

INDEPENDENT AUDITOR'S REPORT

To the Members of Shilpa Biologicals Private Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Shilpa Biologicals Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2025, 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 '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, 2025 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, and the remaining sections of the Company's Annual Report, which are expected to be made available to us after that date.

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

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

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

Management's 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 except for the matters stated in paragraph 2(f) below on reporting under rule 11(g);
- 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, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2025 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) Matter to be included in the Auditors' Report under Section 197(16) is applicable only to a public limited Company and not to a private limited company.

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

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the 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) Based on our examination, which included test checks, and relying on the representations / explanations from the Company, the Company has used accounting software for maintaining its books of account for the financial year ended March 31,2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with in respect of accounting software.

Additionally, the audit trail, where enabled, has been preserved by the company as per the statutory requirements for record retention.

For B N P S and Associates LLP

Chartered Accountants

(Firm's Regn No.008127S/S200013)

Sd/-

CA.Yogesh R Bung**Partner**

Membership No. 143932

Place: Raichur

Date: 24.05.2025

UDIN: 25143932BMIPMC7470

Annexure-A to the Independent Auditors Report

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, 2025. 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 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. Accordingly, the requirement to report on clause 3(c),(d),(e)&(f) of the Order is not applicable to the Company.
 - b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, 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 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 corporate guarantee provided to its fellow subsidiary and 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 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.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- 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.



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- 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 incurred cash loss of Rs.9.86 Lakhs during the financial year and Rs.5,879.31 lakhs 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.
- 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 B N P S and Associates LLP

Chartered Accountants

(Firm Registration Number: 008127S/S200013)

Sd/-

CA Yogesh R Bung

Partner

Membership Number: 143932

Place: Raichur

Date: 24.05.2025

UDIN: 25143932BMIPMC7470

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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 2025 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 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.



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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, 2025 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 B N P S and Associates LLP

Chartered Accountants

(Firm Registration Number: 008127S/S200013)

Sd/-

CA Yogesh R Bung

Partner

Membership Number: 143932

Place: Raichur

Date: 24.05.2025

UDIN: 25143932BMIPMC7470

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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

a) 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 by the Company as a going concern on the basis of relevant Ind AS that are effective or elected for early adoption at the Company's annual reporting date March 31, 2025. The accounting policies are applied consistently to all the periods presented in the financial statements. The Standalone financial statements of the Company for the year ended March 31, 2025 were approved by the Board of Directors on May 24, 2025.

b) 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.

- Certain financial assets / liability measured at fair value.
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

c) 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

d) 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.

e) Critical 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))
- Revenue of recognition: whether revenue from sale of product and licensing income is recognised over time or at a point in time. [Note – 1.1 (f)]
- Measurement of defined benefit obligation (Note 2 (n))
- Recognition of deferred taxes (Note 2(k))
- Estimation of provision (Note 2(l))

2. Material Accounting Policies

a) Property, Plant and Equipment & Depreciation:

i. Recognition & measurement

- 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.

ii. Depreciation

- i. 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.
- ii. 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
- iii. The Company follows the policy of charging depreciation on pro-rate basis on the assets acquired or disposed off during the year.
- iv. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Estimated useful life considered during the year is as follows:

Assets Description	Management estimate of useful life	Useful life a per schedule II
Buildings		
Borewells	05	05
Factory buildings	30	30
Roads	30	30
Non factory buildings	30	30
Plant and Equipment		
Process Machinery	8-20	8-20
Others	20	20

Furniture & Fixtures	10	10
Vehicles	10	10
Office Equipment	05	05
Data Processing equipment		
Servers	03	03

b) Intangible Assets:

i. Recognition and measurement

- 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.
- Expenditure on research activities is recognised in statement of profit and loss as incurred.
- Intangible assets are amortized over their useful life.
- 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.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on brands, is recognised in statement of profit and loss as incurred.

iii. Amortization

Intangible assets are amortised on a straight line basis over the estimated useful life as follows:

- Computer software 3-5 years
- Non compete agreement – 10 years
- DMF/ ANDA / patent fees – 10 years

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

c) Research and Development:

All expenditure on research activities are recognized in the Profit and Loss Statement when incurred. Expenditure on development activities are also recognized in the Profit and Loss Statement in the year such expenditure is incurred. However, development expenditure is capitalized only in cases where such costs can be measured reliably, the technological feasibility has been

established in respect of the product or process for which costs are incurred, future economic benefits are probable and The Company intends to and has sufficient resources to complete development and to use or sell the asset.

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

d) Impairment of Assets:

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. 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 Profit and Loss Account in the year in which an asset is identified as impaired.

e) Inventory:

- Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.
- Provisions are made towards slow-moving and obsolete items based on historical experience of utilisation 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. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.
- Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.
- The comparison of cost and net realisable value is made on an item-by-item basis.

f) 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 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. Milestone payments and out licensing arrangements:

The Company enters into certain dossier sales, licensing and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of these obligations, The Company recognise or defer the upfront payments received under these arrangements. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones.

Income from out-licensing agreements typically arises from the receipt of upfront, milestone and other similar payments from third parties for granting a license to product- or technology- related intellectual property (IP). Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the Milestones are considered substantive, or over the period we have continuing performance obligations, if the milestones are not considered substantive.

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before The Company transfers the promised goods or services to the customer.”

iii. Other Income and expense

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

g) 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.

h) 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.

i) 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 capitalized 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.

j) 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.

i. 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:

- 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
- Investments
- Cash and cash equivalents
- 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:

- Trade receivables or any contractual right to receive cash or another financial asset.
- Loan commitments 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 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.

k) 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.

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

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 realized.

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 recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognised 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 utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Unrecognised 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.

Unrecognised 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.

l) Provisions, Contingent Liabilities and Contingent Assets:

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A provision is recognised when The Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. 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.

m) 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.

n) Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if The Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution plans

Contribution towards Provident Fund 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.

ii. Post-employment benefits:

Gratuity

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on 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 expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

Provident Fund

Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The Company has no further obligation to the plan beyond its monthly contributions. Company's contribution to the provident fund is charged to Statement of Profit and Loss.

o) 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.

p) 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.

q) 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 as they are considered an integral part of the Company's cash management.

r) Operating Cycle:

The Company classifies an asset as current asset when:

it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to settle the liability or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

s) Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 "Insurance Contracts" and amendments to Ind AS 116 – "Leases", relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that the Company has not entered into transactions covered under Ind 117 & amendments to Ind AS 116 and therefore, there is no impact on the financial statements.

Shilpa Biologicals Private Limited

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

Balance Sheet as at 31st March, 2025

Particulars	Notes	As at 31st Mar 2025	As at 31st Mar 2024
ASSETS			
Non-Current Assets			
(a) Property, plant & equipment	3	3,15,97,41,378	2,65,91,49,525
(b) Capital work- in- progress	4	22,83,30,918	87,63,51,287
(c) Goodwill on merger		26,53,05,579	26,53,05,579
(d) Intangible assets	3	22,80,19,193	25,60,06,580
(e) Intangible assets under development	5	1,02,11,54,392	71,26,96,580
(f) Financial assets			
(i) Investments	6	1,44,67,607	1,44,67,607
(ii) Other financial assets	8	42,32,480	35,95,780
(g) Deferred tax Assets (Net)	7	23,57,40,247	20,30,66,260
(h) Other non-current assets	9	76,15,951	6,76,63,743
Total Non-Current Assets		5,16,46,07,743	5,05,83,02,939
Current Assets			
(a) Inventories	10	23,93,92,301	22,28,35,301
(b) Financial assets	11		
(i) Trade receivables		48,65,40,760	30,50,30,167
(ii) Cash and cash equivalents		1,07,80,772	1,33,14,436
(iii) Others financial assets		1,33,72,125	1,78,94,176
(c) Other current assets	12	24,12,21,483	24,81,92,770
Total Current Assets		99,13,07,441	80,72,66,851
TOTAL ASSETS		6,15,59,15,185	5,86,55,69,791
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	56,28,46,200	30,00,00,000
(b) Other equity	14	4,65,80,38,020	(1,73,51,86,597)
Total Equity		5,22,08,84,220	(1,43,51,86,597)
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities	15		
(i) Borrowings		49,70,48,593	6,53,96,33,882
(b) Provisions	16	1,07,33,643	79,29,142
(c) Other Non current liabilities	17	13,44,18,973	17,34,66,998
Total Non-Current Liabilities		64,22,01,209	6,72,10,30,022
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Trade Payables	18		
-Total outstanding dues of micro & small enterprises		60,76,668	87,78,840
-Total outstanding dues of other than micro & small enterprises		12,09,86,407	5,37,96,279
(iii) Other financial liabilities	19	14,43,96,416	46,17,56,378
(b) Other current liabilities	20	1,04,13,439	4,49,57,383
(c) Provisions	21	1,09,56,826	1,04,37,486
Total Current Liabilities		29,28,29,756	57,97,26,366
TOTAL EQUITY AND LIABILITIES		6,15,59,15,185	5,86,55,69,791

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
for B N P S And Associates LLP
Chartered Accountants
(Firm's Regn No.008127S/S-200013)

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

Sd/-

Sd/-

Sd/-

CA. Yogesh R Bung
Partner
M.No.143932

Ramakant Innani
Managing Director
DIN : 0322748

Madhav Bhutada
Director
DIN : 08222055

Sd/-

Venkatesh Sharma
Chief Financial Officer

Place : Raichur
Date: 24.05.2025

Place : Raichur
Date: 24.05.2025

Shilpa Biologicals Private Limited

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

Statement of Profit and Loss for the Year ended 31st March 2025

Particulars	Notes	31.03.2025	31.03.2024
Income:			
(a) Revenue from operations	22	80,70,58,949	36,87,82,392
(b) Other Income	23	4,53,54,800	2,20,01,592
Total Income		85,24,13,749	39,07,83,984
Expenses:			
(a) Cost of materials consumed	24	2,68,07,603	2,45,90,048
(b) Purchases of stock-in trade	25	8,08,64,687	5,47,36,175
(c) Change in Inventories of finished goods , WIP & Stock- in- trade	26	(1,50,44,657)	(1,29,05,897)
(d) Employee benefits expense	27	21,14,70,397	17,09,99,878
(e) Finance costs	28	23,19,93,788	56,02,31,561
(f) Depreciation and amortisation expenses	3&6	21,50,15,213	19,95,40,616
(g) Other expenses	29	30,82,65,582	18,62,27,362
Total Expenses		1,05,93,72,613	1,18,34,19,742
Profit before tax		(20,69,58,864)	(79,26,35,758)
Tax expenses			
(a) Current Tax		-	-
(b) Tax expenses/(income) pertaining to earlier years		(4,77,515)	-
(c) Deferred Tax		(3,26,66,235)	(13,22,99,096)
Total tax expenses		(3,31,43,750)	(13,22,99,096)
Profit / (Loss) for the year		(17,38,15,114)	(66,03,36,661)
Other comprehensive Income/(Expenses)			
(i) Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post employment benefit obligations		(45,176)	14,06,671
Income tax related to above.		7,752	(2,41,385)
(ii) Items that will be reclassified subsequently to profit or loss			-
Total Other comprehensive Income/(Expenses)		(37,424)	11,65,286
Total comprehensive Income/(Expenses)		(17,38,52,538)	(65,91,71,375)
Earning per equity share for Rs.10/- face value			
Basic	39	(35.50)	(220.11)
Diluted		(35.50)	(220.11)
Weighted Average number of equity shares			
Basic		48,96,746	30,00,000
Diluted		48,96,746	30,00,000

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for B N P S And Associates LLP**Chartered Accountants**

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

Sd/-

CA. Yogesh R Bung

Partner

M.No.143932

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

Sd/-

Sd/-

Ramakant Innani

Managing Director

DIN : 0322748

Madhav Bhutada

Director

DIN : 08222055

Sd/-

Venkatesh Sharma

Chief Financial Officer

Place : Raichur

Date: 24.05.2025

Place : Raichur

Date: 24.05.2025

Shilpa Biologicals Private Limited

(All amounts are in Indian Rupees, unless otherwise stated)

Statement of Cash Flows for the year ended 31st March 2025

Particulars	31-03-2025	31-03-2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax as per Statement of Profit and Loss	(20,69,58,864)	(79,26,35,758)
Adjustments to reconcile loss to net cash flows:		
Depreciation and amortisation expenses	21,50,15,213	19,95,40,616
Finance costs	23,19,93,788	56,02,31,561
Provision for Gratuity	29,69,957	10,95,180
Amortisation of Grants	(1,34,96,652)	(1,35,33,334)
Interest received	(5,13,177)	(24,07,643)
Amortisation of CG Income	(2,99,99,543)	(50,00,457)
(Profit)/ Loss on sale of Fixed Assets	28,95,743	(6,69,133)
Unrealized Exchange (gain)/loss	44,54,716	16,85,883
Liabilities no longer required written back	(8,35,026)	(8,48,414)
Operating profit before working capital changes & Other Adjustments	20,55,26,155	(5,25,41,500)
Adjustments for Increase/(Decrease) in Operating Liabilities		
Trade Payables	6,51,74,803	(26,07,255)
Other Non-Current Liabilities & Long Term Provisions	44,48,170	(78,54,795)
Other Current Liabilities & Short Term Provisions	(3,79,48,812)	4,30,40,078
Adjustments for (Increase)/Decrease in Operating Receivables		
Inventories	(1,65,57,000)	(2,17,82,960)
Trade Receivables	(18,58,17,130)	(10,24,53,555)
Other Non-current Assets & Financial Assets	2,16,84,441	10,50,21,976
Other Current Assets & Financial Assets	1,15,14,197	(2,16,11,451)
	6,80,24,825	(6,07,89,462)
Less: Taxes Paid (Net)	4,77,515	13,82,031
Net Cash flow from Operating activities	6,85,02,340	(5,94,07,430)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investment	-	(48,37,992)
Purchase of property plant and equipment including CWIP (Refer Note 2 below)	(29,37,22,122)	(9,23,61,566)
Interest received	4,92,318	62,92,917
Proceeds from sale of property plant and equipment	81,81,418	1,38,57,129
Net cash flow (used in) Investing Activities	(28,50,48,386)	(7,70,49,512)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity (including securities premium)	6,82,99,23,400	-
Proceeds / Repayment from Non-current Borrowings	(6,04,25,85,289)	78,11,25,207
Proceeds from current Borrowings	-	(15,00,00,000)
Interest expense	(57,33,25,729)	(49,79,61,339)
Net cash flow from/(Used in) Financing Activities	21,40,12,382	13,31,63,868
Net Increase/(decrease) in Cash and Cash Equivalents	(25,33,664)	(32,93,075)
Cash & Cash Equivalents at the Beginning of the year	1,33,14,436	1,66,07,510
Cash & Cash Equivalents at the period ended	1,07,80,772	1,33,14,436

Components of Cash and Cash Equivalents	31-03-2025	31-03-2024
Cash in Hand	2,28,975	16,437
Cash at Banks		
a) In Current Account	1,05,51,798	1,32,97,999
Total Cash and Cash Equivalents	1,07,80,772	1,33,14,436

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities as at March 31,2025

Particulars	As at April 1, 2024	Cash Flows	Non cash movement	As at March 31, 2025
Non-current borrowings (including current maturities)	6,53,96,33,882	(6,04,25,85,289)	-	49,70,48,593
Share Capital (Including securities premium)	30,00,00,000	6,82,99,23,400	-	7,12,99,23,400
Interest accrued but not due	36,15,75,105	(57,33,25,729)	23,19,93,833	2,02,43,209

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities as at March 31,2024

Particulars	As at April 1, 2024	Cash Flows	Non cash movement	As at March 31, 2025
Non-current borrowings (including current maturities)	5,75,85,08,675	78,11,25,207	-	6,53,96,33,882
Current borrowings	15,00,00,000	(15,00,00,000)	-	0
Interest accrued but not due	29,93,04,882	(49,79,61,339)	56,02,31,561	36,15,75,105

The accompanying notes form an integral part of the financial statements

Note:

- Cash Flow statement has been prepared under Indirect method as per Ind AS-7 "Statement of Cash flows" as prescribed under Companies (Accounting Standard) Rules, 2015.
- Purchase of property, plant & equipment and intangible assets includes capital work in progress, capital advance and capital creditors

As per our report of even date attached

for B N P S And Associates LLP
Chartered Accountants
(Firm's Regn No.008127S/S-200013)

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

Sd/-

Sd/-

Sd/-

CA. Yogesh R Bung
Partner
M.No.143932

Ramakant Innani
Managing Director
DIN : 0322748

Madhav Bhutada
Director
DIN : 08222055

Sd/-

Venkatesh Sharma
Chief Financial Officer

Place : Raichur
Date: 24.05.2025

Place : Raichur
Date: 24.05.2025

Shilpa Biologicals Private Limited**Statement of Changes in Equity for the year ended 31 March, 2025**

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

Equity Share capital

Particulars	Total
Balance as at 31 March, 2023	30,00,00,000
Changes in equity share capital during the year	-
Balance as at 31 March, 2024	30,00,00,000
Changes in equity share capital during the year	26,28,46,200
Balance as at 31 March, 2025	56,28,46,200

Other Equity

Particulars	Capital Reserves	Securities premium	Retained Earnings	Other Comprehensive Income (OCI) - Remeasurement of defined benefit plan	Fair value of Corporate guarantee	Total
Balance as at 01 April, 2023	(36,85,03,822)	-	(76,11,03,504)	41,42,961	4,94,63,991	(1,07,60,00,374)
Changes during the year	-	-	-	-	-	-
Profit for the year	-	-	(66,03,36,661)	11,50,438	-	(65,91,86,223)
Balance as at 31 March, 2024	(36,85,03,822)	-	(1,42,14,40,166)	52,93,399	4,94,63,991	(1,73,51,86,597)
Premium on issue of equity shares (Refer Note 49)	-	6,57,11,55,000	-	-	-	6,57,11,55,000
Share issue expenses (Refer Note 49)	-	(40,77,800)	-	-	-	(40,77,800)
Profit for the year	-	-	(17,38,15,114)	(37,424)	-	(17,38,52,538)
Balance as at 31 March, 2025	(36,85,03,822)	6,56,70,77,200	(1,59,52,55,279)	52,55,975	4,94,63,991	4,65,80,38,020

ie :

Capital Reserves : This reserve represents the difference between the net value of assets & liabilities and the slump sale 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) & its wholly owned subsidiary (Shilpa Pharma Lifesciences Limited) in respect of issue of non convertible debentures during the year.

Remeasurement of the net defined benefits plan: This reserve comprises the cumulative net gains/losses on actuarial valuation of post- employment obligations.

Securities Premium: Securities premium is used to recognise the premium received on the issue of shares. It is utilised in accordance with the provisions of the Companies Act 2013.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for B N P S And Associates LLP

Chartered Accountants

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

For and on behalf of the Board of Directors of

Shilpa Biologicals Private Limited

Sd/-

Sd/-

Sd/-

CA. Yogesh R Bung

Partner

M.No.143932

Ramakant Innani

Managing Director

DIN : 0322748

Madhav Bhutada

Director

DIN : 08222055

Sd/-

Venkatesh Sharma
Chief Financial Officer

Place : Raichur

Date: 24.05.2025

Place : Raichur

Date: 24.05.2025

3. Property, Plant & Equipment & Intangible assets

Particulars	Gross Block				Depreciation				Net block
	Opening 01/04/2024	Additions	Deletions/disposal	Balance as at 31/03/2025	Opening 01/04/2024	Deduction / Adjustment during the year	For the period	Balance as at 31/03/2025	As on 31/03/2025
Tangible Assets									
i) Owned									
a) Borewell	7,98,910	4,30,652	-	12,29,562	5,68,691	-	73,718	6,42,410	5,87,153
b) Building	57,76,64,142	5,44,98,453	-	63,21,62,595	5,69,14,089	-	1,90,58,392	7,59,72,480	55,61,90,115
c) Canteen Equipment	3,05,434	-	-	3,05,434	2,13,734	-	51,533	2,65,267	40,167
d) Computer	3,42,21,701	75,48,998	-	4,17,70,699	3,22,09,679	-	11,45,518	3,33,55,196	84,15,503
e) Electrical Installation	15,32,20,632	3,51,88,304	13,82,056	18,70,26,881	4,66,11,950	5,01,801	1,58,76,864	6,19,87,012	12,50,39,868
f) ETP Machinery	1,59,17,440	28,000	-	1,59,45,440	23,57,863	-	7,57,254	31,15,117	1,28,30,323
g) Furniture	3,35,25,537	1,97,24,314	15,254	5,32,34,597	1,11,49,303	8,437	39,08,087	1,50,48,953	3,81,85,644
h) Lab Equipments	44,20,40,114	11,58,37,951	10,01,994	55,68,76,070	17,72,16,199	2,59,461	4,28,49,745	21,98,06,483	33,70,69,587
i) Office Equipment	1,76,69,079	6,39,554	-	1,83,08,633	1,14,75,645	-	30,13,372	1,44,89,017	38,19,616
j) Pipeline	4,17,96,565	86,828	-	4,18,83,392	61,85,456	-	19,88,017	81,73,473	3,37,09,919
k) Plant & Machinery	1,89,02,84,829	45,77,22,372	39,25,705	2,34,40,81,495	27,67,51,310	2,63,150	9,70,98,914	37,35,87,074	1,97,04,94,421
l) Land 1	3,53,38,889	-	-	3,53,38,889	-	-	-	-	3,53,38,889
m) Land 2	3,80,20,173	-	-	3,80,20,173	-	-	-	-	3,80,20,173
Sub-Total (A)	3,28,08,03,446	69,17,05,426	63,25,009	3,96,61,83,862	62,16,53,919	10,32,848	18,58,21,413	80,64,42,484	3,15,97,41,378
Intangible Assets									
a) Computer Software	77,58,197	12,06,416	-	89,64,613	59,33,986	-	9,09,242	68,43,228	21,21,385
b) Non compete Agreement	10,45,00,000	-	-	10,45,00,000	10,45,00,000	-	-	10,45,00,000	-
c) DMF/ Patents Fees	28,27,42,550	-	-	28,27,42,550	2,85,60,182	-	2,82,84,560	5,68,44,743	22,58,97,808
Total	39,50,00,747	12,06,416	-	39,62,07,163	13,89,94,168	-	2,91,93,802	16,81,87,970	22,80,19,193
Sub-Total (B)									
Sub-Total (A+B)	3,67,58,04,193	69,29,11,841	63,25,009	4,36,23,91,025	76,06,48,087	10,32,848	21,50,15,215	97,46,30,454	3,38,77,60,571

Particulars	Gross Block				Depreciation				Net block
	Opening 01/04/2023	Additions	Deletions/disposal	Balance as at 31/03/2024	Opening 01/04/2023	Deduction / Adjustment during the year	For the period	Balance as at 31/03/2024	As on 31/03/2024
Tangible Assets									
i) Owned									
a) Borewell	5,89,106	2,09,804	-	7,98,910	4,48,028	-	1,20,663	5,68,691	2,30,219
b) Building	57,76,64,142	-	-	57,76,64,142	3,86,18,417	-	1,82,95,674	5,69,14,091	52,07,50,051
c) Canteen Equipment	3,05,434	-	-	3,05,434	1,55,741	-	57,993	2,13,734	91,700
d) Computer	3,39,98,701	-	46,000	3,39,52,701	3,11,46,804	43,700	10,85,323	3,21,88,427	17,64,275
e) Electrical Installation	15,43,93,132	-	11,72,500	15,32,20,632	3,23,31,344	3,05,591	1,45,86,197	4,66,11,950	10,66,08,682
f) ETP Machinery	1,59,17,440	-	-	1,59,17,440	16,01,695	-	7,56,168	23,57,863	1,35,59,577
g) Furniture	3,35,25,537	-	-	3,35,25,537	80,00,832	-	31,48,471	1,11,49,303	2,23,76,234
h) Lab Equipments	44,93,86,136	62,168	74,08,190	44,20,40,114	14,03,47,672	18,03,927	3,85,48,435	17,70,92,180	26,49,47,934
i) Office Equipment	1,76,69,079	-	-	1,76,69,079	83,34,406	-	31,41,238	1,14,75,645	61,93,434
j) Pipeline	4,17,96,565	-	-	4,17,96,565	41,99,534	-	19,85,922	61,85,456	3,56,11,109
k) Plant & Machinery	1,89,81,66,210	-	76,12,381	1,89,05,53,829	18,98,56,521	8,97,857	8,79,37,918	27,68,96,581	1,61,36,57,248
l) Land 1	3,53,38,889	-	-	3,53,38,889	-	-	-	-	3,53,38,889
m) Land 2	3,80,20,173	-	-	3,80,20,173	-	-	-	-	3,80,20,173
Sub-Total (A)	3,29,67,70,545	2,71,972	1,62,39,071	3,28,08,03,446	45,50,40,995	30,51,076	16,96,64,002	62,16,53,921	2,65,91,49,525
Intangible Assets									
a) Computer Software	77,58,197	-	-	77,58,197	49,68,476	-	9,65,510	59,33,986	18,24,211
b) Non compete Agreement	10,45,00,000	-	-	10,45,00,000	9,76,44,090	-	68,55,910	10,45,00,000	0
c) DMF/ Patents Fees	2,86,45,114	25,30,97,436	-	28,27,42,549	65,04,986	-	2,20,55,195	2,85,60,181	25,41,82,368
Total	14,19,03,311	25,30,97,436	-	39,50,00,747	10,91,17,552	-	2,98,76,615	13,89,94,167	25,60,06,580
Sub-Total (B)									
Sub-Total (A+B)	3,43,86,73,856	25,33,69,408	1,62,39,071	3,67,58,04,193	56,41,58,547	30,51,076	19,95,40,617	76,06,48,088	2,91,51,56,105

4. Capital Work in Progress

Particulars	As at 01/04/2023	Addition	Deletion / Transfer	As at 31/3/2024	Addition	Deletion / Transfer	As at 31/3/2025
Project under erection	86,34,74,884	1,26,04,431	2,71,972	87,63,51,287	5,18,82,888	69,99,03,257	22,83,30,918

5. Intangible assets under Development

Particulars	As at 01/04/2023	Addition	Deletion / Transfer	As at 31/3/2024	Addition	Deletion / Transfer	As at 31/3/2025
DMF/ Patents Fees / Product Development	88,04,41,526	8,53,54,490	25,30,97,436	71,26,98,580	30,84,55,811	-	1,02,11,54,392

Shilpa Biologicals Private Limited**Notes to the forming part of financial statement for the year ended 31st March 2025**

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

4 Capital work- in- progress

Particulars	31-03-2025	31-03-2024
i) Projects under erection	22,83,30,918	87,63,51,287
Total	22,83,30,918	87,63,51,287

5 Intangible Assets under Development

Particulars	31-03-2025	31-03-2024
i) Products under Development	1,02,11,54,392	71,26,96,580
Total	1,02,11,54,392	71,26,96,580

6 Non-current Investment

Particulars	31-03-2025	31-03-2024
i) Investement in Equity Instruments		
a) 38,365 (10,263) equity shares of Rs 100 each in Atria Wind Private Limited, Chitradurga issued at a premium of Rs 151.	96,29,615	25,76,013
b) 25,031 (25,031) Equity shares of Rs 193.28 each in Atria Wind Private Limited	48,37,992	48,37,992
ii) Unquoted debentures		
a) NIL (28,102) Cumulative convertible debentures of Rs 251 Each in Atria Wind Private Limited	-	70,53,602
Total	1,44,67,607	1,44,67,607

7 Deferred tax (liability) /assets (Refer Note 40)

Particulars	31-03-2025	31-03-2024
(i) Deferred tax liability		
a) Property, plant and equipment, and intangible assets	(26,99,91,032)	(25,10,99,366)
b) Others	-	(68,87,280)
(ii) Deferred tax Assets		
a) Accumulated losses	47,95,73,791	42,75,88,742
b) Defined benefit obligations	19,83,823	14,66,426
c) Deferment of BIRAC Grant	2,52,97,096	2,81,97,698
d) Corporate guarantee liability	-	38,00,039
e) Others	6,63,911	-
Total	23,75,27,588	20,30,66,260

8 Other Financial Assets (Non-current)

Particulars	31-03-2025	31-03-2024
(a) Security deposits (unsecured, considered good) (Refer Note no. 43)		
(i) Electricity deposits	38,83,951	34,47,251
(ii) Telephone deposits	26,529	26,529
(iii) Miscellaneous deposits	1,22,000	1,22,000
(b) Others		
(i) Fixed Deposit with HDFC Bank Ltd	2,00,000	-
Total	42,32,480	35,95,780

9 Other non-current assets

Particulars	31-03-2025	31-03-2024
a) Capital advances (unsecured considered good) (Refer Note no. 43)	67,71,877	4,44,98,528
Total (a)	67,71,877	4,44,98,528
b) Others		
(i) Deferred Finance Cost- Related party	-	90,69,321
(ii) Prepaid Expenses	8,44,074	1,40,95,894
Total (b)	8,44,074	2,31,65,215
Total (a+b)	76,15,951	6,76,63,743

10 Inventories

Particulars	31-03-2025	31-03-2024
i) Raw Materials	1,26,16,724	2,97,99,184
ii) Packing materials	5,33,08,182	4,95,53,248
iii) Finished Goods	22,626	48,82,767
iv) Stock - in- Trade	2,81,31,790	1,00,31,315
v) Work-in -Progress	18,04,278	-
vi) Stores and Spares	14,35,08,701	12,85,68,788
Total	23,93,92,301	22,28,35,301

11 Financial Assets**(i) Trade Receivables (Refer Note no. 34 & 43)**

Particulars	31-03-2025	31-03-2024
Unsecured considered good	48,65,40,760	30,50,30,167
	48,65,40,760	30,50,30,167
Less: Allowance for doubtful debts	-	-
Total	48,65,40,760	30,50,30,167

(ii) Cash and cash equivalents

Particulars	31-03-2025	31-03-2024
(i) Cash on Hand	2,28,975	16,437
(ii) Balance with Banks in Current Account	1,05,51,798	1,32,97,999
Total	1,07,80,772	1,33,14,436

(iii) Others financial assets

Particulars	31-03-2025	31-03-2024
(i) Staff advance (Refer Note no. 43)	6,18,799	46,694
(ii) Interest accrued on fixed deposits / others	1,39,822	1,18,963
(ii) Unbilled revenue	1,26,13,504	1,56,48,519
(iv) Other Receivables	-	20,80,000
Total	1,33,72,125	1,78,94,176

12 Others current assets

Particulars	31-03-2025	31-03-2024
(i) Advances to Supplier (Refer Note no. 43)	27,45,626	20,25,632
(ii) Prepaid Expenses	63,22,454	1,76,79,015
(iii) GST Receivable (Refer Note no. 43)	21,41,19,298	21,34,19,697
(iv) TDS receivables	1,80,34,106	83,89,577
(v) Current Maturities of Deferred Finance Cost	-	66,78,849
Total	24,12,21,483	24,81,92,770

13 Equity share capital

Particulars	31-03-2025	31-03-2024
Authorised Shares		
60,00,000 (PY:30,00,000) equity shares of Rs.100/- each	60,00,00,000	30,00,00,000
	60,00,00,000	30,00,00,000
Issued Subscribed & Fully Paid Up capital		
56,28,462 (PY:30,00,000) equity shares of Rs.100/- each	56,28,46,200	30,00,00,000
Total	56,28,46,200	30,00,00,000

14 Other Equity

Particulars	31-03-2025	31-03-2024
(a) Capital Reserve	(36,85,03,822)	(36,85,03,822)
(b) Fair Value of Corporate Guarantee	4,94,63,991	4,94,63,991
(c) Security Premium		
Opening Balance	-	-
Add: Premium on issue of equity shares	6,57,11,55,000	-
Less: Share issue expenses	(40,77,800)	-
Closing Balance	6,56,70,77,200	-
(d) Retained Earnings		
Opening Balance	(1,42,14,40,165)	(76,11,03,504)
Add: Profit/ (Loss) for the year	(17,38,15,114)	(66,03,36,661)
Closing Balance	(1,59,52,55,279)	(1,42,14,40,165)
(e) Other Comprehensive Income	52,55,974	52,93,398
Total	4,65,80,38,020	(1,73,51,86,597)

15 Financial liabilities
(i) Long term borrowings

Particulars	31-03-2025	31-03-2024
(i) Secured loan from Others (a) 13.05% NCD-ICICI Prudential Corp Cre Opp (10,000 Non Convertible Debentures of Rs. 1,00,000/- each payable @ par) Nature of Security (i) First charge on all movable & immovable Fixed Assets of the Company (ii) Second charge on all current assets of the Company (iii) Personal guarantees of Mr. Vishnukant Bhutada and Mr. Omprakash Innani (iv) Pledge of 100% equity shares of the Company. (v) Corporate guarantee of Shilpa Medicare Limited and Shilpa Pharma Lifesciences Limited. (vi) Non-Disposal Undertaking of the of Promoter share holding of the Holding Company Terms of Repayment & Interest Rate During the FY 2023-24, the Company has issued 10,000 redeemable Non-Convertible Debentures (NCD) each having a face value of Rs 1,00,000 with agreed coupon rate of 13.05% p.a. They are redeemable over a period of 3 years starting from 27th month and ending at 36 month from the date of allotment or earlier based on agreed terms of the debenture trust deed. Appointed "Catalyst Trusteeship" Debenture Trustee for the said issue. During the year, the company has made full repayment towards borrowings.	-	1,00,00,00,000
(ii) Unsecured loan from related parties (Unsecured) (a) Shilpa Medicare Limited (Holding company) Terms of Repayment & Interest Rate 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 repayment will be made in 12 Quarterly installments including interest accrued there on, starting from 01.09.2025. During the year, the company has converted a portion of loan into equity shares.	49,70,48,593	5,53,96,33,882
Total	49,70,48,593	6,53,96,33,882

16 Provisions

Particulars	31-03-2025	31-03-2024
Provision for employee benefits		
(i) Provision for gratuity	1,07,33,643	79,29,142
Total	1,07,33,643	79,29,142

17 Other non-current liabilities

Particulars	31-03-2025	31-03-2024
(i) BIRAC Grants	11,84,93,147	13,43,96,424
(ii) Government Grant (ETP)	1,59,25,826	1,69,25,826
(iii) Deferred Revenue - Corporate Guarantee	-	2,21,44,748
Total	13,44,18,973	17,34,66,998

18 Trade Payables (Refer Note no. 35 & 43)

Particulars	31-03-2025	31-03-2024
Total outstanding :		
(i) Total outstanding dues of micro & small enterprises	60,76,668	87,78,840
(ii) Total outstanding dues of other than micro & small enterprises	12,09,86,407	5,37,96,279
Total	12,70,63,075	6,25,75,119

19 Other financial liabilities

Particulars	31-03-2025	31-03-2024
(i) Interest accrued but due on borrowings	2,02,43,208	36,15,75,105
(ii) Salary Payable	2,37,30,490	1,85,63,519
(iii) Capital Creditors (Refer Note no. 43)	8,74,22,718	5,97,37,207
(iv) Unclaimed Salary	-	10,25,752
(v) Current Maturities of Government grant	1,30,00,000	1,30,00,000
(vi) Current Maturities of Corporate Guarantee	-	78,54,795
Total	14,43,96,416	46,17,56,378

20 Other current liabilities

Particulars	31-03-2025	31-03-2024
(i) Tax deduction at source	76,75,326	4,36,24,230
(ii) ESI, Professional tax and other taxes	67,869	54,169
(iii) Provident fund payable	18,74,385	12,78,984
(iv) Advances from Customers (Refer Note no. 43)	7,95,859	-
Total	1,04,13,439	4,49,57,383

21 Provisions

Particulars	31-03-2025	31-03-2024
Provision for employee benefits		
(i) Provision for gratuity	8,27,095	6,16,463
Others		
(i) Provision for Expenses	1,01,29,731	98,21,023
Total	1,09,56,826	1,04,37,486

22 Revenue from operations

Particulars	31-03-2025	31-03-2024
(i) Sales of Goods	18,93,45,205	11,97,40,696
(ii) Sale of Services	61,77,13,744	24,90,41,697
Total	80,70,58,949	36,87,82,392

(i) Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars		
(i) Revenues		
(a) Within India	40,44,78,067	26,86,86,107
(b) Outside India		
-USA	(3,64,77,124)	3,85,63,937
-EUROPE	47,56,686	8,250
-ROW	43,43,01,320	6,15,24,099
Total	80,70,58,949	36,87,82,392

23 Other income

Particulars	31-03-2025	31-03-2024
(i) Interest Income on :		
a) Deposit with bank	51,821	22,74,891
b) Others	4,61,356	1,32,752
(ii) Scrap Sales	5,10,402	2,11,744
(iii) Amortisation Government Grants	1,34,96,652	1,35,33,334
(iv) Corporate Guarantee Income	2,99,99,543	50,00,457
(v) Liabilities no longer required written back	8,35,026	8,48,414
Total	4,53,54,800	2,20,01,592

24 Cost of Material Consumed

Particulars	31-03-2025	31-03-2024
Inventory at the beginning of the year	7,93,52,432	7,56,82,765
Add: Purchases	1,33,80,077	2,82,59,714
Less: Inventory at the end of the year	6,59,24,906	7,93,52,431
Total	2,68,07,603	2,45,90,048

25 Purchase of stock-in-trade

Particulars	31-03-2025	31-03-2024
Purchase of stock-in-trade	8,03,93,520	5,47,36,175
Packing material	4,71,167	-
Total	8,08,64,687	5,47,36,175

26 Change in WIP / Variation in Finished Goods./ Stock-in trade

Particulars	31-03-2025	31-03-2024
Opening Inventories		
(i) Finished Goods	48,82,722	-
(ii) Stock-in- Trade	1,00,31,315	20,08,184
(ii) Work-in Progress	-	-
Closing Inventories		
(i) Finished Goods	22,626	48,82,767
(ii) Stock-in- Trade	2,81,31,790	1,00,31,315
(ii) Work-in Progress	18,04,278	-
Total	(1,50,44,657)	(1,29,05,897)

27 Employee benefits expense

Particulars	31-03-2025	31-03-2024
(i) Salaries, wages, allowances and bonus	19,23,33,573	15,63,68,858
(ii) Contribution to Gratuity and other funds	1,27,23,008	91,39,601
(iii) Staff welfare expenses	64,13,817	54,91,419
Total	21,14,70,397	17,09,99,878

28 Finance costs

Particulars	31-03-2025	31-03-2024
Interest on Secured Loans		
(i) Working capital facility	-	71,91,995
(ii) Finance cost - Corporate Guarantee	1,57,48,170	2,20,12,078
(iii) NCD Finance Cost		
(a) Interest Paid	4,79,09,589	8,34,34,425
(b) Transaction Cost	2,48,69,218	79,28,533
(c) Others	-	1,53,332
(iv) Term Loan	-	3,68,44,235
Interest on Unsecured Loans		
(a) From Holding company	14,32,58,682	40,17,50,117
(b) Others	2,08,129	9,16,846
Total	23,19,93,788	56,02,31,561

29 OTHER EXPENSES

Particulars	31-03-2025	31-03-2024
(i) Payment to Auditors (Refer Note no. 41)	5,60,000	4,50,000
(ii) Power and fuel	7,57,72,425	5,66,11,085
(iii) Repairs and maintenance to:		
- Buildings	60,35,173	54,39,054
- Plant and machinery	5,57,71,347	4,66,05,835
- Others	77,24,739	7,92,126
(iv) Rent	1,92,500	1,75,000
(v) Foreign exchange fluctuation (gain)/ loss	24,82,628	(11,86,502)
(vi) Rates, taxes and fees	19,54,075	15,41,368
vii) Custom duty/GST	23,017	-
(viii) Insurance	38,88,393	45,91,151
(ix) Travelling and conveyance	82,43,549	75,76,773
(x) Contractor labour charges	1,84,72,555	1,56,72,072
(xi) Legal & Professional fees	1,50,51,372	21,18,173
(xii) Research and development expenses	8,00,83,159	2,88,15,959
(xiii) Transportation Charges	49,86,324	7,56,425
(xiv) Job work charges	-	4,757
(xv) Sales promotion and advertisement expenses	1,47,38,659	70,12,630
(xvi) Advance Written-off	-	15,27,012
(xvii) Bad Debts Written-off	-	5,47,925
(xviii) Loss/ (profit) on sale of fixed assets	28,95,743	(6,69,133)
(xix) Brokerage and commission	-	14,000
(xx) Miscellaneous expenses	93,89,923	78,31,652
Total	30,82,65,582	18,62,27,362

Shilpa Biologicals Private Limited

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

13 Equity share capital

Particulars	As at 31st March, 2025	As at 31 March, 2024
Authorised Shares		
60,00,000 (PY:30,00,000) equity shares of Rs.100/- each	60,00,00,000	30,00,00,000
	60,00,00,000	30,00,00,000
Issued Subscribed & Fully Paid Up capital		
56,28,462 (PY : 30,00,000) Equity shares of Rs.100/-each	56,28,46,200	30,00,00,000
Total	56,28,46,200	30,00,00,000

(a) Movement in equity share capital:

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No of Shares	Amount	No of Shares	Amount
Shares outstanding at the beginning of the year	30,00,000	30,00,00,000	30,00,000	30,00,00,000
Add : Issued during the year	26,28,462	26,28,46,200	-	-
Shares outstanding at the end of the year	56,28,462	56,28,46,200	30,00,000	30,00,00,000

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

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 31 March, 2025		As at 31 March, 2024	
	No of Shares	% Holding	No of Shares	% Holding
i) Shilpa Medicare Limited	56,28,461	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

(d) Shares held by promoters

Promoter Name	31.03.2025		
	No of Shares	% of total shares	% of Change during the year
Shilpa Medicare Ltd	56,28,461	99.99%	88%

Promoter Name	31.03.2024		
	No of Shares	% of total shares	% of Change during the year
Shilpa Medicare Ltd	29,99,999	99.99%	0%

30 EMPLOYEE BENEFIT DEFINED CONTRIBUTION PLANS

Particulars	As at 31 March, 2025	As at 31 March, 2024
Defined Contribution Plan		
Provident fund	78,34,075	51,90,682
Movement of present value of the defined benefit obligation		
i) Change in defined benefit obligation		
Obligations at year beginning	85,45,605	99,20,082
Service cost	37,52,673	28,28,375
Interest on defined benefit obligation	5,68,224	6,16,048
Benefits settled	(13,50,940)	(34,12,229)
Actuarial (gain)/loss	45,176	(14,06,671)
Obligations at year end	1,15,60,738	85,45,605
ii) Change in plan assets		
Plans assets at year beginning, at fair value		
Expected return on plan assets		
Actuarial gain/(loss)		
Benefits payout	(13,50,940)	(34,12,229)
Plans assets at year end, at fair value	(13,50,940)	(34,12,229)
iii) Amount recognised in the balance sheet		
Closing BPO	1,15,60,738	85,45,605
Closing fair value of plan assets		
Net asset/(liability) recognized in the balance sheet	1,15,60,738	85,45,605
iv) Expenses recognised in the statement of P & L account		
Service cost	37,52,673	28,28,375
Interest cost	5,68,224	6,16,048
Expected return on plan assets		
Expenses recognised in the statement of Other Comprehensive income		
Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO	-	8,68,719
Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	1,88,953	(12,20,064)
Actuarial (Gain)/ Losses due to Experience on DBO	(1,43,777)	(10,55,326)
Return on Plan Assets (Greater) / Less than Discount rate		
Total actuarial (gain)/loss included in OCI	45,176	(14,06,671)
v) Assets Information		
i) Insured (fund is managed with Life insurance corporation of India)	(13,50,940)	(34,12,229)
%	(12)	(40)
ii) Non fund based (Company manages at its own)	1,15,60,738	85,45,605
%	100	100
vi) Principal actuarial assumptions		
Interest rate		
Discount rate (based on the market yields available on Government bond at the accounting date with a term that matches that of the Liabilities)	0	0
Expected rate of return on assets	-	-
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	0	0
Attrition rate of employees	0	0
Retirement age of employees (Years)	58	58

Actuarial gain / loss is recognised immediately. The estimates of salary increase, inflation, promotion, Seniority etc taken in account. The Company has various schemes (funded/unfunded) for payment of gratuity to all eligible employees calculated at specific no. of days (ranging from 15 days to 1 month) of the last drawn salary depending upon tenure of service for each year of completed service subject to minimum of five years payable at the time of separation upon superannuation or on exit otherwise.

Sensitivity Analysis

The Sensitivity of the defined benefit obligation to changes in the weighted principal assumption are as below

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Decrease	Increase	Decrease	Increase
Discounted rate	-6.79%	7.67%	-6.75%	7.91%
Salary increase	7.66%	-6.98%	8.02%	-7.29%
Attrition rate	1.80%	1.94%	1.76%	1.90%

Sensitivity of signification actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligation by 100 basis points keeping all other actuarial assumption constant.

Shilpa Biologicals Private Limited
Notes to the forming part of financial statement for the year ended 31 Mar-2025

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

31 Related party transactions

Related parties where control exists and related parties with whom transactions have taken place during period 01st April 2024 to 31st March 2025 are listed below ;

List of Related Parties

1. Key Management Personnel	Relationship
a) Anushiya	Company secretary

2. Others

Name of the Entity	Relationship
a) Shilpa Medicare Limited	Holding Company
b) Shilpa Biocare Pvt. Ltd	Fellow Subsidiary company
c) FTF Pharma Pvt Ltd	Fellow Subsidiary company
d) Shilpa Pharma Lifesciences Ltd	Fellow Subsidiary company
e) Koanaa Healthcare Spain SL	Fellow Subsidiary company
f) Shilpa Therapeutics Pvt Ltd	Fellow Subsidiary company

SI. No.	Name of the related party	Description of transaction	01st April 2024 to 31st Mar 2025	Balance as at 31st Mar 2025 Payable / (Receivable)	01st April 2023 to 31st Mar 2024	Balance as at 31st Mar 2024 Payable / (Receivable)
			(Income) / Expenses Other Transaction		(Income) / Expenses Other Transaction	
A	Remuneration paid to Key Management Personnel					
i)	Anushiya	Salary and perquisites	-	-	8,03,079	89,231
B	Others					
i)	Shilpa Medicare Ltd.	Purchases of Goods or Service	39,83,129	-	22,88,633	-
		Purchases of Capital Goods or Services	23,55,222	-	1,35,582	-
		Sales of Goods or Service	(87,37,637)	-	(13,52,876)	-
		Sales of Capital Goods	(61,58,207)	-	(78,07,563)	-
		Interest Expenses on loan	14,32,58,683	-	40,17,50,117	-
		Interest Expenses (on Corporate Guarantee)	1,57,48,170	-	2,03,69,740	-
		Loan converted into equity	(6,08,40,00,000)	-	-	-
		Investment in equity	75,00,00,000	-	-	-
		Corporate Guarantees received	(1,00,00,00,000)	-	-	1,00,00,00,000
		Trade Payable	-	39,46,786	-	20,13,385
		Trade Receivable	-	(39,91,882)	-	-
		Loan borrowed				
		Received during the year	71,26,50,000	-	58,46,00,000	-
		Interest added to loans	47,02,64,711	-	29,02,75,250	-
		Repaid during the year	(14,15,00,000)	-	-	-
		Loan converted into equity	(6,08,40,00,000)	-	-	-
		Loan Payable	-	49,70,48,593	-	5,53,96,33,882

		Interest accrued but not due (Loan)	-	2,02,43,208	-	40,17,50,117
ii)	Shilpa Biocare Pvt. Ltd (Erstwhile Shilpa Albumin Pvt. Ltd.)	Sales of Goods or Service	(7,04,83,121)	-	(6,32,79,339)	-
iii)	FTF Pharma Pvt Ltd	Sales of Capital Goods	(15,74,836)	-	(15,92,170)	-
		Trade Receivable	-	(43,370)	-	(78,14,844)
		Purchases of Capital Goods	63,15,774	-	-	-
		Purchases of Goods or Service	65,95,889	-	6,80,000	6,48,000
iv)	Shilpa Pharma Lifesciences Ltd.	Sales of Goods /services	(9,174)	-	(3,51,18,594)	(6,13,553)
		Sales of Capital Goods	(5,00,875)	-	(28,22,622)	-
		Corporate Guarantees received	(1,00,00,00,000)	-	-	1,00,00,00,000
		Purchases of Capital Goods	6,80,117	-	-	-
		Purchases of Goods or Service	40,000	-	6,29,675	-
		Trade Receivable	-	(4,70,297)	-	-
v)	Koanaa Healthcare Spain SL	Sales of Goods /services	-	-	(93,29,813)	-
		Purchases of Goods or Service	5,00,771	-	-	-
vi)	Shilpa Therapeutics Pvt Ltd	Purchases of Goods or Service	5,19,000	-	-	-
		Purchases of Capital Goods	21,37,780	-	-	-
		Trade Payable	-	2,90,640	-	-

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

Shilpa Biologicals Private Limited

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

32 CWIP Ageing Schedule

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2025
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	1,05,75,462	-	-	-	1,05,75,462
ii) Projects temporarily suspended	-	37,975	21,48,84,647	28,32,834	21,77,55,456
Total	1,05,75,462	37,975	21,48,84,647	28,32,834	22,83,30,918

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	1,50,03,078	2,87,87,855	60,46,03,470	1,02,01,427	65,85,95,831
ii) Projects temporarily suspended	37,975	21,48,84,647	28,32,834	-	21,77,55,456
Total	1,50,41,053	24,36,72,502	60,74,36,304	1,02,01,427	87,63,51,287

33 Intangible Assets under Development Ageing Schedule

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2025
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	32,63,43,065	5,73,59,913	16,26,72,935	47,47,78,479	1,02,11,54,392
Total	32,63,43,065	5,73,59,913	16,26,72,935	47,47,78,479	1,02,11,54,392

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	7,52,45,166	16,26,72,935	1,37,77,781	46,10,00,699	71,26,96,580
Total	7,52,45,166	16,26,72,935	1,37,77,781	46,10,00,699	71,26,96,580

34 Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment						As at 31 March, 2025
	Not Due	Less than 180 days	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	8,67,11,504	22,64,88,680	31,42,052	11,48,631	7,27,44,190	-	39,02,35,057
Disputed Trade Receivables	-	-	-	-	1,40,381	9,61,65,322	9,63,05,703
Total	8,67,11,504	22,64,88,680	31,42,052	11,48,631	7,28,84,571	9,61,65,322	48,65,40,760

Particulars	Outstanding for following periods from due date of payment						As at 31 March, 2024
	Not Due	Less than 180 days	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	9,59,58,717	4,14,81,283	13,78,56,167	7,08,68,297	-	-	20,87,24,464
Disputed Trade Receivables	-	-	-	1,40,381	9,61,65,322	-	9,63,05,703
Total	9,59,58,717	4,14,81,283	13,78,56,167	7,10,08,678	9,61,65,322	-	30,50,30,167

35 Trade Payables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2025
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	60,76,668	-	-	-	60,76,668
Others	9,89,72,391	83,17,418	4,66,564	1,32,30,033	12,09,86,406
Total	10,50,49,059	83,17,418	4,66,564	1,32,30,033	12,70,63,074

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	87,78,840	-	-	-	87,78,840
Others	4,00,99,682	4,66,564	1,32,14,033	16,000	5,37,96,279
Total	4,88,78,522	4,66,564	1,32,14,033	16,000	6,25,75,119

36 Fair value measurement hierarchy

Particulars	Carrying Amount as at 31.03.2025				Carrying Amount as at 31.03.2024			
	FVTPL	FVTOCI	Amortised Cost	Total	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets								
Non-current investments	-	-	1,44,67,607	1,44,67,607	-	-	1,44,67,607	1,44,67,607
Trade Receivable	-	-	48,65,40,760	48,65,40,760	-	-	30,50,30,167	30,50,30,167
Cash and Cash Equivalent	-	-	1,07,80,772	1,07,80,772	-	-	1,33,14,436	1,33,14,436
Other Financial Assets	-	-	1,76,04,605	1,76,04,605	-	-	2,14,89,956	2,14,89,956
	-	-	52,93,93,744	52,93,93,744	-	-	35,43,02,167	35,43,02,167
Financial Liability								
Borrowings	-	-	49,70,48,593	49,70,48,593	-	-	6,53,96,33,882	6,53,96,33,882
Trade payables	-	-	12,70,63,075	12,70,63,075	-	-	6,25,75,119	6,25,75,119
Other Financial Liabilities	-	-	14,43,96,416	14,43,96,416	-	-	46,17,56,378	46,17,56,378
Total	-	-	76,85,08,084	76,85,08,084	-	-	7,06,39,65,379	7,06,39,65,379

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

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.

37 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 operates internationally by rendering services outside india. Furthermore, it imports goods from foreign countries, hence the Company is also exposed to foreign exchange risk to the extent of amounts payable in foreign currency against such imports.

Particulars	Carrying Amount as at 31.03.2025			Carrying Amount as at 31.03.2024		
	USD	EURO	Others	USD	EURO	Others
Financial Assets						
Trade Receivables	8,51,833	22,00,700	-	16,03,951	-	-
Cash & Cash Equivalents	1,762	500	70	1,762	500	70
Financial liabilities						
Trade payables	-	-	-	-	-	-
Other Financial Liabilities	-	-	(6,72,480)	(8,412)	(35,978)	-
Total	8,53,595	22,01,200	(6,72,410)	15,97,301	(35,478)	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	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
USD -Sensitivity				
Increase by 1% (Gain/(Loss))	7,30,507	13,39,656	-	-
Decrease by 1% (Gain/(Loss))	(7,30,507)	(13,39,656)	-	-
Euro -Sensitivity				
Increase by 1% (Gain/(Loss))	20,32,148	-	-	-
Decrease by 1% (Gain/(Loss))	(20,32,148)	-	-	-

(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 is arises from its operation activity primarily 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 payment towards liabilities 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.

The following are the contractual maturities of financial liabilities and excluding interest payments. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay:

Maturity profile of financial liabilities as on 31.03.2025					Maturity profile of financial liabilities as on 31.03.2024				
Particulars	On Demand	< 01 Year	1 to 5 years	> 05 Years	On Demand	< 01 Year	1 to 5 years	> 05 Years	
Long Term Borrowings	-	-	49,70,48,593	-	-	-	6,53,96,33,882	-	-
Short Term Borrowings	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	14,43,96,416	-	-	-	46,17,56,378	-	-	-
Trade and other payable	-	12,70,63,075	-	-	-	6,25,75,119	-	-	-
Total	-	27,14,59,491	49,70,48,593	-	-	52,43,31,497	6,53,96,33,882	-	-

38 Capital Management

The company's objectives when managing capital are to :

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

Particulars	31.03.2025	31.03.2024
Total Equity	5,22,08,84,220	(1,43,51,86,597)
Debt	49,70,48,593	6,53,96,33,882
Net Debt to Equity Ratio	0.10	(4.56)

39 Earnings Per Share ('EPS')

Particulars	31.03.2025	31.03.2024
Profit/(Loss) for the year	(17,38,15,114)	(66,03,36,661)
Shares		
Weighted average shares used for computing basic EPS	48,96,746	30,00,000
Weighted average shares used for computing diluted EPS	48,96,746	30,00,000
Earning Per Shares		
Basic (in Rs.)	(35.50)	(220.11)
Diluted (in Rs.)	(35.50)	(220.11)

40 Reconciliation Of Tax Expenses

Income Tax		
Particulars	31.03.2025	31.03.2024
Statement of Profit or loss		
Current Tax	-	-
Tax expenses/(income) pertaining to earlier years	(4,77,515)	-
Deferred Tax	(3,26,66,235)	(13,22,99,096)
Tax expense for the year	(3,31,43,750)	(13,22,99,096)
Amount recognised in statement of profit & loss account	(20,69,58,864)	(79,26,35,758)
Tax at enacted tax rate in India C.Y. @ 17.16% (P.Y. 17.16%)	(3,55,14,141)	(13,60,16,296)
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income:		
Exempt income and other deductions	-	35,46,823
Non-deductible expenses for tax purpose	4,96,910	15,06,449
Others	18,73,481	-13,36,073
Tax expenses	(3,31,43,750)	(13,22,99,096)

(II) Recognised Deferred Tax Assets / Liabilities

Movement of Deferred Tax Assets / Liabilities	As at 31 March, 2025	As at 31 March, 2024
Deferred Tax Liabilities		
Property, plant and equipment, and intangible assets	26,99,91,032	25,10,99,366
Others	-	68,87,280
Gross Deferred Tax Liabilities	26,99,91,032	25,79,86,645
Deferred Tax Assets		
Accumulated losses	47,95,73,791	42,92,85,969
Defined benefit obligations	19,83,823	14,66,426
Deferment of BIRAC Grant	2,52,97,096	2,81,97,698
Corporate guarantee liability	-	38,00,039
Others	6,63,911	-
Gross Deferred Tax Assets	50,75,18,621	46,10,52,905
Net Deferred Assets	(23,75,27,588)	(20,30,66,260)

(II) Movement of Deferred Tax Assets / Liability

Particulars	As at 01 April, 2024	Recognised in statement of profit & loss	Recognised in OCI	As at 31 March, 2025
Deferred Tax Liability (Net) in relation to;				
Property, plant and equipment, and intangible assets	25,10,99,366	1,88,91,667	-	26,99,91,032
Others	68,87,280	(68,87,280)	-	-
Deferred Tax Liability (Net)	25,79,86,645	1,20,04,387	-	26,99,91,032
Deferred Tax Asset (Net)				
Accumulated losses	42,92,85,969	5,01,97,708	-	47,95,73,791
Defined benefit obligations	14,66,426	5,09,645	7,752	19,83,823
Deferment of BIRAC Grant	2,81,97,698	(29,00,602)	-	2,52,97,096
Corporate guarantee liability	38,00,039	(38,00,039)	-	-
Others	-	6,63,911	-	6,63,911
Deferred Tax Asset (Net)	46,10,52,905	4,46,70,622	7,752	50,75,18,621
Net Deferred Tax (Liability)/ Asset	20,30,66,260	3,26,66,235	7,752	23,75,27,588

Particulars	As at 01 April, 2023	Recognised in statement of profit & loss	Recognised in OCI	As at 31 March, 2024
Deferred Tax Liability (Net) in relation to;				
Property, plant and equipment, and intangible assets	22,97,93,621	2,13,05,744	-	25,10,99,366
Others	-	68,87,280	-	68,87,280
Deferred Tax Liability (Net)	22,97,93,621	2,81,93,024	-	25,79,86,645
Deferred Tax Asset (Net)				
Accumulated losses	27,02,77,092	15,90,08,877	-	42,92,85,969
Defined benefit obligations	17,02,286	5,524	2,41,384.74	14,66,426
Deferment of BIRAC Grant	3,05,20,018	(23,22,320)	-	2,81,97,698
Corporate guarantee liability	-	38,00,039	-	38,00,039
Deferred Tax Asset (Net)	30,24,99,396	16,04,92,120	2,41,385	46,10,52,905
Net Deferred Tax (Liability)/ Asset	7,27,05,775	13,22,99,096	2,41,385	20,30,66,260

41 Payment to Auditors

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
a) Statutory Audit	3,60,000	2,50,000
b) Limited Review	45,000	45,000
c) Tax Audit	75,000	75,000
d) Taxation matters/ Certifications	80,000	80,000
TOTAL	5,60,000	4,50,000

42 In the opinion of the Board, all Assets other than Property, Plant & Equipments 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 stated.

43 Balances of Trade Receivables / Capital Advances / Trade payables / Capital Creditors / GST balances and Deposits are subject to Balance Confirmation and reconciliation.

44 **Contingent Liabilities and Capital Commitments**

Particulars	As at 31 March, 2025	As at 31 March, 2024
a) Corporate guarantee	-	3,50,00,00,000
b) Claims against the Company not acknowledged as debt	20,13,47,308	-
Total	20,13,47,308	3,50,00,00,000

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

Particulars	As at 31 March, 2025	As at 31 March, 2024
a. Principal and Interest amount remaining unpaid	60,76,668	87,78,840
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	-	-

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

The company has not provided for any interest on balances of trade payables outstanding for more than 45 days based on the historical data where no such claims have been made against the company by any of its vendors / suppliers.

46 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.

47 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 concerned department for execution of absolute sale deed of the above.

48 Additional Regulatory Information

48.01 Financial Ratio

Particulars	Numerator	Denominator	31.03.2025	31.03.2024	Variance %	Reasons for variance of above 25%
Current Ratio (no. of times)	Current Assets	Current Liabilities	3.39	1.39	143%	Increase is on account of rise in revenue contributing to substantial increase in receivable during the year.
Debt Equity ratio (no. of times)	Total Debt	Shareholder's Equity	0.10	(4.56)	-102%	Decrease is mainly on account of inflow of securities premium upon issue of equity shares during the year.
Debt service coverage ratio (no. of times)	Earnings available for debt service	Debt Service	1.03	(0.06)	-1864%	Decrease on account of full repayment of Term loans from monies received from issue of equity during the year.
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's	-2.30%	14.91%	-115%	Decrease on account of full repayment of Term loans from monies received from issue of equity during the year.
Inventory turnover ratio (no. of times)	Cost of goods sold (or) sales & service	Average Inventory	0.10	0.44	-77%	Decrease is mainly on account of increase in revenue made during the year.
Trade Payable Turnover ratio	Purchase of trade and services	Average Trade Payables	1.06	1.05	1%	NA
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	0.51	0.36	42%	Increase is mainly on account of increase in the revenue made during the year.
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	1.16	1.68	-31%	Decrease is mainly on account of increase in revenue made during the year.
Net profit ratio (%)	Net Profits after taxes	Net Sales	(0.22)	(1.79)	-88%	Decrease is mainly on account of increase in the losses & revenue during the current year.
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed	0.01	(0.06)	-110%	Decrease is mainly on account of inflow of securities premium upon issue of equity shares during the year.

48.02 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.

48.03 Valuation of property plan & Equipment, intangible asset

The company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

48.04 Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPS 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.

48.05 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.

48.06 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.

48.07 Wilful defaulter

The Company has not been declared wilful defaulter by any bank of financial institution or other lender.

48.08 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

48.09 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.

48.10 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.

48.11 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.

48.12 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.

48.13 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.

48.14 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.

49 During the year, the Company has allotted 25,99,615 equity shares of ₹10 each at a premium of Rs. 2,590 per share to its holding company, by converting a portion of the outstanding loan borrowed from it. Further, it has made rights issue of 28,847 equity shares of ₹10 each at a premium of Rs. 2,590 per share to its holding company. Pursuant to said allotment, equity share capital of the Company has increased by Rs. 26,28,46,200 and securities premium has increased by Rs. 6,57,11,55,000.

50 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 **B N P S And Associates LLP**
Chartered Accountants
(Firm's Regn No.008127S/S-200013)

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

Sd/-

Sd/-

Sd/-

CA. Yogesh R Bung
Partner
M.No.143932

Ramakant Innani
Managing Director
DIN : 0322748

Madhav Bhutada
Director
DIN : 08222055

Sd/-

Venkatesh Sharma
Chief Financial Officer

Place : Raichur
Date: 24.05.2025

Place : Raichur
Date: 24.05.2025