



INDEPENDENT AUDITOR'S REPORT

To the Members of Shilpa Biologicals Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Shilpa Biologicals Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash flows for year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'standalone financial statement').

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

Basis for Opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information Other than the Standalone financial statements and Auditor's Report

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

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





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In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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





- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.





Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss (Including 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 books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the Internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the





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company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- e. The Company has not declared or paid any dividend during the year.
- f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Bohara Bhandari Bung and Associates LLP
Chartered Accountants
(Firm's Regn No.008127S/S200013)

CA. Yogesh R Bung
Partner
Membership No. 143932



Place: Raichur
Date: 19.05.2023
UDIN:23143932BGVPQH5462



Annexure-A to the Independent Auditors

With reference to the Annexure A referred to in our Independent Auditor's Report to the members of Shilpa Biologicals Private Limited ('the Company') for the year ended March 31, 2023. We report the following:

i. In respect of Fixed 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 has maintained proper records showing full particulars of Intangible Assets.
- b) As explained to us, having regards to the size of the Company and the nature of its assets Fixed Assets have been physically verified wherever feasible by the management and no material discrepancy with respect to book records was noticed on such verification. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) In our opinion and according to the information and explanations given to us, the title deeds in respect of the immovable properties are held in the name of the Company.
- d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year
- e) According to the information and explanations given to us, no proceedings have been initiated in the current year nor there are any proceedings pending against the company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder as at the balance sheet date.

ii. In respect of inventories

- a) Inventories have been physically verified by the Management during the year and the discrepancies noticed on such verification between the physical stock and book records were not material. In our opinion, the frequency of such verification is reasonable.
- b) According to the information and explanation given to us, the Company has been sanctioned workings limits in excess of Rs.5.00 crs by the bank, in aggregate, on the basis of security of current assets during the year. No major discrepancies have been observed between the stock statements filed with the bank and the books of accounts.

iii. In respect of Investments, loans and advances, any guarantee or security granted;

- a) According to the information and explanation given to us, Subject to the investments made in a Private Limited Company, the Company has not made any other investments nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.





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- b) Based on the information and explanation give to us, the investments in the Private Limited Company made are not prejudicial to the interest of the Company.
- iv. According to the information and explanation given to us, the Company has not granted any loans, nor has provided any guarantees or securities to parties covered section 185 and 186 of the Act. However, it has complied with the provisions of sec.186 of the Companies Act, 2013 in respect of its investments made in other company during the year.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. According to the information and explanations given to us, provisions of cost records and accounts as prescribed are prima-facie not applicable to the Company since the turnover of the Company in the immediately preceding financial year does not exceed the prescribed threshold limit under Rule 3 of Companies (Cost Records and Audit) Rules 2014 as amended, and read with Sec.148 of the Act, and as prescribed by the Central Government in respect of the production and processing activities of the Company. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the company
- vii. In respect of Statutory dues
- a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees state insurance, income-tax, duty of customs, cess and any other statutory dues applicable to it, to the appropriate authorities. There are no statutory dues as on the last day of the financial year concerned which are outstanding for a period of more than six months from the date, they became payable.
- b) According to the information and explanations given to us by the management there are no dues of Goods and Services Tax, provident fund, employees state insurance, income-tax, duty of customs, cess which have not been deposited on account of any dispute.
- viii. According to the information and explanations give to us by the management there are no unrecorded transactions during the year in the books of accounts which are surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3(vii) of the order is not applicable to the company.
- ix. According to the information and explanations given to us and based on records of the Company examined by us;
- a) The Company has not defaulted in repayment of loans or borrowings or payment of interest thereon to any lender during the year.
- b) The company has not been declared wilful defaulter by any bank or financial institution or other lender;
- c) The Term loans were applied for the purpose for which they were obtained;
- d) According to the information and explanation given to us and on an overall examination of the financial statements of the company, funds raised on short term basis





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have, prima facie, not been used during the year for long term purposes by the Company;

e) According to the information and explanation given to us the company, since the company does not have any subsidiary, associates or joint venture reporting under in clause no.3(ix)(e) of the order is not applicable to the Company;

f) According to the information and explanation given to us the company, since the company does not have any subsidiary, associates or joint venture reporting under in clause no.3(ix)(f) of the order is not applicable to the Company.

x. a) Based on the information and explanations given to us by the management, the Company has not raised any money by way of public offer and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) Based on the information and explanations given to us by the management, the Company has not made preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

Accordingly, paragraph 3(x) of the order is not applicable.

xi. a) As per the information and explanations given by the management, we report that no material fraud by the Company or 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 upto the date of this report.

b) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.





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- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures specified under Section 133 of the Act.
- xiv. In our opinion and according to the information and explanation given to us;
- a) The company has an internal audit system commensurate with the size and nature of its business.
- b) The internal audit reports of the Company issued for the period under audit have been considered by us.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to the information and explanation given to us;
- a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
- d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, para 3(xvi) (d) of the said Order is not applicable.
- xvii. According to the information and explanation given to us and based on our examination of the records, the company has not incurred any cash losses during the financial year & in the immediately preceding year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under clause no 3(xviii) of the order is not applicable.





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- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on the comfort letter issued by the Holding company and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanation given to us and further based on the examination of the records, provision of sec.135 of the Act pertaining to CSR are not applicable to the Company. Accordingly, paragraph 3(xx) of the order is not applicable.
- xxi. According to the information and explanation given to us and further based on the examination of the records, the company is not required to prepare any consolidated financial statements. Accordingly, paragraph 3(xxi) of the order is not applicable.

For Bohara Bhandari Bung and Associates LLP
Chartered Accountants
(Firm Registration Number: 008127S/S200013)

CA Yogesh R Bung
Partner
Membership Number: 143932

Place: Raichur
Date: 19.05.2023
UDIN:23143932BGVPQH5462





Annexure-B - to our report of even date on the Financial Statements of Shilpa Biologicals Private Limited. –

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

We have audited the internal financial controls over financial reporting of **Shilpa Biologicals Private Limited** ('the Company') as of 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally





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accepted accounting principles. A company's internal financial control over financial reporting includes 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 Over Financial Reporting

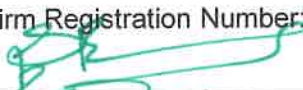
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

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

For Bohara Bhandari Bung and Associates LLP
Chartered Accountants

(Firm Registration Number: 008127S/S200013)


CA Yogesh R Bung
Partner
Membership Number: 143932



Place: Raichur

Date: 19.05.2023

UDIN:23143932BGVPQH5462

NOTES FORMING PART OF FINANCIAL STATEMENTS

Company Overview

Shilpa Biologicals Private Limited is a Private Limited Company incorporated on 09.01.2020 with its registered office at Plot No. 531, 532-A Belur Industrial Area, Dharwad. Further, it is a 100% Subsidiary of Shilpa Medicare Limited. Presently, the Company is engaged in the business of Biotechnology using sophisticated technology meticulously in order to comply with laid down international standards/specifications.

1. Basis of Preparation of Financial Statements

I. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rule 4 of Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Amendment Rules, 2016 to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the Company.

These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2021. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements of the Company for the year ended March 31, 2022 were approved by the Board of Directors on 19.05.2022.

II. Basis of Measurement

The financial statements have been prepared on the historical cost basis (i.e., on accrual basis), except for the following assets and liabilities which have been measured at fair value, wherever applicable.

- Derivative financial instruments
- Certain financial assets / liability measured at fair value.
- Defined Benefit Plans at fair value less present value of defined obligations.

III. Functional and presentation currency

The financial statements are presented in Indian Rupees which is the functional currency for the Company.

All amounts have been rounded-off to the nearest Rs in lakhs, unless otherwise indicated

IV. Current v/s Non-current classification

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

An asset is current when it satisfies the below mentioned criteria :

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

All other assets are classified as non-current assets.



A liability is current when it satisfies the below mentioned criteria :

- (i) Expected to be settled in normal operating cycle, or
- (ii) Held primarily for the purpose of trading, or
- (iii) Due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non-current.

V. Use of accounting Estimates and Judgments:

The preparation of the standalone 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 standalone financial statements.

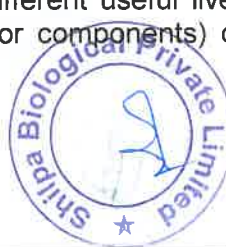
The areas involving critical estimates or judgments are:

- Estimation of Useful life of Property, plant and equipment and intangibles (Note 2.(a))
- Estimation of impairment (Note 2(d))
- Business Combination (Note.2(e))
- Leases (Note 2(i))
- Recognition of deferred taxes (Note 2(o))
- Estimation of provision (Note 2(p))

2. Significant Accounting Policies

a) Property, Plant and Equipment & Depreciation:

- i. Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.
- ii. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.
- iii. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- iv. Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalized. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.



- v. Any gain or loss on disposal of an item of property plant & equipment is recognized in statement of profit & loss account.
- vi. Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.
- vii. Depreciation is calculated on items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight-Line Method (SLM) prescribed in Schedule II of the Companies Act 2013, with exception of those assets whose useful life is ascertain by the management. Freehold land is not depreciated.
- viii. Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets
- ix. The Company follows the policy of charging depreciation on pro-rate basis on the assets acquired or disposed off during the year.

Estimated useful life considered during the year is as follows:

S.No	Name of the asset	Estimated useful life
01	Plant & Machinery	20 years
02	Computers	3 years
03	Lab Equipment	10 years
04	Building	30 years
05	Electrical Installations	10 years
06	Office Equipment	5 years
07	Canteen Equipment	5 years
08	Pipeline	20 years
09	Borewell	05 years
10	ETP Machinery	20 years
11	Computer Software	06 years
12	DMF	10 years

b) Intangible Assets:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible Assets are stated at cost less accumulated amortization. Cost includes only such expenditure that is directly attributable to making the asset ready for its intended use.

Intangible assets are amortized over their useful life.

Expenditure on research and development eligible for capitalization are carried as Intangible assets under development where such assets are not yet ready for their intended use.



Intangible Assets include capitalized expenditure on filing and registration of any Drug Master File (DMF) or Abbreviated New Drug Application (ANDA) and compliance with regulatory procedures of the USFDA, in filing such DMF or ANDA, which are in respect of products for which commercial value has been established by virtue of third-party agreements/arrangements. The cost of each DMF/ANDA is amortized over its estimated useful life from the date on which the amount has been capitalized.

Amortization of capitalized development expenditure is recognized on a straight-line basis, over the useful life of the asset

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

c) Research and Development:

Research

All expenditure on research activities is recognized in the Profit and Loss Statement when incurred.

Development

Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

d) Impairment of Assets:

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

- financial assets measured at amortised cost;

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and fair value less cost of disposal. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Statement of Profit and Loss Account in the year in which an asset is identified as impaired.

e) Business Combination and Goodwill:



In accordance with Ind AS 103, Business combinations involving entities or businesses under common control shall be accounted for using the pooling of Interest method whereby the assets and liabilities of the transferred entity is accounted at their carrying amounts in the transferee books.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred. Business combinations between entities under common control is accounted for at carrying value.

f) Inventory:

Inventories are valued at the lower of cost and net realizable value. The cost is determined on FIFO basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition.

Provisions are made towards slow-moving and obsolete items based on historical experience of utilization on a product category basis, which consideration of product lines and market conditions.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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.

g) Employee benefits:

i. Short-term employee benefits:

All employee benefits falling due within twelve months from the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly."

ii. Post-employment benefits:

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:"

Defined Contribution plans

Contribution towards provident funds for employees is made to the regulatory authorities, where the company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans



Gratuity liability is defined obligation and is provided on the basis of an actuarial valuation on the projected unit credit method made at the end of each year.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net Interest expenses and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

h) Cash and Cash Equivalent

Cash and cash equivalent in the balance sheet comprise 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. Cash flow statement is prepared under the indirect method as per Ind AS 7, For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits net of bank overdraft.

i) Leases:

Company as a lessee

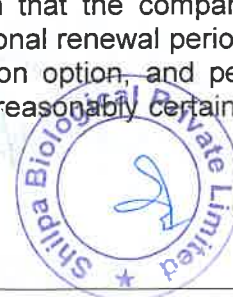
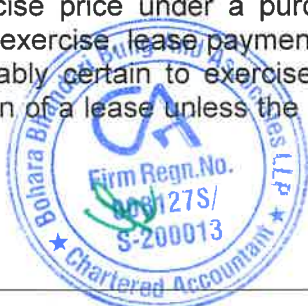
The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.



The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

j) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Sale of products:

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised goods refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts, all of which are established at the time of sale and product returns.

ii. Interest Income and expense

Interest Income or expense is recognized using the Effective interest rate (EIR) method.

k) Foreign Currency Transactions/Translations:

Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Translations

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost



in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange Differences

The exchange difference arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognized in the Statement of Profit and Loss in the period in which they arise as income or as expense.

l) Government Grant:

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Grants related to revenue items are presented as part of statement of profit or loss under general heading such as other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as 'Deferred Government Grant' and are credited to profit & loss account under other income on a straight-line basis over the expected lives of the related assets and presented within other income.

The benefit of a government loan at a below- market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

m) Borrowing Costs:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

n) Financial Instrument:

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

l) Financial Asset:

Initial recognition and measurement

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through P&L, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:



- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction; and
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognized to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilized. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

p) Provisions, Contingent Liabilities and Contingent Liabilities:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If effect of the time value of money is material, provisions are discounted using an appropriate discount 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 recognized as finance cost. Contingent Liabilities are not recognized but are disclosed in the notes.

q) Offsetting:

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

r) Earnings per share:

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, except where the results would be anti-dilutive.



s) Exceptional Items:

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown

separately due to the significance of their nature or amount.

t) Recent accounting pronouncements:

MCA issued notifications dated March 23, 2022 to amend schedule III to the companies Act 2013, to enhance the disclosure required to be made by the company in its financial statements. These amendments are applicable to the Company for the financial year starting April 01, 2022. The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.



- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).

Financial Asset measured at amortized cost

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss. The company while applying above criteria has classified the following at amortized cost:

- Trade receivables
- Loans
- Other financial assets

Financial Assets Measured at fair value through other comprehensive income (FVTOCL)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

Financial Assets at fair value through profit or loss (FVTPL)

Financial Assets are measured at Fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of Profit & Loss.

Equity Investments

All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The classification is made on initial recognition and is irrevocable.

De-recognition of Financial Assets

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the statement of Profit & Loss.

Impairment of Financial Assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:



- Financial Assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Financial Assets that are debt instruments and are measured at FVTOCI.
- Lease receivables under Ind AS 17.
- Trade receivables or any contractual right to receive cash or another financial asset.
- Loan commitments which are not measured at FVTPL.
- Financial guarantee contracts which are not measured at FVTPL.

II) Financial Liability

Initial recognition and measurement

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Financial Liabilities at amortized cost

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The company is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other Financial liabilities

Derecognition

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

o) Taxes on Income:

Income tax comprises of current and deferred income tax. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised in other comprehensive income. Current income tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when:



Shilpa Biologicals Private Limited
Balance Sheet as at 31st March, 2023

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

Particulars	Notes	As at 31st March-2023	As at 31 March, 2022
ASSETS			
Non-Current Assets			
(a) Property, plant & equipment	3	2,84,17,29,554	2,96,79,64,425
(b) Right-of-use assets	4	-	3,80,20,173
(c) Capital work- in- progress	5	86,34,74,884	62,08,47,615
(d) Goodwill on merger		26,53,05,579	26,53,05,579
(e) Intangible assets	6	3,27,85,760	5,35,01,638
(f) Intangible assets under development	7	88,04,41,526	60,20,86,216
(g) Financial assets		-	-
(i) Investments	8	96,29,615	25,76,013
(ii) Other financial assets	9	11,14,26,584	11,51,57,764
(h) Deferred tax assets (Net)	10	7,10,08,548	-
(h) Other non-current assets	11	6,62,02,095	23,65,82,589
Total Non-Current Assets		5,14,20,04,145	4,90,20,42,015
Current Assets			
(a) Inventories	12	20,10,52,341	24,95,28,975
(b) Financial assets	13	-	-
(i) Trade receivables		20,42,84,307	60,40,99,662
(ii) Cash and cash equivalents		1,66,07,510	4,42,20,425
(iii) Other financial assets		2,20,63,365	37,47,540
(c) Other current assets	14	22,62,97,405	20,88,32,769
Total Current Assets		67,03,04,928	1,20,13,29,371
TOTAL ASSETS		5,81,23,09,073	6,10,33,71,386
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	30,00,00,000	30,00,00,000
(b) Other equity	16	(1,07,60,00,374)	(52,66,20,329)
Total Equity		(77,60,00,374)	(22,66,20,329)
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities	17		
(i) Borrowings		5,21,68,12,011	4,91,68,43,824
(b) Provisions	18	92,76,083	84,29,688
(c) Deferred tax liabilities	19	-	4,37,75,279
(d) Other Non current liabilities	20	16,48,55,584	17,93,36,725
Total Non-Current Liabilities		5,39,09,73,678	5,14,83,85,516
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	21	69,16,66,664	62,21,04,798
(ii) Trade Payables	22	-	-
		70,01,868	3,59,44,183
-Total outstanding dues of micro & small enterprises			
-Total outstanding dues of other than micro & small enterprises		5,90,50,741	2,84,74,390
(ii) Other financial liabilities	23	39,20,82,340	37,47,43,880
(b) Other current liabilities	24	3,89,82,351	11,01,80,799
(c) Provisions	25	85,51,806	1,01,58,150
Total Current Liabilities		1,19,73,35,770	1,18,16,06,199
TOTAL EQUITY AND LIABILITIES		5,81,23,09,073	6,10,33,71,386

The accompanying notes form an integral part of the standalone financial statements 1 to 65

As per our report of even date attached

for Bohara Bhandari Bung And Associates LLP
Chartered Accountants

(Firm's Regn No.008127S/S-200013)

CA. Yogesh R Bung
Partner
M.No.143932



For and On behalf of the Board of Directors of
Shilpa Biologicals Private Limited

Ramakant Innani
Managing Director
DIN : 0322748

Venkaresh Sharma
Chief Financial Officer

Madhav Bhutada
Director
DIN : 08222055

Krishnappayya Desai
Company Secretary



Place/ Camp: Raichur
Date: 19/05/2023

Place/ Camp: Raichur
Date: 19/05/2023

Shilpa Biologicals Private Limited
Statement of Profit and Loss for the period ended 31/03/2023

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

Particulars	Notes	For the period ended 31 March, 2023	For the year ended 31 March, 2022
Income:			
(a) Revenue from operations	26	20,41,76,578	16,44,17,233
(b) Other Income	27	11,06,34,586	3,27,20,802
Total Income		31,48,11,164	19,71,38,034
Expenses:			
(a) Purchases of stock-in trade	28	1,42,33,547	-
(b) Change in WIP & variation in finished Goods	28	(20,08,194)	-
(b) Employee benefits expense	30	13,75,37,603	9,72,45,503
(c) Finance costs	31	45,45,60,778	32,68,60,206
(d) Depreciation and amortisation expenses	3&6	19,80,78,688	20,10,68,001
(e) Other expenses	32	19,55,35,148	15,27,73,136
Total Expenses		99,79,37,570	77,79,46,846
Profit before exceptional item and tax		(68,31,26,406)	(58,08,08,812)
Exceptional (income)/expense		-	(42,50,21,713)
Profit before tax		(68,31,26,406)	(15,57,87,099)
Tax expenses			
(a) Current Tax		-	-
(b) Tax expenses/(income) pertaining to earlier years		-	2,39,943
(c) Deferred Tax		(11,65,73,005)	5,74,34,328
Total tax expenses		(11,65,73,005)	5,76,74,271
Profit/(Loss) for the year		(56,65,53,401)	(21,34,61,370)
Other comprehensive Income/(Expenses)			
(i) Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post employment benefit obligations(Net of tax)		33,25,276	(4,77,549)
(ii) Items that will be reclassified subsequently to profit or loss		-	-
Total Other comprehensive Income/(Expenses)		33,25,276.00	(4,77,549.00)
Total comprehensive Income/(Expenses)		(56,32,28,125)	(21,39,38,919)

The accompanying notes form an integral part of the standalone financial statements 1 to 65

As per our report of even date attached
for **Bohara Bhandari Bung And Associates LLP**
Chartered Accountants
(Firm's Regn No.008127S/S-200013)

CA. Yogesh R Bung
Partner
M.No.143932



Place/ Camp: Raichur
Date: 19/05/2023

For and On behalf of the Board of Directors of
Shilpa Biologicals Private Limited

Ramakant Innani
Managing Director
DIN : 0322748
Venkatesh Sharma
Chief Financial Officer

Place/ Camp: Raichur
Date: 19/05/2023

Madhav Bhutada
Director
DIN : 08222055
Krishnappayya Desai
Company Secretary



Shilpa Biologicals Private Limited
Statement Cash Flow for the year ended March 31, 2023
 (All amounts are in Indian Rupees, unless otherwise stated)

15		
Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax as per Statement of Profit and Loss	(68,31,26,406)	(15,57,87,099)
Adjustments to reconcile loss to net cash flows:		
Depreciation and amortisation expenses	19,80,78,688	20,10,68,001
Finance costs	45,45,60,778	32,68,60,206
Capital advances written off	10,113	1,22,95,764
Provision for Gratuity	43,61,377	37,86,847
Gain on sale of Albumin	-	(42,50,21,713)
Amortisation of Grants	(1,34,81,141)	(1,28,12,157)
LD amount recovered	-	(1,42,63,888)
Interest received	(63,55,677)	(44,01,524)
Profit on sale of Fixed Assets	(80,646)	(70,831)
Unrealized Exchange (gain)/loss	-	-
Liabilities no longer required written back	(8,93,08,204)	(12,43,233)
Operating profit before working capital changes & Other Adjustments	(13,53,41,118)	(6,95,89,627)
Adjustments for Increase/(Decrease) in Operating Liabilities		
Trade Payables	1,68,94,405	(2,10,82,264)
Other Non-Current Liabilities & Long Term Provisions	7,35,90,966	2,39,37,600
Other Current Liabilities & Short Term Provisions	(13,00,53,527)	15,82,50,087
Adjustments for (Increase)/Decrease in Operating Receivables		
Inventories	4,84,76,634	(13,21,55,274)
Trade Receivables	49,07,15,355	(69,40,47,157)
Other Non-current Assets & Financial Assets	18,48,77,914	(22,70,47,515)
Other Current Assets & Financial Assets	(4,31,61,496)	(13,22,799)
	50,59,99,133	(96,30,56,949)
Less: Taxes Paid (Net)	(4,71,581)	(8,57,452)
Net Cash flow from Operating activities	50,55,27,552	(96,39,14,401)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment including CWIP	(54,97,20,636)	(82,83,26,981)
Proceeds from sale of property plant and equipment	1,57,10,937	23,13,796
Purchase of Investment	(70,53,602)	(25,76,013)
Sale of Albumin	-	50,00,00,000
Interest received	51,38,602	52,12,774
Net cash flow (used in) Investing Activities	(53,59,24,699)	(32,33,76,425)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Non-current Borrowings	29,99,98,187	1,17,42,50,001
Proceeds from current Borrowings	6,95,61,866	33,87,49,998
Interest expense	(36,67,75,821)	(21,31,43,761)
Net cash flow from/(Used in) Financing Activities	27,84,232	1,29,98,56,237
Net Increase/(decrease) in Cash and Cash Equivalents	(2,76,12,915)	1,25,65,412
Cash & Cash Equivalents at the Beginning of the year	4,42,20,425	3,16,55,013
Cash & Cash Equivalents at the end of the year	1,66,07,510	4,42,20,425

Components of Cash and Cash Equivalents	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Cash in Hand	26,638	18,607
Cash at Banks		
a) In Current Account	1,65,80,872	4,42,01,818
Total Cash and Cash Equivalents	1,66,07,510	4,42,20,425

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities

Particulars	Opening Balance 01 April 2022	Cash flows	Non-Cash movement	Closing Balance 31 March, 2023
Borrowing (including current maturities)	5,53,89,48,622	36,95,60,053	-	5,90,85,08,675
Interest accrued but not due	22,49,72,973	(36,67,75,821)	44,11,07,730	29,93,04,882
Total Liabilities from financing activities	5,76,39,21,595	27,84,232	44,11,07,730	6,20,78,13,557




The accompanying notes form an integral part of the standalone financial statements

Note:

1. Statement of cashflow has been prepared under the Indirect method as set out in IND-AS - 7 specified under sec 133 of the Companies Act 2013.

As per our report of even date attached
for **Bohara Bhandari Bung And Associates LLP**
Chartered Accountants
(Firm's Regn No.008127S/S-200013)


CA. Yogesh R Bung
Partner
M.No.143932



Place/ Camp: Raichur
Date: 19/05/2023

**For and On behalf of the Board of Directors of
Shilpa Biologicals Private Limited**


Ramakant Innani
Managing Director
DIN : 0322748


Venkatesh Sharma
Chief Financial Officer

Place/ Camp: Raichur
Date: 19/05/2023


Madhav Bhutada
Director
DIN : 08222055

Krishnappayya Desai
Company Secretary



Shilpa Biologicals Private Limited
Statement of Changes in Equity for the year ended 31 March, 2023
(All amounts are in Indian Rupees except share data and per share data, unless otherwise stated)

b) Other Equity

Particulars	Capital Reserves	Retained Earnings	Other Comprehensive Income (OCI) - Remeasurement of defined benefit plan	Fair value of Corporate guarantee	Total
Balance as at 01 April, 2021	(36,85,03,822)	1,89,11,267	8,17,685	3,60,93,459	(31,26,81,411)
Changes during the year	-	-	-	-	-
Profit for the year	-	(21,34,61,370)	(4,77,549)	-	(21,39,38,919)
Balance as at 31 March, 2022	(36,85,03,822)	(19,45,50,103)	3,40,136	3,60,93,459	(52,66,20,330)
Profit for the year	-	(56,65,53,401)	38,02,825	1,33,70,532	(54,93,80,044)
Balance as at 31 March, 2023	(36,85,03,822)	(76,11,03,504)	41,42,961	4,94,63,991	(1,07,60,00,374)

Note :

- Capital Reserves :** This reserve represents the difference between the net value of assets & liabilities and the lump sum consideration on account of slump sale agreement between Shilpa Medicare Limited and Shilpa Biologicals Private Limited, which was carried out in FY 2019-20.
- Retained earning :** This Reserve represents the cumulative losses of the Company.
- Fair Value of Corporate guarantee :** This Reserve represents the fair value of corporate guarantee under IND-AS, given by the holding company (Shilpa Medicare Limited) on the term loan of INR 250 Crores availed by Shilpa Biologicals Private Limited.
- Remeasurement of the net defined benefits plan:** This reserve comprises the cumulative net gains/losses on actuarial valuation of post-employment obligations.

The accompanying notes form an integral part of the standalone financial statements 1 to 65

As per our report of even date attached

for **Bohara Bhandari Bung And Associates LLP**
Chartered Accountants
(Firm's Regn No.008127/S-200013)


CA. Yogesh R Bung
Partner
M.No.143932



Place/ Camp: Raichur
Date: 19/05/2023

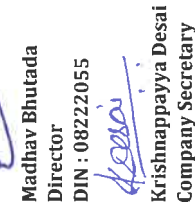
For and On behalf of the Board of Directors of
Shilpa Biologicals Private Limited


Ramakant Innani
Managing Director
DIN : 03222748


Venkatesh Sharma
Chief Financial Officer

Place/ Camp: Raichur
Date: 19/05/2023


Madhav Bhutada
Director
DIN : 08222055


Krishnappayya Desai
Company Secretary



Shilpa Biologicals Private Limited
(All amounts in Indian rupees, except share data and where otherwise stated)

Fixed Assets Schedule

Particulars	Gross Block			Depreciation			Net block As at 31.03.2023
	As at 01.04.2022	Additions	Deletions/ disposal	As at 31.03.2023	Deduction / Adjustment during the year	For the period 31.03.2023	
3 Tangible Assets							
i) Owned							
a) Borewell	5,89,106	-	-	5,89,106	-	1,11,930	1,41,080
b) Building	57,66,83,017	9,81,126	-	57,76,64,142	-	1,82,88,011	53,90,45,725
c) Canteen Equipment	3,05,434	-	-	3,05,434	-	57,993	1,49,694
d) Computer	3,48,69,124	-	8,70,422	3,39,98,702	3,26,901	56,72,019	28,51,899
e) Electrical Installation	15,09,62,334	30,03,602	18,13,462	15,21,52,474	1,94,864	1,45,90,165	12,07,10,672
f) ETP Machinery	1,59,17,440	-	-	1,59,17,440	-	7,56,168	1,43,15,745
g) Furniture	3,35,11,037	14,500	-	3,35,25,537	-	31,54,991	2,55,24,706
h) Generator	22,40,658	-	-	22,40,658	-	-	13,51,116
i) Lab Equipments	45,10,07,236	6,14,946	22,36,047	44,93,86,135	4,84,008	3,95,23,684	30,89,14,445
j) Office Equipment	1,82,05,647	94,000	6,30,568	1,76,69,079	2,86,070	32,75,683	93,34,673
k) Pipeline	4,17,96,565	-	-	4,17,96,565	-	19,85,922	3,75,97,031
l) Plant & Machinery	1,88,72,88,993	2,40,29,882	1,31,52,666	1,89,81,66,209	3,81,031	8,99,45,243	1,70,84,33,708
m) Land 1	3,53,38,889	-	-	3,53,38,889	-	-	3,53,38,889
n) Land 2	3,80,20,173	-	-	3,80,20,173	-	-	3,80,20,173
Sub-Total (A)	3,28,67,35,653	2,87,38,056	1,87,03,165	3,29,67,70,545	30,72,873	17,73,62,809	2,84,17,29,554
6 Intangible Assets							
Goodwill							
a) Computer Software	77,58,197	-	-	77,58,197	-	12,83,514	27,89,722
b) Non compete Agreement	10,45,00,000	-	-	10,45,00,000	-	1,64,63,205	68,55,910
c) DMF/ Patents Fees	2,96,45,114	-	-	2,96,45,114	-	29,69,160	2,31,40,128
d) Acquired assets through Fair Valuation	-	-	-	-	-	-	-
Total	14,19,03,311	-	-	14,19,03,311	-	2,07,15,879	3,27,85,760
Sub-Total (B)	3,42,86,38,964	2,87,38,056	1,87,03,165	3,43,86,73,856	30,72,873	19,80,78,688	2,87,45,15,314
Less: Capitalized during the year							



Shilpa Biologicals Private Limited
(All amounts in Indian rupees, except share data and where otherwise stated)
Fixed Assets Schedule

Particulars	Gross Block			Depreciation			Net block
	As at 01.04.2021	Additions	Deletions/ disposal	As at 01.04.2021	Deduction / Adjustment during the year	For the period 31.03.2022	As at 31.03.2022
3 Tangible Assets							
i) Owned							
a) Borewell	5,89,106	-	-	2,24,167	-	1,11,930	2,53,010
b) Building	56,67,18,962	99,64,055	-	21,63,366	-	1,81,67,041	55,63,52,610
c) Canteen Equipment	2,11,470	93,965	-	45,237	(1,562)	59,949	2,07,686
d) Computer	3,43,21,474	5,47,650	-	1,77,00,865	3,60,296	89,61,116	85,67,438
e) Electrical Installation	14,89,44,873	20,91,695	74,234	37,06,637	3,50,344	1,42,11,177	13,33,94,864
f) Empty Cylinders	-	-	-	-	-	-	-
g) ETP Building	-	-	-	-	-	-	-
f) ETP Machinery	1,58,16,371	1,01,069	-	90,565	-	7,54,962	1,50,71,913
g) Furniture	3,35,11,037	-	-	16,75,202	(6,045)	31,64,593	2,86,65,197
h) Generator	22,40,658	-	-	10,79,058	-	1,89,516	9,72,084
i) Lab Equipments	44,47,40,878	82,88,233	20,21,874	6,19,04,785	(96,111)	3,94,31,118	34,95,75,222
j) Office Equipment	1,78,50,853	3,93,019	38,225	19,72,194	17,683	33,90,283	1,28,60,853
m) P/M (Power Generation Unit)	-	-	-	-	-	-	-
k) Pipeline	4,11,37,417	6,59,148	-	2,35,554	-	19,78,058	3,95,82,953
l) Plant & Machinery	1,85,70,78,086	3,09,60,957	7,50,050	1,06,58,731	15,690	8,95,24,248	1,78,71,21,704
n) Land	3,26,42,264	26,96,625	-	-	-	-	3,53,38,889
Total	3,19,58,03,448	5,57,96,415	28,84,383	10,14,56,360	6,40,295	17,99,34,991	2,96,79,64,424
ii) Leased Assets							
a) Leasehold Land & Green Field	-	-	-	-	-	-	-
Total	3,19,58,03,448	5,57,96,415	28,84,383	10,14,56,360	6,40,295	17,99,34,991	2,96,79,64,424
6 Intangible Assets							
Goodwill							
a) Computer Software	77,58,197	-	-	24,02,571	-	4,61,336	48,94,290
b) Non compete Agreement	10,45,00,000	-	-	6,47,17,681	1,124	1,72,85,382	2,24,98,061
c) Technical Know How	-	-	-	-	-	-	-
c) DMF/ Patents Fees	48,96,956	-	-	5,72,644	-	29,63,182	13,61,129
d) Acquired assets through Fair Valuation	2,45,03,002	2,45,156	-	-	-	-	2,47,48,158
Total	14,16,58,155	2,45,156	-	6,76,92,896	1,124	2,07,09,901	5,35,01,639



Shilpa Biologicals Private Limited
Notes to the forming part of financial statement for the year ended March, 31 -2023

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

4 Right-of-use assets (Refer note 50)

Particulars	As at 31, March-2023	As at 31 March, 2022
Opening Balance	3,80,20,173	3,80,20,173
Add :Addition	-	-
Less : Deletion	-	-
Add /(less) Reclass to Land account	(3,80,20,173)	-
Total closing balance	-	3,80,20,173

5 Tangible assets under development (Refer note 34)

Particulars	As at 31, March-2023	As at 31 March, 2022
Opening Balance	62,08,47,625	5,30,66,439
Add :Addition	27,14,73,815	69,69,58,708
(Less) : Deletion	(2,88,46,556)	(12,91,77,522)
Total closing balance	86,34,74,884	62,08,47,625

7 Intangible Assets under Development (Refer note 35)

Particulars	As at 31, March-2023	As at 31 March, 2022
Opening Balance	60,20,86,216	47,25,75,700
Add :Addition	27,83,55,310	12,95,10,516
(Less) : Deletion	-	-
Total	88,04,41,526	60,20,86,216

8 Non-current Investment

Particulars	As at 31, March-2023	As at 31 March, 2022
i) Investement in Equity Instrument		
(i) 10263 (10263) Share of Rs 100 each in Atria Wind Private Limited issued at premium of Rs 151.	25,76,013	25,76,013
(ii) 28102 (Nil) Compulsery Convertible Debenture (CCD) of Rs 100 Each in Attria Wind Private Limited issued at premium of 151/-	70,53,602	-
Total	96,29,615	25,76,013

9 Other Financial Assets (Non-current)

Particulars	As at 31, March-2023	As at 31 March, 2022
(a) Security deposits (unsecured considered good)		
(i) Electricity deposits	32,88,863	32,88,863
(ii) Telephone deposits	26,529	26,529
(iii) Miscellaneous deposits	1,12,000	3,58,940
(iv) Fixed Deposit against margin money with Bank *	10,79,99,192	10,44,29,830
	11,14,26,584	10,81,04,162
Investment in Convertible Debenture application money pending allotment in Atria Wind Private Limited.	-	70,53,602
Total	11,14,26,584	11,51,57,764

* Deposit placed as security with HDFC bank against Term loan



10 Deferred Tax Asset

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Deferred tax (liability) (Difference in Tax base Property , Plant & Equipment & Others)	(22,97,93,621)	-
(ii) Deferred tax asset (On account of accumulated losses & others)	30,08,02,169	-
Total	7,10,08,548	-

11 Other non-current assets

Particulars	As at 31, March- 2023	As at 31 March, 2022
a) Capital advances (unsecured considered good) (Refer Note No.39)	4,44,63,677	21,96,18,553
Total (a)	4,44,63,677	21,96,18,553
b) Others		
(i) Deferred Finance Cost- Related party	1,77,60,248	1,60,53,586
(ii) TDS receivable	13,82,031	9,10,450
(iii) Prepaid Expenses	25,96,139	-
Total (b)	2,17,38,418	1,69,64,036
Total (a+b)	6,62,02,095	23,65,82,589

12 Inventories

Particulars	As at 31, March- 2023	As at 31 March, 2022
i) Consumables	11,32,68,968	20,03,23,073
ii) Raw Materials	2,70,62,904	1,78,17,531
iii) Packing materials	4,86,19,874	2,02,14,346
iv) Stock -in Trade	20,08,194	-
v) Stores and Spares	1,00,92,401	1,11,74,025
Total	20,10,52,341	24,95,28,975

13 Financial Assets**(i) Trade Receivables (Refer Note No.36, 45,)**

Particulars	As at 31, March- 2023	As at 31 March, 2022
Unsecured		
considered good	20,42,84,307	69,49,99,662
doubtful	-	-
	20,42,84,307	69,49,99,662
Less: Write-off	-	-
Less: Expected Credit Loss	-	-
Total	20,42,84,307	69,49,99,662



(ii) Cash and cash equivalents

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Cash on Hand	26,638	18,607
(ii) Balance with Banks in Current Account	1,65,80,872	4,42,01,818
Total	1,66,07,510	4,42,20,425

(iii) Others financial assets

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Staff advance	5,03,220	9,60,378
(ii) Interest accrued on fixed deposits	40,04,237	27,87,162
(iii) Income accrued but not received	1,75,55,908	
Total	2,20,63,365	37,47,540

14 Others current assets

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Advances to Supplier	56,26,339	26,77,156
(ii) Prepaid Expenses	46,46,300	85,98,110
(iii) GST Receivable	21,60,24,765	19,75,57,503
	22,62,97,405	20,88,32,769
Add: Considered Doubtful	-	-
	22,62,97,405	20,88,32,769
Less: Written-off	-	-
Total	22,62,97,405	20,88,32,769

16 Other Equity

Particulars	As at 31, March- 2023	As at 31 March, 2022
(a) Capital Reserve	(36,85,03,822)	(36,85,03,822)
(b) Fair Value of Corporate Gurantee	4,94,63,991	3,60,93,459
(c) Retained Earnings	-	-
Opening Balance	(19,45,50,103)	1,97,28,952
Add: Profit/ (Loss) for the year	(56,65,53,401)	(21,34,61,370)
Closing Balance	(76,11,03,504)	(19,37,32,418)
Add: OCI for the year - Remeasurement of defined benefit plan (Net)	41,42,961	(4,77,549)
Total (a+b+c)	(1,07,60,00,374)	(52,66,20,329)



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Shilpa Biologicals Private Limited

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

15 Equity share capital

Particulars	As at 31st March-2023	As at 31 March, 2022
Authorised Shares		
30,00,000 (PY:30,00,000) equity shares of Rs.100/- each	30,00,00,000	30,00,00,000
	30,00,00,000	30,00,00,000
Issued Subscribed & Fully Paid Up capital		
30,00,000 (PY : 30,00,000) Equity shares of Rs.100/- each	30,00,00,000	30,00,00,000
Total	30,00,00,000	30,00,00,000

(a) Movement in equity share capital:

Particulars	As at 31st March-2023		As at 31 March, 2022	
	No of Shares	Amount	No of Shares	Amount
Shares outstanding at the beginning of the year	3000000	30,00,00,000	30,00,000	30,00,00,000
Add : Issued during the year face value Rs. 100/- each	0	0		-
Shares outstanding at the end of the year	30,00,000	30,00,00,000	30,00,000	30,00,00,000

(b) Terms/rights attached to equity shares**Equity Shares:**

The Company has only one class of equity shares having par value of Rs. 100/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation, the holders of equity are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of Shareholders holding more than 5% shares in the Company

Particulars	As at 31st March -2023		As at 31 March, 2022	
	No of Shares	% Holding	No of Shares	% Holding
i) Shilpa Medicare Limited	29,99,999	99.999	29,99,999	99.999

*Note: The above does not include 1 share held by Ramakant Innani in the representative capacity on behalf of Shilpa Medicare Ltd



17 Financial liabilities

(i) Long term borrowings

Particulars	As at 31, March- 2023	As at 31 March, 2022
Term loans (Secured) :		
i) From banks		
(a) HDFC Bank (Term loan 1)	46,87,50,039	84,37,50,002
Terms: The term loan was sanctioned by the bank on 25.06.2020. The said loan was originally repayable		
Rate of Interest: The term loan has been granted at 9.35% linked to repo rate to be reprised every 3 months. Interest is payable on a monthly basis.		
(b) HDFC Bank (Term loan 2)	8,33,33,340	25,00,00,002
Terms: The term loan was sanctioned by the bank on 29.09.2021. The said loan is repayable in 3 years		
Rate of Interest: The term loan has been granted at 7.50% linked to repo rate to be revisited every 3 months. Interest is payable on a monthly basis.		
ii) Loan under SIBIRI Scheme		11,39,023
Nature: Loan from Department of Biotechnology , Ministry of Science and Technology New Delhi. Under Scheme Small Business Innovative Research Initiative (SIBIRI).		
Terms of Repayment & Interest Rate: The Loan is repayable is 10 equal yearly instalment starting from 17.08.2013 of Rs 210.48 Lakhs with final instalment falling due on 17.08.2022. Interest is payable @ 1% P.A on amount drawn upto Rs 100 Lakhs and @ 2% above Rs 100 Lakhs, and is payable in 02 equal installment after principal repayment.		
(iii) From Others (Unsecured)		
(a) Shilpa Medicare Limited (Holding company)	4,66,47,58,632	3,82,19,54,797
Term loan from Holding company has been taken at @ 7.50% interest per annum. The loan is re-payable over a period of 8 years including moratorium of 5 years. The re-payment will made in 12 Quarterly installments including interest accrued there on, starting from 01.09.2025.		
Total	5,21,68,42,011	4,91,68,43,824

18 Provision

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Provision for gratuity	92,76,083	84,29,688
Total	92,76,083	84,29,688



19 Deferred tax liability /(assets)

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Deferred tax Liability (Difference in Tax base Property , Plant & Equipment & Others)	-	20,99,02,180
(ii) Deferred tax (Asset) (On account of accmulated losses & others)	-	(16,61,26,900)
Total	-	4,37,75,279

20 Other non-current liability

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) BIRAC Grants Received	14,69,29,758	17,93,36,725
(ii) Government Grant (ETP)	1,79,25,826	-
Total	16,48,55,584	17,93,36,725

21 Borrowings

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Working Capital Loan from HDFC Bank Term & Nature of loan: The Working capital loan was sanctioned by the bank on 29.09.2021. The said loan was initial repayable on bullet basis on 31.03.2022. However, the bank has extended the credit period by 178 days. The working capital loan is secured by way of first charge on the entire fixed assets of the company (both present and future), Factory Land & Building, exclusive charge on entire current asset of company (both present and future) and Corporate Gurantee from Shilpa Medicare Limited (Holding Co) and personal guarantee of Non Executive Nominee Director of the company. Rate of Interest : The Working capital loan has been granted at 12.20 % Interest is payable on a monthly basis.	15,00,00,000	12,00,00,000
(ii) Current maturities of long-term debt	54,16,66,664	50,21,04,798
Total	69,16,66,664	62,21,04,798

22 Trade Payable (Refer note 37, 45, 48)

Particulars	As at 31, March- 2023	As at 31 March, 2022
Total outstanding :		
(i) Dues to Medium Enterprises & Small Enterprises (MSME)	70,01,868	3,59,44,183
(ii) Dues other than MSME	5,90,65,589	2,84,74,390
Total	6,60,67,457	6,44,18,572

23 Other financial liability

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Interest accrued but due on borrowings	29,93,04,882	22,40,96,320
(ii) Salary Payable	2,51,88,648	3,50,08,985
(iii) Capital Creditors	5,35,63,058	10,26,49,170
(iv) Unclaimed Salary	10,25,752	1,12,752
(v) Interest accrued and due	-	8,76,653
(vi) Current Maturity of Government grant	1,30,00,000	1,20,00,000
Total	39,20,82,340	37,47,43,880



24 Other current liability

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Tax deduction at source	3,70,71,264	3,44,46,868
(ii) ESI, Professional tax, Etc.	1,00,045	90,941
(iii) Provident fund payable	18,11,042	16,42,990
(iv) Advances from Customers	-	74000000
Total	3,89,82,351	11,01,80,799

25 Provision

Particulars	As at 31, March- 2023	As at 31 March, 2022
(i) Provision for Expenses	79,07,807	87,69,437
(ii) Provision for gratuity	6,43,999	13,88,713
Total	85,51,806	1,01,58,150

26 Revenue from operations

Particulars	For the period ended 31 March, 2023	For the year ended 31 March, 2022
(i) Sales of Goods	2,80,36,995	16,35,97,596
(ii) Sale of Services	17,61,39,583	-
(ii) Other operating revenues	-	8,19,636
Total	20,41,76,578	16,44,17,233

27 Other income

Particulars	For the period ended 31 March, 2023	For the year ended 31 March, 2022
(i) Interest Income on :		
a) Deposit with bank	60,17,730	42,49,973
b) Interest Recd-Others	3,37,947	1,51,551
(ii) Other Income- LD Recovery	-	1,42,63,888
(iii) Amortisation Government Grants.	1,34,81,141	1,28,12,157
(iv) Misc Income	14,89,565	-
(v) Liability no longer required written back	8,93,08,204	12,43,233
Total	11,06,34,586	3,27,20,802

28 Purchases of stock-in trade

Particulars	For the period ended 31 March, 2023	For the year ended 31 March, 2022
Purchase of Trading Material /Others	1,42,33,547	-
Total	1,42,33,547	-

29 Changes in Inventory of finished goods Work-in Progress & stock in trade

Particulars	For the period ended 31 March, 2023	For the year ended 31 March, 2022
Opening finished goods	-	-
Openning Work-in progress	-	-
Closing finished goods	20,08,194	-
Closing Work-in progress	-	-
Total	(20,08,194)	-



30 Employee benefits expense

Particulars	For the period ended 31 March, 2023	For the year ended 31 March, 2022
(i) Salaries, wages, allowances and bonus	11,78,05,515	7,26,07,043
(ii) Contribution to provident/Gratuity and other funds	1,11,65,641	1,20,05,487
(iii) Staff welfare expenses	85,66,448	1,26,32,973
Total	13,75,37,603	9,72,45,503

31 Finance costs

Particulars	For the period ended 31 March, 2023	For the year ended 31 March, 2022
Interest expense on :		
(i) Working capital facility	98,63,071	29,58,904
(ii) Finance cost - Corporate Guarantee	1,34,53,048	1,22,34,600
(iii) Others	-	-
a) Interest on Secured Loan	10,84,71,228	11,12,10,172
b) Interest on Un-secured Loan	32,25,28,055	20,03,97,552
c) Interest Others	2,45,375	58,978
Total	45,45,60,778	32,68,60,206

32 OTHER EXPENSES

Particulars	For the period ended 31 March, 2023	For the year ended 31 March, 2022
(i) Payment to Auditors (Refer Note No.39)	5,06,000	3,60,000
(ii) Power and fuel	6,21,84,562	3,08,15,375
(iii) Repairs and maintenance to:	-	-
- Buildings	89,40,803	37,02,659
- Plant and machinery	4,19,08,240	2,85,29,552
- Others	30,27,803	1,39,56,261
(iv) Rent	1,15,306	45,306
(v) Foreign exchange fluctuation(gain)/ loss	16,58,669	12,60,543
(vi) Rates, taxes and fees	21,84,506	16,46,990
(vii) Insurance	46,88,537	34,42,602
(viii) Travelling and conveyance	42,27,708	98,029
(ix) Contractor labour charges	1,72,38,456	1,66,62,717
(x) Legal & Professional fees	31,82,924	60,30,423
(xi) Research and development expenses	3,21,31,252	2,03,96,229
(xii) Transportation Charges	21,71,520	5,02,526
(xiii) Job work charges	2,13,286	84,400
(xiv) Directors fees	40,000	60,000
(xv) Sales promotion and advertisement expenses	4,11,543	1,02,500
(xvi) Advance Written-off	10,113	1,22,95,764
(xvii) Security Charges	11,04,662	14,64,968
(xviii) Printing & Stationery	28,55,288	38,66,480
(xix) EHS Expenses	30,18,516	29,16,943
(xx) Staff Recruitment Cost	12,62,840	21,06,516
(xxi) Loss on sale of Fixed assets	(80,646)	(70,831)
(xxii) Miscellaneous expenses	25,33,260	24,97,184
Total	19,55,35,148	15,27,73,136



Shilpa Biologicals Private Limited

Notes to the forming part of financial statement for the year ended 31 March, 2023

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

15

33 Related party transactions

Related parties where control exists and related parties with whom transactions have taken place during period 01st April 2022 to 31st March 2023 are listed below ;

List of Related Parties

Name of the Entity	Relationship
a) Shilpa Medicare Limited	Holding Company
b) Shilpa Biocare Pvt. Ltd (Formerly known as Shilpa Albumin Pvt. Ltd.)	Wholly Owned Subsidiary of Holding Company

1. (i) Key Management Personnel-(KMP)

- Vinay Konaje - Managing Director (Resigned W.E.F from 30.09.2022)
- Karur Rajyashri Ramakrishna - Whole Time Director (Resigned W.E.F from 30.09.2022)
- Pankaj Jhawar - Chief Financial Officer (Resigned W.E.F 19/5/2022)
- Krishnapayya Desai - Company Secretary
- Ramakant Inhani - Managing Director (Appointed W.E.F 20.03.2023)
- Venkatesh Sharma Chief Financial Officer (Appointed W.E.F 09.11.2022)

(ii) Directors

- Vishnukant C. Bhutada - Independent Director
- Rajender Sunkri Reddy - Independent Director(Resigned W.E.F from 27.09.2022)
- Sirisha Chintapalli - Independent Woman Director (Resigned W.E.F from 27.09.2022)

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2022 to 31st Mar 2023		01st April 2021 to 31st Mar 2022	
				(Income) / Expenses	Other Transaction	(Income) / Expenses	Other Transaction
A	Remuneration paid to Key Management Personnel						
i)	Vinay Konaje	Managing Director	Salary and perquisites	2,31,48,000		5,00,01,240	23,67,612
ii)	Karur Rajyashri Ramakrishna	Whole Time Director	Salary and perquisites	2,31,48,000		5,00,01,240	23,67,667
iii)	Pankaj Jhawar	Chief Financial Officer	Salary and perquisites	9,02,007		34,27,333	1,86,539
iv)	Krishnapayya Desai	Company Secretary	Salary and perquisites	8,44,816		6,54,559	51,132
						83,677	



Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2022 to 31st Mar 2023		Balance as at 31st Mar 2023 Payable / (Receivable)	01st April 2022 to 31st Mar 2022		Balance as at 31st Mar 2022 Payable / (Receivable)
				(Income) / Expenses Other Transaction			(Income) / Expenses Other Transaction		
B	Remuneration paid to other Directors iii) Rajender Sunki Reddy iv) Sirisha Chintapalli	Independent Director Independent Woman Director	Sitting Fees	-	-	-	30,000	-	-
			Sitting Fees	-	-	-	30,000	-	-
		Holding Company	Purchases of Goods or Service	17,57,341	-	-	5,44,886	-	-
			Sales of Goods or Service	(36,94,528)	-	-	113,48,698	-	-
D	Others i) Shilpa Medicare Ltd.	Holding Company	Sales of Capital Goods	32,25,28,055	-	-	154,56,753	-	-
			Interest Expenses (Loan)	85,34,774	-	-	23,85,82,041	-	-
			Interest Expenses (on Corporate Guarantee)	84,28,04,000	-	-	-	-	-
			Loan received	-	-	2,50,00,00,000	-	-	2,50,00,00,000
			Corporate Guarantees received*	-	-	-	-	-	1,69,446
			Trade Payable	-	-	-	-	-	(35,62,686)
			Trade Receivable	-	-	4,66,47,59,000	-	-	3,82,19,54,797
			Loan Payable	-	-	29,02,75,000	-	-	21,47,23,837
			Interest accrued but not due (Loan)	-	-	-	-	-	-
			Sales of Goods or Service	(7,08,94,174)	-	-	(5,00,00,000)	-	-
ii)	Shilpa Biocare Pvt. Ltd (Erstwhile Shilpa Albumin Pvt. Ltd.)	Wholly Owned Subsidiary of Holding Company	Trade Receivable	(94,36,000)	-	(1,80,43,960)	-	-	(5,50,00,000)
iii)	Shilpa Pharmaceuticals Ltd.	Wholly Owned Subsidiary of Holding Company	Sales of Goods /services	2,97,000	-	-	-	-	-
			Purchases of Goods or Service	-	-	-	-	-	-

a) The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures" and Companies Act, 2013.

b) As the provisions for gratuity are obtained on an actuarial basis for the Company as a whole amounts pertaining to the Key Management Personnel are not specifically identified and hence not included in the above.

* the outstanding liabilities against corporate guarantee given to banks on behalf of Shilpa Biologicals Pvt. Ltd. is for the financial period ended 31.03.2023 is Rs.12437.50 (P.Y. Rs.17137.50)



CWIP Ageing Schedule

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	29,19,83,671	56,39,17,646	75,73,566	-	86,34,74,884
Total	29,19,83,671	56,39,17,646	75,73,566	-	86,34,74,884

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	61,17,24,352	91,23,263	-	-	62,08,47,615
Total	61,17,24,352	91,23,263	-	-	62,08,47,615

Intangible Assets under Development Ageing Schedule

Particulars	To be completed in				As at 31 March, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Products in progress	25,96,33,663	14,82,32,163	47,25,75,700	-	88,04,41,526
Total		14,82,32,163	47,25,75,700	-	88,04,41,526

Particulars	To be completed in				As at 31 March, 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Development study expenses	-	-	-	-	-
ii) Products in progress	14,82,32,163	-	47,25,75,700	-	62,08,07,863
Total	14,82,32,163	-	47,25,75,700	-	62,08,07,863

Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	10,79,01,904	76,700	-	-	10,79,78,604
Disputed Trade receivables - credit impaired	1,40,381	9,61,65,322	-	-	9,63,05,703
Total	10,80,42,285	9,62,42,022	-	-	20,42,84,307

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	69,48,96,811	1,02,851	-	-	69,49,99,662
Total	69,48,96,811	1,02,851	-	-	69,49,99,662



Trade Payables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	70,01,868	-	-	-	70,01,868
Others	5,53,79,492	-	36,86,097	-	5,90,65,589
Total	6,23,81,360	-	36,86,097	-	6,60,67,457

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	3,19,97,028	39,47,155	-	-	3,59,44,183
Others	2,74,15,423	10,58,966	-	-	2,84,74,389
Total	5,94,12,451	50,06,121	-	-	6,44,18,572



Shilpa Biologicals Private Limited

Notes to the forming part of financial statement for the year ended 31 March, 2023

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

15,00

38 Fair value measurement hierarchy

Particulars	Carrying Amount as at 31.03.2023			Carrying Amount as at 31.03.2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Non-current investments	-	-	96,29,615	-	-	25,76,013
Trade Receivable	-	-	20,42,84,307	-	-	69,49,99,662
Cash and Cash Equivalent	-	-	1,66,07,510	-	-	4,42,20,425
Other Financial Assets	-	-	13,34,89,949	-	-	11,51,57,764
			36,40,11,381			85,69,53,864
Financial Liability						
Borrowings	-	-	5,90,85,08,675	-	-	4,91,68,43,824
Trade payables	-	-	6,60,67,457	-	-	6,44,18,572
Other Financial Liabilities	-	-	39,20,82,340	57,10,011	-	37,47,43,880
Total			6,36,66,58,472	57,10,011		5,35,60,06,276
						5,36,17,16,287

Level 1: Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation technique used to determine fair value:

1. The use of quoted market prices or dealer quotes for similar instruments
2. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
3. The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date



39 Financial Risk Management

The Company activities expose it to a variety of financial risks such as Market Risk, Credit Risk and Liquidity Risk. The company's focuses on minimizing potential adverse effect on its financial performance.

(A) 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. The changes in the values of financial assets/liability may result from change in the foreign currency exchange rates (Foreign Currency Risk), change in interest rates (Cash flow & interest rate risk), and change in price of investments (Price Risk).

(i) Foreign Currency Risk

The Company does not operates internationally in terms of revenues. However, it imports goods from foreign countries, hence the Company is exposed to foreign exchange risk to the extent of amounts payable in foreign currency against such imports.

Particulars	As at 31.03.2023				As at 31.03.2022			
	USD	EURO	GBP	Krona	USD	EURO	GBP	Krona
Financial Assets								
Cash and cash equivalents				70	-	2,000	-	70
Financial liabilities								
Trade payables	(25,540)	(28,006)	(43,649)		(77,575)	(1,580)	-	-
Total	(25,540)	(28,006)	(43,649)	70	(77,575)	420	-	70

Sensitivity analysis

Sensitivity analysis of 1% change in exchange rate at the ending of the reporting period net of hedges.

Particulars	Impact on Profit & Loss		Impact on other component of	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
USD -Sensitivity				
Increase by 1% (Gain/(Loss))	(20,998)	(58,811)	-	-
Decrease by 1% (Gain/(Loss))	20,998	58,811	-	-
Euro -Sensitivity				
Increase by 1% (Gain/(Loss))	(25,095)	(356)	-	-
Decrease by 1% (Gain/(Loss))	25,095	356	-	-
GBP -Sensitivity				
Increase by 1% (Gain/(Loss))	(44,467)	-	-	-
Decrease by 1% (Gain/(Loss))	44,467	-	-	-
Krona -Sensitivity				
Increase by 1% (Gain/(Loss))	0.06	0.06	-	-
Decrease by 1% (Gain/(Loss))	(0.06)	(0.06)	-	-



(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. Company does not have any floating rate borrowings and hence there is no interest rate risk.

(iii) Price Risk

The company does not have any exposure to price risk, as there is no market based equity investment made by the company.

(B) 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. The credit risk arises from its operation activity primary from trade receivable and from its financial activity. Customer credit risk is controlled by analysis of credit limit and credit worthiness of the customer on a continuous basis to whom the credit has been granted.

(C) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations of its financial liability. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for making liability when they are due, under normal and stressed condition without incurring losses and risk. The Financial requirements of the Company presently is met by the Holding Company. Accordingly, no liquidity risk is perceived.

Particulars	Maturity profile of financial liabilities as on 31.03.2023			Maturity profile of financial liabilities as on 31.03.2022			
	On Demand	< 01 Year	1 to 5 years	> 05 Years	On Demand	< 01 Year	1 to 5 years
Long Term Borrowings	-	54,16,66,664	5,21,68,42,011	-	-	50,21,04,798	4,91,68,43,824
Short Term Borrowings	15,00,00,000	-	-	-	12,00,00,000	-	-
Other Financial Liabilities	-	39,20,82,340	-	-	-	37,47,43,880	-
Trade and other payable	-	6,60,67,457	-	-	-	6,44,18,572	-
Total	15,00,00,000	99,98,16,461	5,21,68,42,011	-	12,00,00,000	94,12,67,250	4,91,68,43,824

40 Capital Management

The company's objectives when managing capital are to ;

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:

The Company manages capital by monitoring gearing ratio which is net debt divided by equity plus net debt.

Company's vision is to keep the ratio below 1.00 and its adjusted net debt to equity ratio is as follows

Particulars	31.03.2023	31.03.2022
Total Equity	(77,60,15,222)	(22,66,20,329)
Long Term Borrowings	5,75,85,08,675	5,41,89,48,622
Short Term Borrowings	-	-
Total Debts	5,75,85,08,675	5,41,89,48,622
Net Debt to Equity Ratio	(7.42)	(23.91)

41 Earnings Per Share ('EPS')

Particulars	31.03.2023	31.03.2022
Profit/(Loss) for the year	(56,65,53,401)	(21,34,61,370)
Shares		
Weighted average shares used for computing basic EPS	30,00,000	30,00,000
Weighted average shares used for computing diluted EPS	30,00,000	30,00,000
Earning Per Shares		
Basic (in Rs.)	(188.85)	(71.15)
Diluted (in Rs.)	(188.85)	(71.15)



42 Movement of Deferred Tax Assets / Liability

Particulars	As at 01 April, 2022	Recognised in statement of profit & loss	Recognised in OCI	As at 31 March, 2023
Deferred Tax Liability (Net) In relation to:				
Property, plant and equipment, and intangible assets	20,99,02,180	1,98,91,441	-	22,97,93,621
Deferred Tax Liability (Net)	20,99,02,180	1,98,91,441	-	22,97,93,621
Deferred Tax Asset (Net)				
Unabsorbed losses under IT Act	13,14,24,780	13,88,52,312	-	27,02,77,092
a) Statutory Auditors		2,80,000	2,30,000	
b) Limited Review		40,000	40,000	
c) Tax Audit fees		50,000	50,000	
d) Taxation matters/ Certifications		1,36,000	40,000	
TOTAL		5,06,000	3,60,000	

44 In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is

45 Balances of Trade Receivables / Capital Advances / Trade payables / Capital Creditors and Deposits are subject to Balance Confirmation.

46 A sum of Rs. 70 Cr is payable to micro enterprises and small enterprises as at 31.03.2023. There are no micro enterprises and small enterprises, to whom company overdue, which are outstanding for more than 45 days as at 31.03.2023. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act has been determined to the extent such parties has been identified on the basis of information available with the Company and relied upon by the Auditors.



47 Contingent Liabilities and Capital Commitments

- a) Contingent Liabilities- Nil
- b) Capital expenditure contracted for at the end of the reporting period but not recognised in the books as on March 31, 2023 is Rs. 1708.08 Lakhs (21,49.50 Lakhs)

48 Disclosure required under clause 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	31.03.2023	31.03.2022
a. Principal and Interest amount remaining unpaid	70,01,868	3,59,44,183
b. Interest due thereon remaining unpaid*	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

49 Segment Reporting

The Chief Operating Decision Maker ("CODM") reviews the financial performance at pharmaceutical business level, therefore, the Company has only one reportable segment, i.e., Pharmaceuticals. Hence, segment reporting is not applicable to the company.

- 50 The Government of Karnataka had made amendment in KIADB policy were in it has allowed the transfer of land to industries who have been allotted land under lease cum sale basis. The Company has already made application to the concer department for execution of sale deed of the above.

51 Financial Ratio

Particulars	Numerator	Denominator	31.03.2023	31.03.2022	Variance %	Reasons for variance of above 25%
Current Ratio (no. of times)	Current Assets	Current Liabilities	0.56	1.02	-45%	The decrease in the current ratio is on account of decrease in Trade Receivable and Cash and Cash Equivalents.
Debt Equity ratio (no. of times)	Total Debt	Shareholder's Equity	(7.42)	(23.91)	-69%	Decrease is on account of increase in the accumulated loss for the current year.
Debt service coverage ratio (no. of times)	Earnings available for debt service	Debt Service	(0.03)	(0.06)	-52%	Decrease on account of increase in the losses incurred during the year.
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	63.33%	91.83%	-31%	Decrease is mainly on account of increase in the loss for the current year.
Inventory turnover ratio (no. of times)	Cost of goods sold (or) sales	Average Inventory	0.23	0.22	4%	NA
Trade Payable Turnover ratio	Purchase of trade and services	Average Trade Payables	0.22	-	0	The Increase is on account of Purchases on stock in trade during the year.
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	0.26	0.47	-46%	The decrease in the ratio is due to recovery in the Trade Receivables.
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	(0.39)	8.34	-105%	The decrease in Net Capital Turnover Ratio is on account of decrease in Trade Receivable and Cash and Cash Equivalents.
Net profit ratio (%)	Net Profits after taxes	Net Sales	(2.76)	(1.30)	112%	Increase is mainly on account of the losses incurred by the company in the current year.
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed	-5.42%	-5.40%	0%	NA



- 52 Title deeds of immovable properties**
The title deeds of all the immovable properties, as disclosed in note 3 to the financial statement, are held in the name of the company.
- 53 Valuation of property, plant & Equipment, Intangible asset**
The company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.
- 54 Loans or advances to specified persons**
No loans or advances in the nature of loans are granted to promoters, directors, KWPS and the related parties (as defined under companies act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- 55 Details of benami property held**
No proceedings have been initiated on or are pending against the company for holding benami property under the benami transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 56 Borrowing secured against current assets**
The Company has availed borrowings from banks on the basis of security of current assets. The quarterly returns of statements of current assets filed by the company with banks are in agreement with the books of accounts.
- 57 Wilful defaulter**
The Company has not been declared wilful defaulter by any bank of financial institution or other lender.
- 58 Relationship with struck off companies**
The Company has no transactions with the companies struck off under section 248 of the companies Act 2013 or Section 560 of the Companies Act, 1956
- 59 Registration of charges or satisfaction with Registrar of Companies (ROC)**
There are not charges of satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- 60 Compliance with number of layers of companies**
The Company has complied with the number of layers prescribed under the Section 2 (87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rule, 2017.
- 61 Utilisation of borrowed funds and share premium**
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 or entity, including foreign entities ("Intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the company (Ultimate Beneficiaries). The Company has not received any fund from any party (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.
- 62 Undisclosed income**
There is not income surrendered or disclosed as income during the current or previous year in the tax assessments under the income tax act, 1961, that has not been recorded previously in the books of account.



6.3 Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

6.4 Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

6.5 Previous year figures have been re-grouped/reclassified wherever necessary to confirm to current year's classification.

As per our report of even date attached

for Bohara Bhandari Bung And Associates LLP
Chartered Accountants

(Firm's Regn No.008127S/S-200013)



CA. Yogesh R Bhug
Partner
M.No.143932



For and On behalf of the Board of Directors of
Shilpa Biologicals Private Limited



Ramakant Inani
Managing Director
DIN : 0322748



Venkatesh Sharma
Chief Financial Officer

Place / Camp: Raichur
Date: 19/05/2023



Madhav Bhutada
Director
DIN : 08222055



Krishnappayya Desai
Company Secretary



Place / Camp: Raichur
Date: 19/05/2023