties), with the understanding whether recorded in writing or otherwise , that the company shall directly or indirectly lend or invest in other persons or entity's 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.
  - c) Based on the audit procedures that have been considered that are reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the financial year, the company has not declared any dividend, hence reporting under these clauses is not applicable .

2. As required by the Companies (Auditor's Report) order, 2020(the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Oder.

For K Nagaraju & Associates

Chartered Accountants

ICAI Firm's Registration No. 002270S

  
K Nagaraju

Partner

ICAI Membership No:024344

UDIN: 23024344BGVALZ2629

Place: Hyderabad

Date: 03-May-2023





**ANNEXURE 'A' TO THE INDEPENDENT AUDITORS'S REPORT**

**(Referred to in paragraph 2 under 'Report on other Legal and Regulatory Requirements' section of our report to the Members of Casper Pharma Private Limited of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a)
    - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use-assets.
    - B. The Company does not have any intangible assets.
  - b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) Based on our examination of the property tax receipts and lease agreement for land on which buildings is constructed, registered sale deed / transfer deed/ conveyance deed provided to us, we report that, the title in respect of self- constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lease), disclosed in the financial statements included under Property, plant and Equipment are held in the name of the Company as at the balance sheet date.
  - d) The company has not revalued any of its property, plant and Equipment (including right-of-use assets) and company does not have any intangible assets.
  - e) No proceedings have been initiated during the year or are year pending against the company as at March 31,2023 for holding any Benami property under Benami transaction (Prohibition) Act,1988 (As amended in 2016) and rules made thereunder.



ii.

- a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in the books of account.
- b) The company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The company has not made investments in companies, firms, Limited Liability Partnerships, and not granted unsecured loans to other parties, during the year and hence reporting under clause 3(iii) (a) to (f) of the Order is not applicable.

iv. On the basis of information and explanations provided to us by the management, the Company has not entered into any transactions falling within the ambit of Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clauses 3(iv) of the Order not applicable

v. The Company has not accepted any deposit or amount which are deemed to the deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

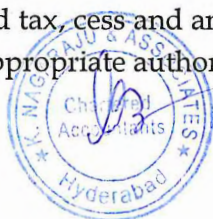
vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act related to the manufacture of Pharmaceutical Formulations and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. In respect of statutory dues.

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services ta, Provident Fund, Employees; State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty to Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) There were no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues that have not been deposited with the appropriate authorities on account of any dispute





viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix.

(a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings from any lender

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The company has not taken any term loan during the year and there are not outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix) (c) of the order is not applicable.

(d) On the overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year 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 subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix) (f) of the Order is not applicable.

x.

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.

xi.

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.





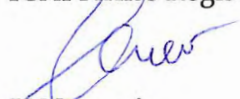
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act 2013 with respect to applicable transactions with related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013
- xv. In our opinion during the year the Company has not entered any non-cash transactions with the Directors or persons connected with directors. And hence provisions of section 192 of the Companies Act 2013 or not applicable to the Company.
- xvi.
- (a) In our opinion the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b), (c) of the order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the order is not applicable.
- xvii. The Company has incurred cash losses of Rs. 1547.08 Lakhs during the financial year covered by our audit and Company has incurred cash losses of Rs. 1029.19 Lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- xix. 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 and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within period of one year from the balance sheet date. We, However, State that this 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 balance sheet date, will get discharged by the Company as and when they fall due.

- xx. In our opinion and based on our examination, the company does not require to spend Corporate Social Responsibility (CSR) as per provisions of Section 135 of the Act. Accordingly, reporting under clause 3(xx) (a), (b) of the Order is not applicable for the year.

For K Nagaraju & Associates  
Chartered Accountants  
ICAI Firm's Registration No. 002270S



**K Nagaraju**

Partner

ICAI Membership No:024344

UDIN: 23024344BGVALZ2629

Place: Hyderabad

Date: 03-May-2023





**Annexure B to the Independent Auditors' report on the Financial Statements of Casper Pharma Private Limited for the year ended 31 March 2023**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in clause (f) of paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

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

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

**Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical





requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

### **Auditors' Responsibility**

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial controls with Reference to Financial Statements**

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

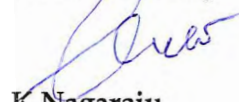
- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance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



## Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For K Nagaraju & Associates  
Chartered Accountants  
ICAI Firm's Registration No. 002270S

  
**K Nagaraju**  
Partner  
ICAI Membership No:024344  
UDIN: 23024344BGVALZ2629  
Place: Hyderabad  
Date: 03-May-2023



## CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Balance sheet as at March 31, 2023

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

	Notes	As at March 31, 2023	As at March 31, 2022
<b>I.ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	7,517.97	7,118.68
(b) Right-of-use assets	3	1,586.13	1,621.37
(c) Capital work-in-progress	3	27.40	-
(d) Deferred tax assets (net)	5	81.31	81.31
(e) Non-current Tax assets (net)	6	1.03	58.84
(f) Other non-current assets	7A	2.43	58.01
		<u>9,216.27</u>	<u>8,938.21</u>
<b>Current assets</b>			
(a) Inventories	8	134.43	107.57
(b) Financial assets			
(i) Investments	9	2,608.56	-
(ii) Trade receivables	10	127.86	90.16
(iii) Cash and cash equivalents	11	463.07	16.19
(iv) Loans	4B	-	1,278.99
(v) Other financial assets	12	-	154.49
(c) Other current assets	7B	161.60	47.43
		<u>3,195.52</u>	<u>1,694.83</u>
		<u>12,411.79</u>	<u>10,633.04</u>
<b>II.EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	2,608.08	2,086.46
(b) Other equity	14	9,301.57	7,707.59
		<u>11,909.65</u>	<u>9,794.05</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions	19A	42.99	35.59
		<u>42.99</u>	<u>35.59</u>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15B	-	260.00
(ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises	16	0.98	0.30
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		319.45	164.10
(iii) Other financial liabilities	17	111.55	330.64
(b) Other current liabilities	18	18.24	45.95
(c) Provisions	19B	8.93	2.41
		<u>459.15</u>	<u>803.40</u>
		<u>12,411.79</u>	<u>10,633.04</u>

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

As per our report of even date:-

For K NAGARAJU &amp; ASSOCIATES

Chartered Accountants

ICAI Firm Registration No: 0022705

K.Nagaraju

Partner

Membership No. 024344

For and on behalf of the Board of Directors of  
CASPER PHARMA PRIVATE LIMITED

Lakshmana Rao Veeramachaneni

Chairman &amp; WTD

DIN: 09484413

S. Rohit Kumar Agarwal

Company Secretary

Membership No:F12570



Srihari Babu Sadhu

Chief Financial Officer

Membership No:231267

Place: Hyderabad

Date: 03-May-2023

UDIN: 23024344B6VALZ2629



## CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Statement of profit and loss for the year ended March 31, 2023

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

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>I. INCOME</b>			
Revenue from operations	20	1,024.89	923.13
Other income	21	189.04	236.32
<b>TOTAL INCOME (I)</b>		<b>1,213.93</b>	<b>1,159.45</b>
<b>II. EXPENSES</b>			
Cost of materials consumed	22	884.88	327.47
Employee benefit expenses	23	1,020.57	1,149.11
Finance costs	24	5.04	8.25
Depreciation / amortisation	26	517.89	430.05
Other expenses	25	850.52	703.81
<b>TOTAL EXPENSES (II)</b>		<b>3,278.90</b>	<b>2,618.69</b>
<b>III PROFIT BEFORE TAX (I-II)</b>		<b>(2,064.97)</b>	<b>(1,459.24)</b>
<b>IV. TAX EXPENSES</b>			
Current tax	27	-	-
Deferred tax			
Tax Credit-Minimum Alternative Tax (MAT)		-	-
Other Deferred tax charge		-	-
<b>TOTAL TAX EXPENSES</b>		<b>-</b>	<b>-</b>
<b>V PROFIT/(LOSS) FOR THE YEAR (III-IV)</b>		<b>(2,064.97)</b>	<b>(1,459.24)</b>
<b>VI. OTHER COMPREHENSIVE INCOME (OCI)</b>			
Items that will not be reclassified to statement of profit or loss		-	-
Re-measurements gains (losses) on defined benefit plans		7.64	(0.45)
Income tax relating to items that will not be reclassified to statement of profit or loss		-	-
Re-measurements gains (losses) on defined benefit plans		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD / YEAR, NET OF TAX (V+VI)</b>		<b>7.64</b>	<b>(0.45)</b>
<b>VII TOTAL COMPREHENSIVE INCOME FOR THE PERIOD / YEAR, NET OF TAX</b>		<b>(2,057.33)</b>	<b>(1,459.69)</b>
<b>VIII. EARNINGS PER EQUITY SHARE:</b>			
Basic & Diluted earnings per share (in `)	28	(8.29)	(6.99)
Nominal value per equity share (in `)		10	10

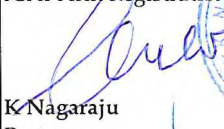

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For K NAGARAJU &amp; ASSOCIATES

Chartered Accountants

ICAI Firm Registration No: 0022705

K. Nagaraju

Partner

Membership No. 024344


Place: Hyderabad

Date: 03-May-2023

UDIN: 23024344 BGVALZ2629

For and on behalf of the Board of Directors of


CASPER PHARMA PRIVATE LIMITED



Lakshmana Rao Veeramachaneni

Chairman &amp; WTD

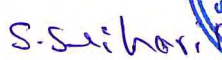
DIN: 09484413



S Rohit Kumar Agarwal

Company Secretary

Membership No: 12570



Srihari Babu Sadhu

Chief Financial Officer

Membership No: 231267



CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Cash flow statement for the year ended March 31, 2023

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

	Year ended March 31, 2023	Year ended March 31, 2022
<b>1 CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	(2,064.97)	(1,459.24)
<i>Adjustments to reconcile profit before tax to net cash flows</i>		
Depreciation and amortisation	517.89	430.05
Balances no longer required written back	6.52	58.62
Unrealised foreign exchange (gain)/ loss (net)	16.40	5.54
Gain on sale of current Investment	(148.56)	-
Finance costs	5.04	8.25
Reduction of defined benefit plan expenses from employee benefits	7.64	-
Interest Income	(14.16)	(172.16)
<b>Operating profit before working capital changes</b>	<b>(1,674.20)</b>	<b>(1,128.94)</b>
<i>Movements in working capital:</i>		
Decrease/(increase) in inventories	(26.86)	87.64
Increase in loans and advances and other financial assets	40.32	63.18
Increase in other current/non current assets	57.81	(22.06)
(Increase)/decrease in trade receivables	(37.70)	57.33
Increase/(decrease) in trade payables	133.11	(170.47)
Increase/(decrease) in non current liabilities	7.40	16.69
Increase/(decrease) in other current liabilities & other financial liabilities	(21.19)	(25.60)
<b>Cash generated from operations</b>	<b>(1,521.31)</b>	<b>(1,122.24)</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from operating activities (A)</b>	<b>(1,521.31)</b>	<b>(1,122.24)</b>
<b>2 CASH FLOW USED IN INVESTING ACTIVITIES</b>		
Purchase of Property, plant and equipment, including capital work-in-progress, capital advances and payables for capital goods	(1,072.85)	(1,457.23)
Sale/(purchase) of mutual funds (net)	(2,514.27)	-
Intercompany loans given	-	(1,755.32)
Intercompany loans received back	1,278.99	926.83
Gain on sale of current investment	54.27	-
Interest income received	14.16	17.86
<b>Net cash flow used in investing activities (B)</b>	<b>(2,239.70)</b>	<b>(2,267.86)</b>
<b>3 CASH FLOW USED IN FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital including premium	4,172.93	-
Proceeds from short term borrowings (net)	(260.00)	260.00
Interest paid	(5.04)	(8.25)
<b>Net cash flow from financing activities (C)</b>	<b>3,907.89</b>	<b>251.75</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>146.88</b>	<b>(3,138.35)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>16.19</b>	<b>3,154.54</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>163.07</b>	<b>16.19</b>

Corporate information & Summary of significant accounting policies

1 & 2

As per our report of even date.

For K NAGARAJU & ASSOCIATES  
Chartered Accountants  
ICAI Firm Registration No: 0022705

K Nagaraju  
Partner  
Membership No. 024344

Place: Hyderabad  
Date: 03-May-2023

UDIN: 23021344BGVALZ2629

For and on behalf of the Board of Directors of  
CASPER PHARMA PRIVATE LIMITED

Lakshmana Rao Veeramachaneni  
Chairman & WTD  
DIN: 09484413

S Rohit Kumar Agarwal  
Company Secretary  
Membership No: F12570

Srihari Babu Sadhu  
Chief Financial Officer  
Membership No: 231207

CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

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

Statement of changes in equity for the year ended March 31, 2023

(a) Equity Share capital (refer note: 13)

	No of shares	Amount
Balances as at April 01, 2022	2,08,64,625	2,086.46
Changes in equity share capital during the year	52,16,156	521.62
Balances as at March 31, 2023	2,60,80,781	2,608.08
Balances as at April 01, 2021	2,08,64,625	2,086.46
Changes in equity share capital during the year	-	-
Balances as at March 31, 2022	2,08,64,625	2,086.46

(b) Other equity

Particulars	Reserves & Surplus		Other comprehensive income	Total
	Securities Premium	Retained earnings	Re-measurement gains or losses on employee defined benefit plans	
At Cost				
At March 31, 2021	8,341.85	825.43	-	9,167.28
Profit / (Loss) for the year		(1,459.24)	(0.45)	(1,459.69)
At March 31, 2022	8,341.85	(633.81)	(0.45)	7,707.59
Profit / (Loss) for the Year	3,651.31	(2,064.97)	7.64	1,593.98
Remeasurement on net defined benefit liability, net of tax				-
At March 31, 2023	11,993.16	(2,698.78)	7.19	9,301.57

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

As per our report of even date.

For K NAGARAJU & ASSOCIATES  
Chartered Accountants  
ICAI Firm Registration No: 002270S

K Nagaraju  
Partner  
Membership No. 024344

Place: Hyderabad  
Date: 03-May-2023  
UDIN: 23024344BGVALZ2629

For and on behalf of the board of Directors of  
CASPER PHARMA PRIVATE LIMITED

Lakshmana Rao Veeramachaneni  
Chairman & WTD  
PIN: 09484413

S Rohit Kumar Agarwal  
Company Secretary  
Membership No: F12570

S. Srihari Babu  
Chief Financial Officer  
Membership No: 231267



## 1. Corporate information

CASPER PHARMA PRIVATE LIMITED (the company) is a private limited company domiciled in India and incorporated under provisions of the Companies Act, 2013. The company is engaged in the business of manufacture, prepare, import, export, buy, sell, supply, distribute, store, stock, maintain and otherwise handle, deal, in all and carry on the business in all kinds and varieties of pharmaceutical drugs, patents and non-patent medicines, common medical preparations, drugs, mixtures, elixirs, drops, tonics, other liquid drugs and medicines, formulations, capsules, tablets, pills, powders, medical ointments, chemical, sterilized injections, vaccines, immunogens, phylacogens, chemicals and other surgical dressings.

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 03, 2023.

## 2. Statement of significant accounting policies

### 2.1 Basis of preparation

#### a) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements comprise the Balance Sheets as at March 31, 2023 and March 31, 2022, the Statements of Profit and Loss, Statements of Changes in Equity and the Statements of Cash Flows for the year ended March 31, 2023 and for the year ended March 31, 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements")

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

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The statement of cash flows have been prepared under indirect method.

#### b) Functional and presentation currency

These financial statements are presented in Indian rupees (Rs.), which is also the functional currency of the Company. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated. Transactions and balances with values below Rs. one lac have been reflected as "0.0" in the financial statements.

#### c) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value or amortised cost.
- employee defined benefit assets / liability recognised as the net total of the fair value of plan assets, and actuarial losses/gains, and the present value of defined benefit obligation.

#### d) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

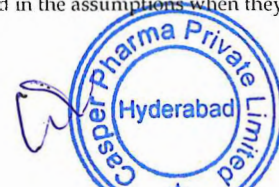
#### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 32(A) - Right-of-use asset (Lease)
- Note 32(C) - contingent liabilities: Measurement and likelihood of occurrence of provisions and contingencies.
- Note 34: Fair Values
- Note 2.2(d) : Useful lives of property, plant and equipment
- Note 27: Provision for income taxes, related tax contingencies and evaluation of recoverability of deferred tax assets.
- Note 30: Assets and obligations relating to employee benefits

#### Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



**(i) Defined employee benefit plan (Gratuity)**

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 30.

**(ii) Fair value measurement of financial instruments**

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 value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(iii) Depreciation on property, plant and equipment and amortisation of intangible assets**

Depreciation on property, plant and equipment is calculated on a straight-line basis based on the useful lives estimated by the management. Considering the applicability of Schedule II of Companies Act, 2013, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that useful lives currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment and intangible assets though these in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

**(iv) Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

**(v) Impairment of investments**

The Company reviews its carrying value of investments annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**(vi) Intangible assets under development**

The Company capitalises acquired intangible asset under development for a project in accordance with the accounting policy. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The innovative nature of the product gives rise to some uncertainty as to whether the final approval for the products will be obtained.

**(vii) Inventories**

The Company estimates the net realisable value (NRV) of its inventories by taking into account their estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence by applying certain percentages over different age category of such inventories, expected loss rate considering the past trend and future outlook. Inventories are written down to NRV where such NRV is lower than their cost.

**(viii) Recognition and measurement of other provisions:**

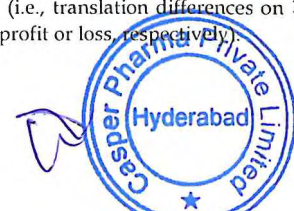
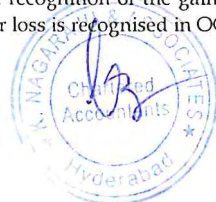
The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

**2.2 Significant accounting policies****a. Foreign exchange transactions and translations**

The financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

*Initial recognition:* Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and foreign currency at the date of the transaction.

*Conversion:* Foreign currency monetary items are reported at functional currency spot rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).



Notes to financial statements for the year ended 31 March 2023

Exchange differences: Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

**b. Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's board determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

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.

**c. Revenue recognition**

Effective April 1, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

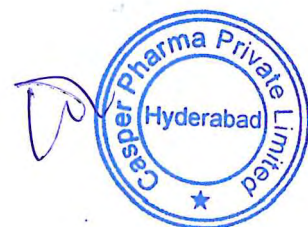
The specific recognition criteria described below must also be met before revenue is recognised:

**Sale of goods:** Revenue from sale of goods is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control is usually transferred upon shipment of goods by the company. Upon shipment all risks and rewards vested in the goods are transferred to customers. The amount of revenue to be recognised is based on the consideration expected to be received in exchange for goods, excluding trade discounts, volume discounts, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc., where applicable. Any additional amounts based on terms of agreement entered into with customers, is recognised in the period when the collectability becomes probable and a reliable measure of the same is available.

**Rendering of services:** Revenue from sale of services generally includes provision of contract research services, in certain instances, certain performance obligations and based on evaluation of whether or not these obligations are in consequential or perfunctory, revenue is recognised in accordance with the terms of the contracts, and or communications exchanged with the customers when the related performance obligation is completed at point in time or spread over a period of time, as applicable.

**Interest income:** Interest income is recognised with reference to the Effective Interest Rate (EIR) method.

**Dividend income:** Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.





Export benefits, incentives and licences: Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

#### d. Property, plant and equipment & Depreciation

Freehold land and buildings (property) held for use in the production or supply of goods or services, or administrative purposes are stated at cost less accumulated depreciation and accumulated impairment. Freehold land is not depreciated.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful life. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is provided on the straight-line method, based on the useful life of the assets as estimated by the Management.

The Company, based on technical assessment and management estimate, depreciates property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful life to provide depreciation on its fixed assets:

Nature of the assets	Useful life as estimated by the management (in years)	Useful life as stated in the Companies Act, 2013 (in years)
Leasehold buildings	30	10 - 60
Freehold buildings	15- 60	10 - 60
Plant and equipment	5 - 20	3 - 40
Furniture and fixtures	10	10
Vehicles	4 - 8	8
Computers and data processing units	3 - 6	3 - 6
Office equipment	5	5

Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial period/year end and adjusted prospectively, if appropriate.

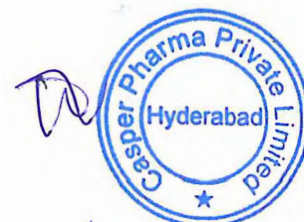
#### e. Intangibles

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

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. 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 statement of profit and loss unless such expenditure forms part of carrying value of another asset. Estimated useful lives by major class of finite life intangible assets are as follows:

##### Licences - 5 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised





**Research and development costs:**

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and use or sell the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Acquired research and development intangible assets that are under development are recognised as Intangible assets under development. These assets are not amortised, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment is recognised as an expense in the statement of profit and loss.

Subsequent expenditure on in process research and development project acquired separately and recognised as an intangible asset is:

- recognised as an expense, if it is research expenditure.
- recognised as an expense, if its development expenditure that does not satisfy the criteria for recognition as an Intangible asset; and
- added to the carrying amount of acquired in process research and development project, if it is development expenditure that satisfies the recognition criteria.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets relating to products in development and other intangible assets not available for use is tested for impairment annually.

**f. Government grants and subsidies**

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is deducted from the related expense. When the grant relates to an asset, it is recognised as deferred income and amortised over the useful life of such assets.

**g. Inventories**

Inventories are valued at lower of cost, determined on "Weighted average" basis and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work-in-progress: cost includes direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity, but excludes borrowing costs.

Trading goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

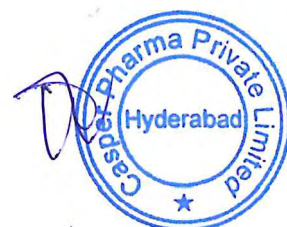
Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

**h. Retirement and other employee benefits**

**Provident fund**

Retirement benefit in the form of provident fund is a defined contribution plan. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.



#### Gratuity

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

Past service costs are recognised in profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

#### Compensated absences

Short term compensated absences are provided for based on estimates. The Company treats accumulated leave, as a long-term employee benefit for measurement purposes. Such accumulated leaves are provided for based on an actuarial valuation using the projected unit credit method at the period-end/ year-end. The Company presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond twelve months after the reporting date.

#### i. Taxes

Income tax expense comprises of current and deferred tax. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities in accordance with the Indian Income-tax Act, 1961. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate. The tax rate and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred tax is provided using the balance sheet 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 liabilities are recognised for all taxable temporary differences.

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

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 period/year when the asset is realised 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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

For operations carried out in SEZs, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

**Taxes paid on acquisition of assets or on incurring expenses which are not subsequently recoverable :**

Expenses and assets are recognised net of the taxes paid, except:

- (i) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- (ii) When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.



**j. Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**Where the Company is lessee**

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

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

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

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

**Where the Company is lessor**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.





**k. Earnings per share**

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events such as bonus issue that have changed the number of shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**l. Provision and contingent liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Onerous contracts**

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

**Contingencies**

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

**m. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cheques, cash at banks and 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. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**n. Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**o. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.





## Notes to financial statements for the year ended 31 March 2023

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**p. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets****Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the standalone statement profit and loss. The losses arising from impairment are recognised in the standalone statement profit and loss. This category generally applies to trade and other receivables.

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

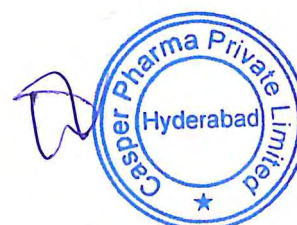
**p. Financial instruments (continued)**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**Equity investments:**

All equity investments in subsidiaries are measured at cost less diminution other than temporary. All equity investments in scope of Ind AS 109 - Financial Instruments are measured at fair value. Equity investments which are held for trading are classified as FVTPL. For all other equity investments, the Company may make an irrevocable election to present in OCI subsequent changes in fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain/loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.



**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- i) the rights to receive cash flows from the asset have expired, or
- ii) the Company has transferred its rights to receive cash flows from the asset, and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Impairment of financial assets**

In accordance with Ind AS 109 - Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- (i) Financial assets that are debt instruments, and are measured at amortised cost, e.g. loans, deposits, debt securities, etc.
- (ii) Trade receivables that result from transactions that are within the scope of Ind AS 115 - Revenue from contracts with customers.

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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

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

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head other expenses/other income in the statement of profit and loss. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis. The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.



Notes to financial statements for the year ended 31 March 2023

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**Derecognition**

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

**Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines the change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to the external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in statement of profit and loss.
FVTPL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**q. Derivative financial instruments**

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The forward contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.



**CASPER PHARMA PRIVATE LIMITED**

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended 31 March 2023

**r. Cash dividend and non cash distribution to equity holders**

The Company recognises a liability to make cash and non cash distribution to equity holders 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 final dividend distribution is authorised when it is approved by the shareholders whereas for interim dividend when authorised by board. A corresponding amount is recognised directly in equity. Non cash distribution are measured at fair value of the assets distributed with fair value re-measurement recognised directly in equity.

**s. Recent accounting pronouncements**

**Standards issued but not yet effective & not early adopted by the Company:**

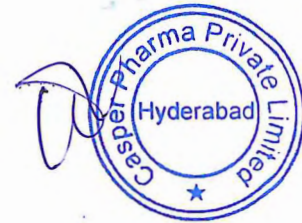
This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Group's financial statements.

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

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its

**Ind AS 12 - Income Taxes**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statement.





CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

3.PROPERTY, PLANT AND EQUIPMENT & RIGHT-OF-USE-ASSETS

Particulars	Right-of-use assets	Freehold buildings	Plant & Machinery	Electrical Installation & Equipment	Furniture	Computers	Office equipment	Total	Capital work-in-progress
At Cost or valuation									
As at April 1, 2021	1,727.05	2,780.61	2,746.23	306.99	191.91	143.67	71.56	7,968.02	-
Additions	-	721.47	486.09	63.25	91.25	89.72	72.62	1,524.40	-
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2022	1,727.05	3,502.08	3,232.32	370.24	283.16	233.39	144.18	9,492.42	-
Additions	-	101.98	711.89	13.87	28.86	10.82	14.52	881.94	27.40
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2023	1,727.05	3,604.06	3,944.21	384.11	312.02	244.21	158.70	10,374.36	27.40
Accumulated depreciation									
As at April 1, 2021	70.44	70.10	116.45	25.51	15.06	10.43	14.33	322.32	-
Charge for the year	35.24	97.65	190.06	32.07	20.98	31.15	22.90	430.05	-
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2022	105.68	167.75	306.51	57.58	36.04	41.58	37.23	752.37	-
Charge for the year	35.24	118.41	225.89	37.75	29.87	40.06	30.67	517.89	-
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2023	140.92	286.16	532.40	95.33	65.91	81.64	67.90	1,270.26	-
Net book value									
At March 31, 2022	1,621.37	3,334.33	2,925.81	312.66	247.12	191.81	106.95	8,740.05	-
At March 31, 2023	1,586.13	3,317.90	3,411.81	288.78	246.11	162.57	90.80	9,104.10	27.40

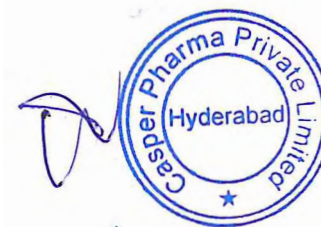
Capital work in progress aging schedule

At March 31, 2023

Particulars	Amount in capital work in progress for the period of				Total
	Less than 1 year	between 1-2 years	2-3 years	More than 3 years	
Projects in progress	27.40	-	-	-	27.40
Projects temporarily suspended	-	-	-	-	-

At March 31, 2022

Particulars	Less than 1 year	between 1-2 years	2-3 years	More than 3 years	Total
	Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-	-



## CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

**4. Loans**

(Unsecured, considered good)

**A. Non current**

Loans receivables considered good - secured  
 Loans receivables considered good - unsecured  
     Loans to related parties  
     Loans to employees  
 Loans receivables which have significant increase in credit risk  
 Loans receivables - credit impaired

	March 31, 2023	March 31, 2022
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-

**B. Current**

Loans receivables considered good - secured  
 Loans receivables considered good - unsecured  
     Loans to related parties (refer note 33)  
     Loans to employees  
 Loans receivables which have significant increase in credit risk  
 Loans receivables - credit impaired

	-	-
	-	-
	-	1,278.99
	-	-
	-	-
	-	-
	-	-
	-	-
	-	1,278.99

**5. Deferred tax assets (net)**

Unused tax credits (MAT Credit Entitlement )

	March 31, 2023	March 31, 2022
	81.31	81.31
	81.31	81.31

**6. Non-current tax assets (net)**

Opening balances  
 Add: additions during the year  
 Less: adjustment during the year  
 Closing balances (net)

	March 31, 2023	March 31, 2022
	58.84	36.78
	1.03	22.06
	59.87	58.84
	58.84	-
	1.03	58.84

**7. Other assets**

(Unsecured, considered good unless stated otherwise)

**A. Non current assets**

Capital advances

	March 31, 2023	March 31, 2022
	2.43	58.01
	2.43	58.01

**B. Current assets**

Advances recoverable in cash or kind  
 Security deposits  
 Balances with government authorities

	95.37	29.63
	2.13	2.10
	64.10	15.70
	161.60	47.43

**8. Inventories**

(Valued at lower of cost and net realisable value)

Raw material  
 Work-in-progress

	March 31, 2023	March 31, 2022
	134.43	107.57
	-	-
	134.43	107.57

**9. Investments****Current investments**

Investments in mutual funds-quoted carried at fair value through profit and loss

ICICI Prudential Mutual fund-Liquid Fund  
 7,82,916.676 units of NAV: 333.1852 of each (PY-Nil)  
**Total current investments**

	2,608.56	-
	2,608.56	-

Aggregate amount of quoted investments  
 Market value of quoted investments  
 Aggregate amount of impairment in value of quoted investments

	2,608.56	-
	2,608.56	-
	-	-



CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

10. Trade receivables

	March 31, 2023	March 31, 2022
<b>A Non-current</b>		
Trade receivables - considered good - unsecured*	-	-
Less: Loss allowance for doubtful receivables	-	-
<b>Trade receivables - considered good - unsecured</b>	-	-
Trade receivables - credit impaired	-	-
Less: Loss allowance for doubtful receivables	-	-
<b>Trade receivables - credit impaired</b>	-	-
<b>B Current</b>		
Trade receivables - considered good - unsecured*	127.86	90.16
Less: Loss allowance for doubtful receivables	-	-
<b>Trade receivables - considered good - unsecured</b>	127.86	90.16
Trade receivables - credit impaired	-	-
Less: Loss allowance for doubtful receivables	-	-
<b>Trade receivables - credit impaired</b>	-	-
	<b>127.86</b>	<b>90.16</b>

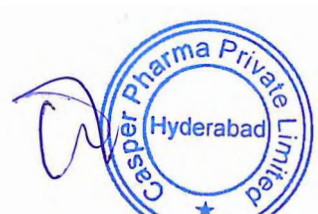
\*No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Refer note 33 for dues from related parties

Ageing for trade receivables - current outstanding as at March 31,2023 is as follows :

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	42.66	85.20	-	-	-	-	127.86
(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) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>42.66</b>	<b>85.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>127.86</b>
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>42.66</b>	<b>85.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>127.86</b>

Ageing for trade receivables - current outstanding as at March 31,2022 is as follows :

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	90.16	-	-	-	-	-	90.16
(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) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>90.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90.16</b>
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>90.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90.16</b>



CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

11. Cash and cash equivalents and other bank balances

A) Cash and cash equivalents

	March 31, 2023	March 31, 2022
Cash on hand	0.03	-
Balance with banks:		
In current accounts	163.04	16.19
	<u>163.07</u>	<u>16.19</u>

12. Other financial assets

	March 31, 2023	March 31, 2022
Interest accrued on Intercompany loans	-	154.49
	<u>-</u>	<u>154.49</u>

13. Equity share capital

a) Authorised

	March 31, 2023	March 31, 2022
2,61,00,000 (March 31, 2022: 2,10,00,000) Equity shares of Rs.10 each	2,610.00	2,100.00
	<u>2,610.00</u>	<u>2,100.00</u>

b) Issued, subscribed and fully paid-up shares

	March 31, 2023	March 31, 2022
2,60,80,781 (March 31, 2022: 2,08,64,625 Shares) Equity shares of Rs.10 each	2,608.08	2,086.46
	<u>2,608.08</u>	<u>2,086.46</u>

c) Reconciliation of the equity shares capital outstanding at the beginning and at the end of the reporting year

	Equity Share	
	Numbers	Value
As at April 01, 2021	2,08,64,625	2,086.46
Increase during the year	-	-
As at March 31, 2022	2,08,64,625	2,086.46
Increase/(decrease) during the year*	52,16,156	521.62
As at March 31, 2023	<u>2,60,80,781</u>	<u>2,608.08</u>

d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par values of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Shares held by holding company

	As at March 31, 2023	
	Numbers	% Holding
Suven Pharmaceuticals Limited and its nominees	2,60,80,781	100%
	<u>2,60,80,781</u>	<u>100%</u>
	As at March 31, 2022	
	Numbers	% Holding
Casper Pharma, Mauritius	2,08,64,625	100%
	<u>2,08,64,625</u>	<u>100%</u>

f) Details of shareholders holding more than 5% equity shares in the Company

	As at March 31, 2023	
	Numbers	% Holding
Suven Pharmaceuticals Limited	2,60,80,781	100%
	<u>2,60,80,781</u>	<u>100%</u>
	As at March 31, 2022	
	Numbers	% Holding
Casper Pharma, Mauritius	2,08,64,625	100%
	<u>2,08,64,625</u>	<u>100%</u>





CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

g) Details of shares held by the promoters of the Company:

Disclosure of shareholdings of promoters as at March 31, 2023

Name of the Promoter	As at March 31, 2023		As at March 31, 2022		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Suven Pharmaceuticals Limited	2,60,80,781	100%	-	-	100%
Casper Pharma, Mauritius	-	-	2,08,64,625	100%	-100%

Disclosure of shareholdings of promoters as at March 31, 2022

Name of the Promoter	As at March 31, 2022		As at March 31, 2021		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Casper Pharma, Mauritius	2,08,64,625	100%	2,08,64,625	100%	-

h) No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the reporting date.

14. Other Equity

	March 31, 2023	March 31, 2022
Securities premium account	11,993.16	8,341.85
Net surplus in the statement of profit and loss	(2,698.78)	(633.81)
Other comprehensive Income	7.19	(0.45)
	<u>9,301.57</u>	<u>7,707.59</u>

Nature and purpose of reserves

Securities premium reserve:

The amount received in excess of face value of the equity shares is recognised in securities premium reserve. The reserve is utilised in accordance with the provisions of companies Act 2013.

Retained earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders

Other comprehensive Income:

Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified into statement of profit and loss.

15. Borrowings

	March 31, 2023	March 31, 2022
a) Non current borrowings		
From banks	-	-
From related parties	-	-
b) Current borrowings		
From banks	-	-
From related parties*	-	260.00
	<u>-</u>	<u>260.00</u>

Rate of Interest and terms of repayment of loan

\*Loan from related party represents loan taken from Cronus Research Labs Private Limited & Mr K Vimal Kumar at the approved rate of Interest @ 9.5% per annum will repay with in one year from disbursement.

16. Trade payables

	March 31, 2023	March 31, 2022
• Total outstanding dues of micro enterprises and small enterprises	0.98	0.30
• Total outstanding dues of creditors other than micro enterprises and small enterprises	319.45	164.10
	<u>320.43</u>	<u>164.40</u>



CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

Ageing for trade payables - current outstanding as at March 31, 2023 is as follows :

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.98	-	-	-	-	0.98
(ii) Others	65.75	231.29	3.91	18.50	-	319.45
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>66.73</b>	<b>231.29</b>	<b>3.91</b>	<b>18.50</b>	<b>-</b>	<b>320.43</b>

Ageing for trade payables - current outstanding as at March 31, 2022 is as follows :

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.30	-	-	-	0.30
(ii) Others	30.95	107.45	25.70	-	-	164.10
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>30.95</b>	<b>107.75</b>	<b>25.70</b>	<b>-</b>	<b>-</b>	<b>164.40</b>

17. Other current financial liabilities

	March 31, 2023	March 31, 2022
Capital creditors	111.55	325.50
Interest accrued on loans	-	5.14
	<b>111.55</b>	<b>330.64</b>

18. Other current liabilities

	March 31, 2023	March 31, 2022
Statutory liabilities	13.16	44.47
Employee payables	5.08	1.48
	<b>18.24</b>	<b>45.95</b>

19. Provisions

	March 31, 2023	March 31, 2022
(A) Non current		
Gratuity [refer note 30]	-	27.11
Compensated absences	42.99	8.48
	<b>42.99</b>	<b>35.59</b>
(B) Current		
For Employee benefits		
Gratuity [refer note 30]	-	0.82
Compensated absences	8.93	1.59
	<b>8.93</b>	<b>2.41</b>

20. Revenue from operations

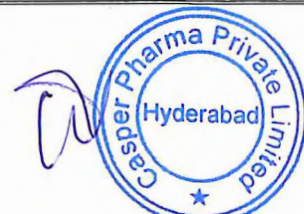
	March 31, 2023	March 31, 2022
Sale of products	100.55	-
Sale of services	924.34	923.13
	<b>1,024.89</b>	<b>923.13</b>

(a) Reconciliation of revenue from sale of products with contracted price

Particulars	March 31, 2023	March 31, 2022
Contracted price	100.55	-
Less:		
(i) Sales return	-	-
(ii) Discounts and rebates	-	-
<b>Revenue from contracts with customers</b>	<b>100.55</b>	<b>-</b>

(b) Disaggregation of revenue based on location of customer

Region	March 31, 2023		March 31, 2022	
	Related party	Non related party	Related party	Non related party
USA	-	1,024.89	923.13	-
<b>Total</b>	<b>-</b>	<b>1,024.89</b>	<b>923.13</b>	<b>-</b>



CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

21. Other income

	March 31, 2023	March 31, 2022
Interest income on financials assets		
On fixed deposits	0.09	17.67
Other deposits (ICD)	10.21	154.49
Others	3.86	2.25
Liabilities no longer required written back	6.52	56.37
Foreign exchange gain (net)	16.40	5.54
Gain on investments (carried at fair value through profit or loss)	148.56	-
Miscellaneous income	3.40	-
	<u>189.04</u>	<u>236.32</u>

22. Cost of materials consumed

	March 31, 2023	March 31, 2022
Raw material Consumed		
Opening stock	107.57	195.21
Add: Purchases	911.74	239.83
	<u>1,019.31</u>	<u>435.04</u>
Less: Closing stock	134.43	107.57
Less: Work-in-progress	-	-
Cost of material consumed	<u>884.88</u>	<u>327.47</u>
	<u>884.88</u>	<u>327.47</u>

23. Employee benefit expenses

	March 31, 2023	March 31, 2022
Salaries, wages and bonus	885.66	1,057.52
Contribution to provident and other funds	42.23	49.24
Gratuity expenses	14.24	24.34
Compensated absences expenses	45.91	-
Staff welfare expenses	32.53	18.01
	<u>1,020.57</u>	<u>1,149.11</u>

24. Finance costs

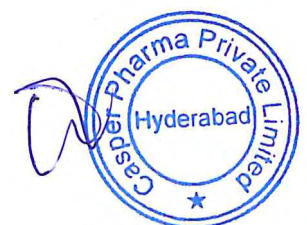
	March 31, 2023	March 31, 2022
Interest on loan	2.17	6.99
Interest on defined benefit obligation	2.87	1.26
	<u>5.04</u>	<u>8.25</u>

25. Other expenses

	March 31, 2023	March 31, 2022
Power & fuel charges	275.01	218.48
Carriage inward	6.32	2.39
Factory maintenance	200.90	119.26
Effluent treatment expenses	2.11	0.79
Repairs & maintenance	39.84	3.46
Rent	4.72	38.44
Rates and taxes	10.37	25.12
Printing and stationery	45.77	15.77
Postage, telegram and telephone	9.29	8.16
Insurance charges	29.28	17.58
Legal and professional charges	60.12	101.62
Remuneration to statutory auditors (refer note no 31)	2.00	1.00
Security charges	34.58	26.52
Office maintenance	-	4.96
Travelling & conveyance	52.47	54.33
Registration and filing charges	6.13	1.31
Testing charges	57.64	48.13
Miscellaneous expenses	13.97	16.49
	<u>850.52</u>	<u>703.81</u>

26. Depreciation and amortisation expenses

	March 31, 2023	March 31, 2022
Depreciation of property, plant and equipment (refer-note: 3)	482.65	394.81
Depreciation of Right of Use Asset (refer-note: 3)	35.24	35.24
	<u>517.89</u>	<u>430.05</u>



CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

27 INCOME TAX

Particulars	March 31, 2023	March 31, 2022
The Major components of income Tax expense for the period ended March 31, 2023 and March 31, 2022		
Statement of Profit and Loss		
Current Income Tax charge	-	-
Deferred Tax		
Tax credit - MAT	-	-
Deferred Tax relating to originating and reversal of temporary differences	-	-
Other Comprehensive Income	-	-
Reconciliation of effective tax rate for the period ended March 31, 2023 and March 31, 2022		
Profit before Tax	-	-
Enacted Tax rate in India	27.82%	27.82%
Tax at Statutory tax rate	-	-
Effect of:		
Expenses Not deductible for Tax Purpose	-	-
Investment Allowance	-	-
Net Operating Losses	-	-
Expenses Not deductible for Tax Purpose	-	-
Others	-	-
Total	-	-
Income Tax Expense	-	-
Effective Tax Rate	-	-

There are no unrecognised deferred tax assets and liabilities as at March 31, 2023 and March 31, 2022

The Company has a registered Special Economic Zone ("SEZ") unit which is entitled to a tax holiday under Section 10AA of the Income Tax Act, 1961. The profits of the Company's operations are exempt from Indian income taxes being profits attributable to export operations from undertakings situated in SEZ. Under the Special Economic Zone Act, 2005 scheme, units in designated special economic zones to manufacture or produce articles or things and providing service will be eligible for a deduction of 100 percent of profits or gains derived from the export of manufacture or produce articles or things and providing services for the first five years from commencement of operations and 50 percent of such profits and gains for a further five years. The tax benefits are also available for a further five years post the initial ten years subject to the creation of SEZ Reinvestment Reserve which is required to be spent within 3 financial years in accordance with requirements of the tax regulations in India.

Under the Indian Income Tax Act, 1961, the Company is liable to pay Minimum Alternate Tax ("MAT") in the tax holiday period if the tax payable under normal provisions is less than tax payable under MAT. Excess tax paid under MAT over tax under normal provision can be carried forward for a period of 15 years and can be set off against the future tax liabilities.

28 Earning per equity share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2023	March 31, 2022
Profit after taxation considered for calculation of basic and diluted earnings per share	(2,064.97)	(1,459.24)
Weighted average number of Equity Shares considered for calculation of basic & diluted earnings per share	2,48,94,641	2,08,64,625
Earnings per share		
- Basic & Diluted	(8.29)	(6.99)

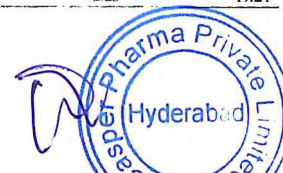
29 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	March 31, 2023	March 31, 2022
The principal amount remaining unpaid as at the end of the year.	0.98	0.30
The amount of interest accrued and remaining unpaid as at the end of the year.	-	0.10
Amount of interest paid by the Company in terms of Sec 16, of Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of payments made beyond the appointed date during the year.	-	-
Amount of interest due and payable for the period of delay in making payment without the interest specified under the Micro, Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	0.10
The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-

30 Employee benefits

a) Disclosures related to defined contribution plan

	March 31, 2023	March 31, 2022
Provident fund contribution	40.98	47.33
Contribution to ESI	1.25	1.91
	42.23	49.24





**b) Disclosures related to defined benefit plan**

The Company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days last drawn salary for each completed year of service or part thereof in excess of six months.

This defined benefit plan exposes the Company to actuarial risk, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

**Gratuity****Net employee benefit expense (included under employee benefit expenses)**

	March 31, 2023	March 31, 2022
Current service cost	17.83	14.20
Past service cost	-	-
Interest on defined benefit liability	0.30	0.23
Net employee benefits expense	18.13	14.43

**Remeasurements employee benefits liability in other comprehensive income (OCI)**

	March 31, 2023	March 31, 2022
Remeasurements - Due to Demographic Assumptions	(1.72)	-
Actuarial (Gain)/loss due to Financial Assumptions	7.56	7.50
Actuarial (Gain)/loss due to Due to Experience Adjustments	(17.07)	6.35
(Return) on Plan Assets (Excluding Interest Income)	(0.31)	0.11
	(11.53)	13.96

**Details of the employee benefits obligations**

	March 31, 2023	March 31, 2022
Present value of defined benefit obligation	39.96	31.06
Fair value of plan assets	53.24	3.12
Net defined benefit liability	(13.28)	27.94

**Details of changes in present value of defined benefit obligation are as follows**

	March 31, 2023	March 31, 2022
Opening defined benefit obligation	31.06	7.18
Current service cost	17.83	14.20
Past service cost	-	-
Interest on defined benefit obligation	2.30	0.34
Benefits paid	-	(4.51)
Remeasurement due to Financial Assumptions & Experience Adjustments	(11.23)	13.85
Closing defined benefit obligation	39.96	31.06

**Details of changes in fair value of plan assets are as follows**

	March 31, 2023	March 31, 2022
Opening fair value of plan assets	3.12	-
Interest on plan assets	2.00	0.11
Employer contribution	47.82	7.63
Benefits paid	-	(4.51)
Premeasurement due to - actual return on plan assets less interest on plan assets	0.31	(0.11)
Closing fair value of plan assets	53.24	3.12

**Sensitivity analysis**

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of

Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

	March 31, 2023	March 31, 2022
Under Base Scenario	39.95	31.05
Salary Escalation - Up by 1%	44.88	34.77
Salary Escalation - Down by 1%	35.70	27.84
Attrition Rates - Up by 1%	38.92	30.83
Attrition Rates - Down by 1%	41.07	31.25
Discount Rates - Up by 1%	35.86	27.64
Discount Rates - Down by 1%	44.78	35.13

**Leave encashment****Net employee benefit expense (included under employee benefit expenses)**

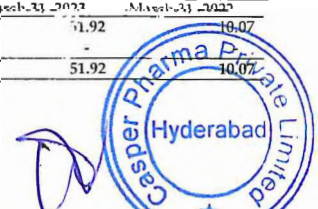
	March 31, 2023	March 31, 2022
Current service cost	42.32	10.14
Past service cost	-	-
Interest on defined benefit liability	0.57	0.92
Net employee benefits expense	42.90	11.06

**Remeasurements employee benefits liability in other comprehensive income (OCI)**

	March 31, 2023	March 31, 2022
Remeasurements - Due to Demographic Assumptions	(0.25)	-
Actuarial (Gain)/loss due to Financial Assumptions	4.60	1.53
Actuarial (Gain)/loss due to Due to Experience Adjustments	(0.76)	(14.93)
	3.59	(13.40)

**Details of the employee benefits obligations**

	March 31, 2023	March 31, 2022
Present value of defined benefit obligation	51.92	10.07
Fair value of plan assets	-	-
Net defined benefit liability	51.92	10.07



## Details of changes in present value of defined benefit obligation are as follows

	March 31, 2023	March 31, 2022
Opening defined benefit obligation	10.07	14.41
Current service cost	42.32	10.14
Past service cost	-	-
Interest on defined benefit obligation	0.57	0.92
Benefits paid	(4.63)	(2.02)
Remeasurement due to Demographic Assumptions & Financial Assumptions & Experience Adjustments	3.59	(13.40)
Closing defined benefit obligation	51.92	10.07

## Details of changes in fair value of plan assets are as follows

	March 31, 2023	March 31, 2022
Opening fair value of plan assets	-	-
Interest on plan assets	-	-
Employer contribution	-	-
Benefits paid	-	-
Premeasurement due to - actual return on plan assets less interest on plan assets	-	-
Closing fair value of plan assets	-	-

## Sensitivity analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

	March 31, 2023	March 31, 2022
Under Base Scenario	51.92	10.07
Salary Escalation - Up by 1%	54.62	10.67
Salary Escalation - Down by 1%	49.42	9.51
Attrition Rates - Up by 1%	51.77	9.98
Attrition Rates - Down by 1%	52.08	10.16
Discount Rates - Up by 1%	49.67	9.57
Discount Rates - Down by 1%	54.40	10.62

The principal assumptions used in determining gratuity and leave encashment obligations for the Company's plans are shown below financial assumptions

	March 31, 2023	March 31, 2022
Discount Rate (p.a)	7.50%	6.89%
Salary Escalation Rate	9.00%	7.00%

## Notes

- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period by varying one actuarial assumption, keeping all other actuarial assumptions constant.

## 31 Remuneration to statutory auditors

Particulars	March 31, 2023	March 31, 2022
As Auditors:		
Statutory audit fee	1.00	1.00
Tax audit fee	0.50	-
Other services	0.50	-
	2.00	1.00

## 32 Commitments and Contingencies

## A.Right-of-use asset (Lease)

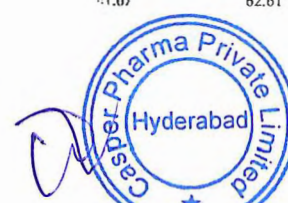
## i) Operating lease commitments - Company as lessee

Effective April 01, 2019, the Company adopted Ind-AS 116, on all lease contracts existing on April 01, 2019 using the modified retrospective method with Right-of-use assets recognized at an amount equal to the lease liabilities in the balance sheet. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the standard resulted in recognition of Right-of-use assets (ROU) of Rs. 172.70. The Right-of-use assets as on March 31, 2021 have been presented as part of Property, plant and equipment.

ii) The Company has operating leases agreement for 13 Acres of land at Survey No-99/1, Mamidipally Village, Balapur Mandal, Ranga Reddy (Dist.) on lease basis vide Registered Lease deed Dated: January 08,2017 & Taken Possession on November 15,2017 with GMR Hyderabad Aviation SEZ Limited, which are mainly in the nature of lease of factory premises for a period up to 45.01 Years (P.Y 46.01), with no restrictions and are renewable at the option of either of the parties except for details in (iii) below. These leases include a general clause to enable upward revision of the rental charge on an annual basis according to the prevailing market conditions. There is no other escalation clause in the lease agreement. There are no sub-leases. There are no restrictions imposed by lease arrangements. The aggregate amount of operating lease payments recognised in the statement of profit and loss is Rs. 92,300/- (March 31, 2022: Rs:79,950/-). The Company has not recognised any contingent rent as expense in the statement of profit and loss.

iii) The Company has entered into non cancellable leases for factory premises . These leases have remaining non cancellable period of 45.01 years (March 31,2022: 46.01). The lease includes an escalation clause in the lease agreement. Future minimum lease rentals under non cancellable operating leases are as follows:

Particulars	March 31, 2023	March 31, 2022
a) Not Later than With in one Year	0.86	0.80
b) Not Later than five years	3.52	3.43
c) Later than five years	-	-



CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

**Lease commitments - the Company as lessee**

The Company has entered into leases for land. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the land and the fair value of the asset, that it does not retain significant risks and rewards of ownership of the land and accounts for the contracts as operating leases.

**B. Capital and other commitments**

Particulars	March 31, 2023	March 31, 2022
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	-	100.00

**C. Contingent liabilities**

Particulars	March 31, 2023	March 31, 2022
Contingent liabilities	-	-

**33 Related party disclosures**

**A. Names of related parties and description of relationship**

Names	Nature of relationship
1 Suven Pharmaceuticals Limited*	Holding company
2 Casper Pharma, Mauritius**	Holding company
3 K Vimal Kumar***	Director
4 Ramakrishna Mallempati***	Director
5 Bhaskar Rao Vamsi Krishna Velaga***	Director
6 Sunder Venkatraman****	Director
7 Lakshmana Rao Veeramachaneni****	Director
8 Hanumantha Rao Kokkonda****	Director
9 Srihari Babu Sadhu****	Chief Financial Officer
10 Satish Rohit Kumar Agarwal	Company Secretary
11 Cronus Pharma Specialities India Pvt Ltd*****	Enterprises over which key management personnel or their relatives exercising significant influence
12 Cronus Research Labs Private Limited*****	
13 Rising Pharma Holdings, INC*****	
14 Casper Pharma LLC*****	
15 K V R Building*****	Relative to key managerial personnel
16 K Raja Sekhar*****	

\* W.e.f 22-April-2022

\*\* Ceased w.e.f 22-April-2022

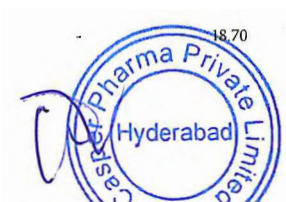
\*\*\* Resigned w.e.f 04-May-2022

\*\*\*\* Appointed w.e.f 04-May-2022

\*\*\*\*\* Ceased w.e.f 04-May-2022

**B. Transactions with related parties**

Particulars	March 31, 2023	March 31, 2022
<b>Suven Pharmaceuticals Limited</b>		
Equity contribution received including premium	4,172.92	-
Rent expenses	4.48	-
<b>Cronus Pharma Specialities India Pvt Ltd</b>		
Unsecured Loan Given	-	1,735.77
Interest Accrued	10.21	139.04
Receipt against Loan and Interest	1,443.69	906.83
Sale of services	-	47.09
<b>Cronus Research Labs Private Limited</b>		
Loan taken	-	100.00
Interest accrued	0.83	1.54
Payment against loan and interest	102.21	0.15
<b>K Vimal Kumar</b>		
Loan taken	-	180.00
Interest accrued	1.33	5.46
Payment against loan and interest	165.09	21.70
Rent expenses	-	19.00
<b>Rising Pharma Holdings, INC</b>		
Sale of services	-	777.09
<b>Casper Pharma LLC</b>		
Sale of services	-	98.95
<b>Remuneration</b>		
Bhaskar Rao Vamsi Krishna Velaga	1.50	18.00
<b>K V R Building</b>		
Common area maintenance charges	-	4.96
<b>K Raja Sekhar</b>		
Rent expenses	-	18.70



## CASPER PHARMA PRIVATE LIMITED

CIN: U24233TG2016PTC102713

Notes to financial statements for the year ended March 31, 2023

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

**C. Outstanding balances with related parties**

Particulars	March 31, 2023	March 31, 2022
<b>Loan receivable</b>		
Cronus Pharma Speciliaties India Pvt Ltd	-	1,433.48
<b>Loan payable</b>		
K Vimal Kumar	-	163.75
Cronus Research Labs Private Limited	-	101.38
<b>Trade receivable</b>		
Rising Pharma Holdings, INC	-	90.16
<b>Common area maintenance charges Payable</b>		
K V R Building	-	1.04
<b>Rent payable</b>		
Suven Pharmaceuticals Limited	0.38	-

\*Maximum balance outstanding during the year Rs. NIL (March 31, 2022: Rs. 1433.48 loan given for business purposes.

- Note: i) Managerial remuneration does not include provision for gratuity and leave encashment, which is determined for the Company as a whole.  
ii) All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for trade receivable, trade payable and other payables are unsecured, interest free and settlement occurs in cash. The Company has not recorded any impairment of balances relating to amounts owed by related parties during the year ended 31 Mar 2023 (31 March 2022).

**34 Fair Values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value		Fair value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Financial Assets</b>				
Investments	2,608.56	-	2,608.56	-
Trade receivables	127.86	90.16	127.86	90.16
Cash and cash equivalents	163.07	16.19	163.07	16.19
Loans	-	1,278.99	-	1,278.99
Other financial assets	-	154.49	-	154.49
	<b>2,899.49</b>	<b>1,539.83</b>	<b>2,899.49</b>	<b>1,539.83</b>
<b>Financial liabilities</b>				
Borrowings	-	260.00	-	260.00
Trade payables	320.43	164.40	320.43	164.40
Other Financial Liabilities	111.55	330.64	111.55	330.64
	<b>431.98</b>	<b>755.04</b>	<b>431.98</b>	<b>755.04</b>

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**35 Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets includes cash and cash equivalents derived directly from its operations.

The Company is exposed primarily to credit risk, liquidity risk and market risk (including currency risk, interest rate risk and other price risk), which may adversely impact the fair value of its financial instruments. The Company's senior Management oversees the management of these risks. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

**(a) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, loans and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.





**Trade receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Management also evaluates the factors that may influence the credit risk of its customer base, including the default risk and country in which the customers operate. The Management has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if available, financial statements, credit agency information, industry information and in some case bank references. Sales limits are established for each customer and reviewed annually.

**(b) Liquidity Risk:**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The following are the remaining contractual maturities of financial liabilities at reporting date:

	On demand	< 12 months	1 to 5 years	> 5 years	Total
<b>March 31, 2023</b>					
Borrowings	-	-	-	-	-
Trade and other payable	-	320.43	-	-	320.43
Other financial liabilities	-	111.55	-	-	111.55
<b>Total</b>	<b>-</b>	<b>431.98</b>	<b>-</b>	<b>-</b>	<b>431.98</b>
<b>March 31, 2022</b>					
Borrowings	-	260.00	-	-	260.00
Trade and other payable	-	164.40	-	-	164.40
Other financial liabilities	-	330.64	-	-	330.64
<b>Total</b>	<b>-</b>	<b>755.04</b>	<b>-</b>	<b>-</b>	<b>755.04</b>

**(c) Market Risk:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk and interest rate risk.

**i) Foreign Currency risk:**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company. The Company is subject to foreign exchange risk primarily due to its foreign currency revenues, expenses and borrowings. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro and GBP against the functional currency of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Company has a treasury team which evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks and advises the Management of any material adverse effect on the Company. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on foreign exchange risk from derivative instruments and non derivative instruments is as follows:

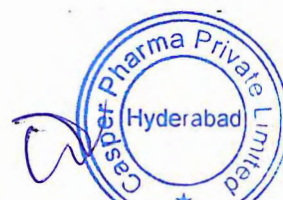
The summary of quantitative data about the Company's exposure to currency risk as reported to the management is as follows:

As at March 31, 2023

Particulars	USD	Euro	Total
<b>Financial assets</b>			
Trade receivables	127.86	-	127.86
<b>Net exposure in financial assets</b>	<b>127.86</b>	<b>-</b>	<b>127.86</b>
<b>Financial liabilities</b>			
Trade payables (including capital creditors)	-	-	-
<b>Net exposure in financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net exposure in respect of recognised assets/(liabilities)</b>	<b>127.86</b>	<b>-</b>	<b>127.86</b>

As at March 31, 2022

Particulars	USD	Euro	Total
<b>Financial assets</b>			
Trade receivables	90.16	-	-
<b>Net exposure in financial assets</b>	<b>90.16</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>			
Trade payables (including capital creditors)	-	-	-
<b>Net exposure in financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net exposure in respect of recognised assets/(liabilities)</b>	<b>90.16</b>	<b>-</b>	<b>-</b>



Particulars	Profit or (loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>March 31, 2023</b>				
USD (5% movement)	6.39	(6.39)	4.61	(4.61)
Euro (5% movement)	-	-	-	-
<b>March 31, 2022</b>				
USD (5% movement)	4.51	(4.51)	4.51	(4.51)
Euro (5% movement)	-	-	-	-

**(d) Interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. Considering borrowing amount outstanding as at 31st March 2023, company is not exposed to significant interest rate risk.

Particulars	March 31, 2023	March 31, 2022
variable rate borrowings	-	-
Fixed rate borrowings	-	-
<b>Total borrowings</b>	-	-

**Sensitivity analysis:**

Particulars	March 31, 2023		March 31, 2022	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
	-	-	-	-

**36 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value & maintain an optimal capital structure to reduce cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: -Net debt (total borrowings net of cash and cash equivalents) divided by total equity (as shown in the balance sheet)

Particulars	March 31, 2023	March 31, 2022
Net debt	-	243.81
Total Equity	11,909.65	9,794.05
<b>Net debt to equity ratio</b>	-	2%

**37 Segment reporting**

The Company is engaged solely in the business of manufacturing of pharmaceuticals. As such the company operates in a single business segment for the purpose of making decisions on allocations of resources and assessing its performance. Hence, no separate financial disclosures provided in respective of its single business segment, geographic segment and hence disclosure information as per the requirements of IND AS 108 'Operating Segments' is not applicable.

**Service income**

This segment consists of the Company's business of providing contract research services (CRO).

**Analysis of revenues by geography**

The following table shows the distribution of the Company's revenues by country, based on the location of the customers:

**Revenue from external customers**

Particulars	March 31, 2023	March 31, 2022
USA	1,024.90	876.04
Rest of the world	-	47.09
	<b>1,024.90</b>	<b>923.13</b>

**38 Additional regulatory information**

The MCA vide notification dated March 24, 2021 has amended Schedule III of Companies Act, 2013 in respect of certain disclosures. Amendments are applicable from April 1, 2021. The Company has incorporated the changes as per the said amendment in the financial statements and has also changed comparative numbers wherever applicable.

**Other Statutory Information:**

- There are no proceedings initiated or pending against the Company as at 31 March 2023, under Benami Property Transactions Act, 1988 (as amended in 2016)
- The Company is not declared a wilful defaulter by any bank or financial institution or other lender
- The Company has not any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The company has not entered into any transaction with the companies struck off as per Section 248 of the companies Act, 2013 or section 560 of the Companies Act, 1956.
- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in partly identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The company do not have charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The company has not having any bank borrowings hence reporting and filling of quarterly returns or statements is not applicable.
- The company has not obtained any loans hence reporting under this clause is not applicable.



CASPER PHARMA PRIVATE LIMITED  
 CIN: U24233TG2016PTC102713  
 Notes to financial statements for the year ended March 31, 2023  
 (All amounts are in Indian Rupees in lakhs, except share data and unless otherwise stated)

(ix) Ratios

Particulars	Numerator	Denominator	Notes	31 March 2023	31 March 2022	% change from 31 March 2022 to 31 March 2023
a) Current Ratio	Current assets	Current Liabilities	(a)	6.96	2.11	230%
b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	(b)	-	-	0%
c) Debt Service Coverage ratio	Earnings available for Debt service	Debit service	(c)	-	-	0%
d) Inventory Turnover Ratio	Revenue from Operations	Average inventory	(d)	7.31	2.16	238%
e) Trade Payable Turnover Ratio	Purchases	Average Trade Payables	(e)	3.76	1.10	241%
f) Net Profit Ratio	Profit after tax	Revenue from Operations	(f)	(2.01)	(1.58)	27%
g) Return on Equity Ratio/Return on Investment Ratio	Profit after tax	Average share holdersequity	(g)	(0.17)	(0.15)	16%
h) Trade Recievables Turnover Ratio	Revenue from Operations	Average Receivables	(h)	9.40	7.77	21%
i) Net Capital Turnover Ratio	Revenue from Operations	Working Capital (1)	(i)	0.37	1.04	-64%
j) Return on Capital Employed	Earnings Interest	Before Capital Employed (2)	(j)	(0.19)	(0.17)	12%

Variance was primarily on account of inflow Cash balalnres for operations  
 -  
 -  
 Variance was primarily on account of increase in inventories and increase in revenues  
 Variance was primarily on account of decrease in average payables  
 Variance was primarily because of increase in operational loss over revenues  
 -  
 -  
 Variance was primarily on account of increase in losses  
 -

1 Current assets - current liabilities  
 2 Tangible networth + total debt +deferred tax liability-deferred tax assets

39 Previous year's figures have been regrouped/reclassified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

As per our report of even date.

For K NAGARAJU & ASSOCIATES  
 Chartered Accountants  
 ICAI Firm Registration No: 0022705


K Nagaraju  
 Partner  
 Membership No. 024344

Place: Hyderabad  
 Date: 03-May-2023  
 UDIN: 23024344B6VALZ2629

For and on behalf of the board of Directors of  
 CASPER PHARMA PRIVATE LIMITED

Lakshmana Rao Veeramachaneni  
 Chairman & WTD  
 DIN: 09484413

S Rohit Kumar Agarwal  
 Company Secretary  
 Membership No:F12570

*V Lakshmana Rao*  
  
*Srihari Babu*  
 Srihari Babu Sadhu  
 Chief Financial Officer  
 Membership No:231267