

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF J C BIOTECH PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of J C Biotech Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Management's Responsibility for the Financial Statements

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



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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors 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 financial statements.



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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 48 to the financial statements.

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

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

iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity ("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.

(c) Based on audit procedures that have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.



v) The Company has not declared any dividend in the current and the previous financial year.

For N A C And Associates LLP

ICAI FRN: 119375W/S200011

Chartered Accountants

Nikhil Surana

Partner

Membership No.: 232997

UDIN: 22232997AJUGIG5145



Place: Secunderabad

Date : 07.05.2022

ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF M/s. J C BIOTECH PRIVATE LIMITED

On the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we state that:

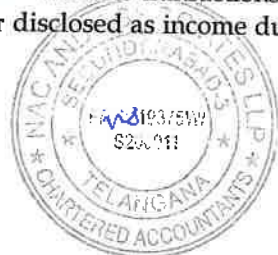
- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('Fixed Assets').
- b) All the Fixed Assets have been physically verified by the management at reasonable intervals during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- d) The Company has not carried out revaluation of its Fixed Assets and accordingly, reporting requirements of paragraph 3(i)(d) of the Order are not applicable to the Company.
- e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) a) According to the information and explanation given to us, the management has conducted physical verification of inventory at reasonable intervals during the year. Inventory in-transit have been verified by the management with reference to the subsequent receipt of goods. The discrepancies noticed on verification between the physical stock and book records were not material in relation to the operations of the Company and have been properly dealt with in the books of account.
- b) The Company has been sanctioned working capital limits of Rs. 5.98 crores, in aggregate, during the year, from a bank on the basis of security of its current assets. In our opinion and based on the information and explanations given to us and our verification of the stock statements submitted by the Company to the bank in relation to the aforesaid working capital limits, such stock statements are, broadly in all material respect, in agreement with the books of account of the Company except for the deviations detailed in Note 42 of the audited financial statements.
- iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the reporting requirements of clause 3(iii) of the Order are not applicable to the Company and not commented upon.



- iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments, issued guarantees and security in terms of Section 185 and 186 of the Act. Accordingly, the reporting requirements of clause 3(iv) of the Order are not applicable to the Company and not commented upon.
- v) In our opinion and according to the information and explanations given to us, no deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company. Accordingly, reporting requirements of paragraph 3(v) of the Order are not applicable to the Company.
- vi) In our opinion and according to the information and explanations given to us, during the preceding financial year, the Company has not manufactured any products covered by the provisions of Section 148(1) of the Act and rules framed thereunder. Accordingly, the provisions of maintenance of cost records specified under Section 148(1) of the Act mentioned in clause 3(vi) of the Order are not applicable to the Company and not commented upon.
- vii) a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, goods and services tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations give to us and the records of the Company, there are no dues of goods and service tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of Income Tax on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	5,29,850	2017-18	DCIT, Circle 2(1), Hyderabad
Income Tax Act, 1961	Income Tax	9,87,170	2018-19	CIT(Appeals), Hyderabad

- viii) According to the records maintained by the Company and information and explanations given to us, there were no transactions relating previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



- ix) a) According to the records maintained by the Company and information and explanations given to us, the Company has not defaulted in repayment of loans to banks and financial institutions. The Company does not have any loans from Government or dues to debenture holders.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loans during the year and the term loan outstanding at the beginning of the year was utilized for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) The Company does not have any subsidiaries and accordingly, reporting requirements of paragraph 3(ix)(e) of the Order are not applicable to the Company.
- f) The Company does not have any subsidiaries and accordingly, reporting requirements of paragraph 3(ix)(f) of the Order are not applicable to the Company.
- x) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and accordingly, reporting requirements of paragraph 3(x) of the Order are not applicable to the Company.
- xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- b) No report under sub-section (12) of Section 143 of the 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) No whistle blower complaints have been received during the year by the Company.
- xii) The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Refer Note 35 to the financial statements.



- xiv) a) In our opinion, the Company has an internal audit system commensurate to the size of the Company and nature of its business.
- b) We have considered, the report of the internal auditors for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 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 them as per the provisions of Section 192 of the Act. Accordingly, reporting requirements under paragraph 3(xv) of the Order are not applicable to the Company.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- xvii) The Company has not incurred cash losses during the financial year and the immediately preceding financial year.
- xviii) There has been no resignation of statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing as at the date of the 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, will get discharged by the Company as and when they fall due.
- xx) a) According to the information and explanations given to us, there is no unspent amount for projects covered under section 135 of the Act. Accordingly, reporting requirements under paragraph 3(xx)(a) of the Order are not applicable to the Company.
- b) According to the information and explanations given to us, there is no ongoing project under sub-section (5) of section 135 of the Companies Act, 2013. Accordingly, reporting requirements under paragraph 3(xx)(b) of the Order are not applicable to the Company.



xxi) As our report is not on consolidated financial statements, reporting under this clause is not applicable.

For N A C And Associates LLP

ICAI FRN: 119375W/S200011

Chartered Accountants



Nikhil Surana

Partner

Membership No.: 232997

UDIN: 22232997AIUGIG5145



Place: Secunderabad

Date : 07.05.2022

ANNEXURE B REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF J C BIOTECH 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 J C Biotech Private Limited ("the Company") as of March 31, 2022 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.

Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 includes 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 authorizations of management and directors of the company;
- 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;
- 4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, broadly in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 N A C And Associates LLP

ICAI FRN: 119375W/S200011

Chartered Accountants

Nikhil Surana

Partner

Membership No.: 232997

UDIN: 22232997AJUGIG5145



Place: Secunderabad

Date : 07.05.2022

J C BIOTECH PRIVATE LIMITED
CIN NO. : U65993TG1991PTC013624
Balance Sheet as at 31st March, 2022

(Amount in INR thousands, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, Plant and Equipment	5	4,25,962	4,35,632
Capital work-in-progress	5A	56,501	10,668
Other intangible assets	6	82	145
Financial assets			
Other financial assets	7	10,752	9,692
Other non-current assets	8	6,184	3,677
Total non-current assets		4,99,481	4,59,815
Current assets			
Inventories	9	1,21,416	63,253
Financial assets			
Trade receivables	10	68,899	1,25,500
Cash and cash equivalents	11	425	216
Other financial assets	12	12,043	11,950
Current tax assets (net)	13	1,326	1,114
Other current assets	14	7,821	5,602
Total current assets		2,11,931	2,07,636
Total assets		7,11,412	6,67,451
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	2,07,112	2,07,112
Other equity	16	4,13,362	3,41,584
Total equity		6,20,474	5,48,696

See accompanying notes to the financial statement 1-50

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

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011

For and on behalf of the Board of Directors

J C Biotech Private Limited

Nikhil Surana

Partner

Membership No: 232997

Place: Hyderabad

Date: 07-05-2022



B.Naveen Krishna

Executive Director

DIN: 07137132

TSSN Sivarama Prasad

Chief Finance Officer

M. W. Kabra

Mukund Madhusudan Kabra

Director

DIN:00148294

Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

Liabilities**Non-current liabilities****Financial liabilities**

Borrowings	17	-	-
Provisions	18	562	1,172
Deferred Tax Liabilities (Net)	19	48,597	36,605
Total non-current liabilities		49,159	37,777

Current liabilities**Financial liabilities**

Borrowings	20	17,641	53,479
Trade payables	21		
i) total outstanding dues of micro enterprises and small enterprises		1,400	2,710
ii) total outstanding dues of creditors other than micro and small enterprises		6,651	8,107
Other financial liabilities	22	9,433	8,415
Other current liabilities	23	5,893	5,698
Provisions	18	763	2,569

Total current liabilities		41,780	80,978
Total liabilities		90,938	1,18,755

Total equity and liabilities		7,11,412	6,67,451
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See accompanying notes to the financial statement 1-50

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

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011

For and on behalf of the Board of Directors

J C Biotech Private Limited

Nikhil

Nikhil Surana

Partner

Membership No: 232997

Place: Hyderabad

Date: 07-05-2022



Naveen K. Bondalapati

B.Naveen Krishna

Executive Director

DIN: 07137132

TSSN Sivarama Prasad

TSSN Sivarama Prasad

Chief Finance Officer

Mukund Madhusudan Kabra

Mukund Madhusudan Kabra

Director

DIN:00148294

Pranit

Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

J C BIOTECH PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March, 2022 (Amount in INR thousands, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	24	5,03,579	5,03,838
Other income	25	543	514
Total income		5,04,123	5,04,352
Expenses			
Cost of material consumed	26	1,54,615	1,34,828
Changes in inventories of finished goods and work-in-	27	(37,688)	(5,159)
Employee benefits expense	28	64,765	64,301
Finance costs	29	3,158	6,099
Depreciation and amortization expense	30	36,101	36,439
Other expenses	31	1,80,232	1,61,061
Total expenses		4,01,182	3,97,568
Profit /(Loss) before exceptional items and tax		1,02,940	1,06,784
Tax expense			
Current tax	32	29,564	27,220
Deferred tax	32	1,024	2,324
Tax Adjustment For Earlier Years		(95)	(270)
Total income tax expense		30,493	29,273
Profit/(Loss) for the year from continuing operations		72,447	77,510
Profit for the period		72,447	77,510

See accompanying notes to the financial statement 1-50

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

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011

Nikhil

Nikhil Surana

Partner

Membership No: 232997

Place: Hyderabad

Date: 07-05-2022



For and on behalf of the Board of Directors

J C Biotech Private Limited

B. Naveen Krishna

B. Naveen Krishna

Executive Director

DIN: 07137132

TSSN Sivarama Prasad

TSSN Sivarama Prasad

Chief Finance Officer

Mukund Madhusudan Kabra

Mukund Madhusudan Kabra

Director

DIN:00148294

Pranit

Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

Other comprehensive income

Items that will not be reclassified to profit or loss

Remeasurement of net employees defined benefit liability	(928)	1,275
Income tax effect on these items	258	(355)
	(670)	920

Other comprehensive income for the year, net of tax

(670)	920
-------	-----

Total comprehensive income for the year

71,777	78,431
--------	--------

Earnings / (Loss) per share

Basic earnings / (loss) per share (INR)	33	3.50	3.74
Diluted earnings / (loss) per share (INR)	33	3.50	3.74

See accompanying notes to the financial statements 1-50

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

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011



Nikhil Surana

Partner

Membership No: 232997



Place: Hyderabad

Date: 07-05-2022

For and on behalf of the Board of Directors of
J C Biotech Private Limited



B. Naveen Krishna

Executive Director

DIN: 07137132



Mukund Madhusudan Kabra

Director

DIN: 00148294


TSSN Sivarama Prasad

Chief Finance Officer



Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

J C BIOTECH PRIVATE LIMITED

Statement of changes in equity for the year ended 31st March, 2022

(Amount in INR thousands, unless otherwise stated)

(A) Equity share capital

For the year ended 31 March 2022

Equity shares of INR 10 each issued, subscribed and fully paid

Balance as at 1 April 2021

Changes in Equity Share Capital due to prior period errors

Restated balance as at 1 April 2021

Changes in equity share capital during the current year

Balance as at 31 March 2022

31 March 2022	
No. of shares	Amount
20,711	2,07,112
-	-
-	-
-	-
20,711	2,07,112

For the year ended 31 March 2021

Equity shares of INR 10 each issued, subscribed and fully paid

Balance as at 1 April 2020

Changes in Equity Share Capital due to prior period errors

Restated balance as at 1 April 2020

Changes in equity share capital during the previous year

Balance as at 31 March 2021

31 March 2021	
No. of shares	Amount
20,711	2,07,112
-	-
-	-
-	-
20,711	2,07,112

See accompanying notes to the financial statements 1-50

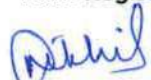
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011



Nikhil Surana

Partner

Membership No: 232997

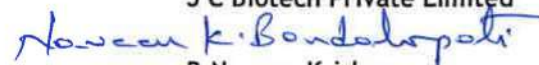
Place: Hyderabad

Date: 07-05-2022



For and on behalf of the Board of Directors of

J C Biotech Private Limited



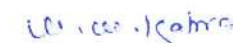
B. Naveen Krishna

Executive Director

DIN: 07137132


TSSN Sivarama Prasad

Chief Finance Officer



Mukund Madhusudan Kabra

Director

DIN: 00148294


Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

(B) Other equity

For the year ended 31 March 2022

Particulars	Reserve and Surplus			Other Comprehensive Income (Remeasurement of defined benefit plans)	Total
	Capital Contribution	Securities Premium	Retained Earnings		
Balance as at 1 April 2021	5,400	7,290	3,29,705	(811)	3,41,584
Changes in accounting policy or prior period errors	-	-	-	0	-
Restated balance as at April 2021	5,400	7,290	3,29,705	(811)	3,41,584
Profit for the year	-	-	72,447	0	72,447
Other comprehensive income	-	-	-	(670)	(670)
Total Comprehensive Income	-	-	72,447	(670)	71,777
Balance as at 31 March 2022	5,400	7,290	4,02,152	(1,481)	4,13,362

See accompanying notes to the financial statements

1-50

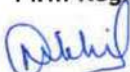
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011



Nikhil Surana

Partner

Membership No: 232997

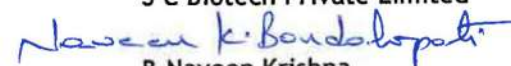
Place: Hyderabad

Date: 07-05-2022



For and on behalf of the Board of Directors of

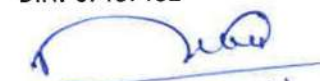
J C Biotech Private Limited



B. Naveen Krishna

Executive Director

DIN: 07137132



TSSN Sivarama Prasad

Chief Finance Officer



Mukund Madhusudan Kabra

Director

DIN: 00148294



Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

For the year ended 31 March 2021

Particulars	Reserve and Surplus			Other Comprehensive Income (Remeasurement of defined benefit plans)	Total
	Capital Reserve	Securities Premium	Retained Earnings		
Balance as at 1 April 2020	5,400	7,290	2,52,195	(1,731)	2,63,154
Changes in accounting policy or prior period errors	-	-	-	0	-
Restated balance as at 1 April 2020	5,400	7,290	2,52,195	(1,731)	2,63,154
Profit for the year	-	-	77,510	0	77,510
Other comprehensive income	-	-	-	920	920
Total Comprehensive Income	-	-	77,510	920	78,431
Balance as at 31 March 2021	5,400	7,290	3,29,705	(811)	3,41,584

See accompanying notes to the financial statements

1-50

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

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011

Nikhil

Nikhil Surana

Partner

Membership No: 232997

Place: Hyderabad

Date: 07-05-2022



For and on behalf of the Board of Directors of

J C Biotech Private Limited

Naveen K. Boudalapati

B.Naveen Krishna

Executive Director

DIN: 07137132

TSSN Sivarama Prasad

TSSN Sivarama Prasad

Chief Finance Officer

Mukund Madhusudan Kabra

Mukund Madhusudan Kabra

Director

DIN:00148294

Pranit

Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

J C BIOTECH PRIVATE LIMITED

Statement of cash flows for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities		
Profit/ Loss before tax	1,02,940	1,06,784
Adjustments for:		
Depreciation and amortization expenses	36,101	36,439
Finance cost	2,973	5,704
Interest income	(436)	(417)
Net Gain/Loss due to Foreign Currency Translation and Transactions	(88)	(20)
Guarantee commission to Parent Company (Gain)/ loss on sale of Property, Plant and Equipments	199	-
Operating loss before working capital changes	1,41,689	1,49,090
Changes in working capital		
Increase/ (Decrease) in trade payables	(2,767)	1,451
Decrease/ (increase) in inventories	(58,163)	(24,230)
Decrease/ (increase) in trade receivables	56,601	(71,794)
(Decrease)/ increase in other current liabilities	194	(2,493)
Increase / (Decrease) in provisions	(3,344)	240
Increase/ (Decrease) in other financial liabilities	1,018	2,412
Decrease/ (increase) in other financial assets	(1,153)	(2,284)
Decrease/(increase) in other current assets	(2,219)	(326)
Cash generated used in operations	1,31,858	52,066
Income tax paid	(18,367)	(18,423)
Net cash flows used in operating activities (A)	1,13,491	33,643

See accompanying notes to the financial statement 1-50


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

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011



Nikhil Surana
Partner
Membership No: 232997

Place: Hyderabad
Date: 07-05-2022

For and on behalf of the Board of Directors
J C Biotech Private Limited


B. Naveen Krishna
Executive Director
DIN: 07137132


TSSN Sivarama Prasad
Chief Finance Officer


Mukund Madhusudan Kabra
Director
DIN:00148294


Pranit Chandrakant Dalvi
Company Secretary
Membership No: A62392

Cash flow from Investing activities

Payment for property, plant and equipment and intangible assets	(75,237)	(19,187)
Proceeds from sale/ disposal of property, plant and equipments	330	-
Interest received	436	417
Net cash flow from investing activities (B)	(74,471)	(18,770)

Cash flow from Financing activities

Repayment of short-term borrowings	(35,839)	(13,514)
Repayment of long-term borrowings	-	(16,273)
Interest paid	(2,973)	(5,704)
Net cash flow from financing activities (C)	(38,812)	(35,490)

Net increase in cash and cash equivalents (A+B+C) 208 (20,618)

Cash and cash equivalents at the beginning of the year 216 20,834

Cash and cash equivalents at the end of the year 425 216

Cash and cash equivalents comprise (Refer note 11)

Balances with banks

On current accounts 58 34

Cash on hand 366 182

Total cash and bank balances at end of the year 425 216

See accompanying notes to the financial statements 1-50

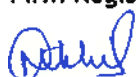
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As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011



Nikhil Surana

Partner

Membership No: 232997

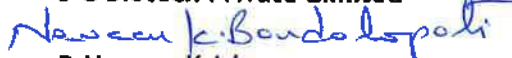


Place: Hyderabad

Date: 07-05-2022

For and on behalf of the Board of Directors

J C Biotech Private Limited



B. Naveen Krishna

Executive Director

DIN: 07137132


Mukund Madhusudan Kabra

Director

DIN: 00148294


TSSN Sivarama Prasad

Chief Finance officer


Prahit Chandrakant Dalvi

Company Secretary

Membership No: A62392

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022

(Amount in INR thousands, unless otherwise stated)

1 General Information

JC Biotech Private Limited ('the Company') was incorporated on 31 December 1991 under the provisions of Companies Act, 1956. The Company is engaged in the business of manufacturing and sales of Bio Pharmaceuticals through the process of aerobic fermentation.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The accounting policies set out below have been applied consistently to the periods presented in the financial statements.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
- ii) net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations.

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



For JC BIOTECH PRIVATE LIMITED

Naveen K. Boudalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. S. K. K. K.

Director

(c) **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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

Depreciation methods, estimated useful lives

Depreciation on tangible property, plant and equipment other than plant and equipment has been provided on Written Down Value method and on plant and equipment on Straight Line Method.

Property, plant and equipment	Useful Life
Building	5-60 years
Plant & Machinery	20-25 years
Plant & Machinery R & D	10 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicle	8 years
Computers:	
-End user devices such as, desktops, laptops etc.	3 years



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bonda Jagarti
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. K. Kahra
Director

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization. Internally generated intangible assets contains Development activities involve a plan or design for the production of new or substantially improved products and its processes.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Development expenditures are capitalised only if:

- development costs can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable and
- the Company intends to, and has sufficient resources to complete development and to use or sell the asset.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:



For JC BIOTECH PRIVATE LIMITED
Naveen K. Bandelapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

Ge. Lakshmi
Director

Intangible assets	Useful life
Patent	Have a indefinite life but company does not expected to generate any economic benefit in in foreseeable future.
Computer Software	3 years 3 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.



For JC BIOTECH PRIVATE LIMITED
Naveen K. Boudalapati
 B. NAVEEN KRISHNA
 Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.
 Director

2.5 Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

- ▶ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.6 Revenue Recognition

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and allowances, trade discounts and volume rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

Rendering of services

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.



For JC BIOTECH PRIVATE LIMITED

Navene K. Boudolapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. S. K. Ahn

Director

In respect of above, the amounts received in advance are reflected in the Balance sheet under "Other Current and Non-current Liabilities" as "Revenue received in advance".

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



For JC BIOTECH PRIVATE LIMITED

Navan K. Bondalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. W. Krishna
Director

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

- (c) MAT is recognised as an assets only when & to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the statement of profit & loss & is considered as (MAT credit entitlement). The company review the same at each Balance Sheet date & writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income tax during the specified period. MAT credits are in the form of unused tax credits that are carried forwarded by the company for a specified period of time, hence, it is presented as Deferred Tax Assets.

2.8 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- ▶ The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ▶ An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- ▶ The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ▶ The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ▶ Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bondalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.

Director

2.9 Leases

The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

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

The Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. The Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Boudalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.

Director

2.10 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Work in progress, manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made on item by item basis.

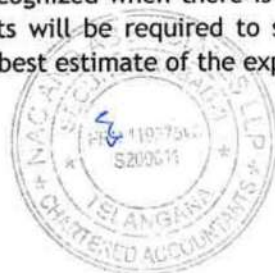
2.11 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

2.12 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.



For JC BIOTECH PRIVATE LIMITED
Naveen K. Boudalapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. U. U. U. U.
Director

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

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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

2.13 Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.14 Financial instruments

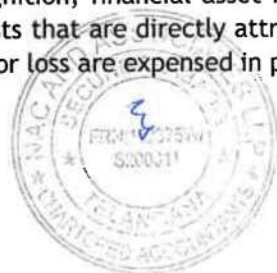
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the company becomes a party to the contractual provisions of the instrument.

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.

Director

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

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

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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



For JC BIOTECH PRIVATE LIMITED
Naveen K. Boudalapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. C. K. K. K.
Director

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.



For JC BIOTECH PRIVATE LIMITED
Naveen K. Bondalapati
D. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED
W. W. K. a h a g
Director

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

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

(c) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contract are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Boudhalapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. Kabir
Director

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.2 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund 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 which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme 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 which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Boudalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.

Director

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.2 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.



For JC BIOTECH PRIVATE LIMITED
Naveen K. Boudelapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. V. Lakshmi
Director

Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Borrowing costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue and recognized as an expense in the Statement of Profit and Loss.

Research and development costs

Research and development costs incurred for development of products are expensed as incurred, except for development costs that relate to the design and testing of new or improved materials, products or processes, which are recognized as an intangible asset to the extent that it is technically feasible to complete the development of such asset and future economic benefits are expected to be generated from such assets.

Cash Flow Statement

Cash flows are reported using indirect method as set out in IND AS 7, "Statement of Cash Flows", whereby profit /(loss) before tax is adjusted for the effects of transactions of non cash nature and deferrals of accruals of past or future cash receipts or payments. The cash flows from operating, Investing and financing activities of the company are segregated based on the available information.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products/ activities of the company, the management has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.



For JC BIOTECH PRIVATE LIMITED
Naveen K. Bandalapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. S. K. S. S. S.
Director

3.1 Estimates and assumptions

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

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

(b) Defined benefit plans (gratuity benefits and leave encashment)

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

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 34.

(c) Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

(d) Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bondalapati

B. NAVEEN KRISHN
Executive Director

For JC BIOTECH PRIVATE LIMITED

ee. ee. K. ahs

Director

4.1 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2022.

4.2 Standards that became effective during the year

There are no new Standards that became effective during the year. The Company has applied certain amendments that became effective during the year which are discussed below:

(a) Interest Rate Benchmark Reform - Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments have no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods as and when it become applicable.

(b) Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments have no impact on the financial statements of the Company



For JC BIOTECH PRIVATE LIMITED
Naveen K. Boudalapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.
Director

(c') **Ind AS 116: COVID-19 related rent concessions**

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

(d) **Ind AS 103: Business combination**

The MCA clarified that for the purpose of this Ind AS, acquirers are required to apply the definition of asset and liability given in the framework for preparation and presentation of financial statements with Indian Accounting standards rather than the conceptual framework. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments have no impact on the financial statements of the Company.

(e) **Amendment to Ind AS 105, Ind AS 16 and Ind AS 28**

In the definition of "Recoverable amount" the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

See accompanying notes to the financial statements

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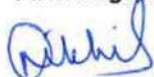
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011



Nikhil Surana

Partner

Membership No: 232997

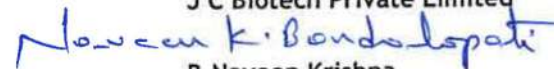
Place: Hyderabad

Date: 07-05-2022



For and on behalf of the Board of Directors of

J C Biotech Private Limited



B. Naveen Krishna

Executive Director

DIN: 07137132



TSSN Sivarama Prasad

Chief Finance Officer



Mukund Madhusudan Kabra

Director

DIN: 00148294



Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

5 Property, Plant and Equipment

	Gross block			Depreciation				Net block		
	As at 1 April 2021	Additions/ Adjustments	Deductio ns/ Adjustm	As at 31 March 2022	As at 1 April 2021	For the year	Deductio ns/ Adjustm ents	As at 31 March 2022	As at 31 March 2022	As at 01 April 2021
Owned assets										
Freehold Land	20,355	-	-	20,355	-	-	-	-	20,355	20,355
Building	1,08,878	903	-	1,09,781	34,695	7,044	-	41,738	68,042	74,183
Plant and Equipment	4,30,646	24,503	(655)	4,54,495	96,793	26,560	(177)	1,23,177	3,31,318	3,33,853
Electrical Installation	9,029	-	-	9,029	6,580	452	-	7,032	1,997	2,449
Furniture and Fixtures	1,584	44	-	1,628	800	210	-	1,010	618	784
Vehicles	7,011	1,100	(967)	7,145	4,217	1,099	(918)	4,397	2,748	2,795
Office Equipment	2,473	100	(61)	2,513	1,572	490	(57)	2,004	509	902
Computers	1,868	247	-	2,115	1,556	183	-	1,740	375	312
Total	5,81,845	26,898	(1,682)	6,07,061	1,46,213	36,039	(1,153)	1,81,099	4,25,962	4,35,632

	Gross block			Depreciation				Net block		
	As at 1 April 2020	Additions/ Adjustments	Deductio ns/ Adjustm	As at 31 March 2021	As at 1 April 2020	For the year	Deductio ns/ Adjustm ents	As at 31 March 2021	As at 31 March 2021	As at 01 April 2020
Owned assets										
Freehold Land	20,355	-	-	20,355	-	-	-	-	20,355	20,355
Building	1,08,878	-	-	1,08,878	26,874	7,821	-	34,695	74,183	82,004
Plant and Equipment	4,24,208	6,438	-	4,30,646	71,609	25,185	-	96,793	3,33,853	3,52,599
Electrical Installation	8,380	650	-	9,029	5,179	1,401	-	6,580	2,449	3,200



For JC BIOTECH PRIVATE LIMITED
Naveen K. Bondalapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED
C. V. Krishna
Director

Furniture and Fixtures

	1,448	137	-	1,584	524	277	-	800	784	924
Vehicles	6,430	582	-	7,011	3,263	954	-	4,217	2,795	3,166
Office Equipment	1,982	491	-	2,473	1,022	549	-	1,572	902	960
Computers	1,646	222	-	1,868	1,375	182	-	1,556	312	271
Total	5,73,326	8,520	-	5,81,845	1,09,846	36,368	-	1,46,213	4,35,632	4,63,480

5.1 Property, plant and equipment pledged as security

Refer to Note 46 for information on property, plant and equipment pledged as security by the Company

5.2 Contractual Obligations

Refer to Note 47 for disclosure of contractual commitments for the acquisition of property, plant and equipment

5.3 Revaluation of Assets

During the year and previous year, the Company has not revalued any of Property, Plant and Equipment.

5A Capital Work-In-Progress

	As at 1 April 2021	Additions/ Adjustments	Deductions/ Capitalised	As at 31 March 2022
Building	912	18,062	(1,814)	17,159
Plant and Equipment	9,756	53,733	(24,503)	38,986
Electrical Installation	-	-	-	-
Furniture and Fixtures	-	44	(44)	-
Vehicles	-	1,100	(1,100)	-
Office Equipment	-	456	(100)	356
Computers	-	247	(247)	-
Total	10,668	73,642	(27,809)	56,501



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bondalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

Ch. W. K. K. K.

Director

	As at 1 April 2020	Additions/ Adjustme nts	Deductio ns/ Capitalis ed	As at 31 March 2021
Building	-	912	-	912
Plant and Equipment	-	16,194	(6,438)	9,756
Electrical Installation	-	650	(650)	-
Furniture and Fixtures	-	137	(137)	-
Vehicles	-	582	(582)	-
Office Equipment	-	491	(491)	-
Computers	-	222	(222)	-
Total	-	19,187	(8,520)	10,668

6 Other intangible assets

	Gross block			Amortisation				Net block	
	As at 1 April 2021	Additions/ Adjustme nts	Deductio ns/ Adjustm	As at 31 March 2022	As at 1 April 2021	For the year	Deductio ns/ Adjustm ents	As at 31 March 2022	As at 31 March 2021
Computer Software	300	-	-	300	155	63	-	217	82
Patent *	-	0	-	0	-	-	-	-	0
Total	300	0	-	300	155	63	-	217	82

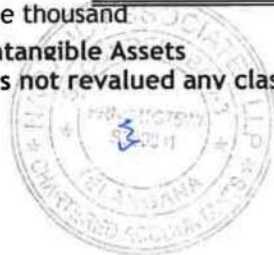
* less than Rs. One thousand

	Gross block			Amortisation				Net block	
	As at 1 April 2020	Additions/ Adjustme nts	Deductio ns/ Adjustm	As at 31 March 2021	As at 1 April 2020	For the year	Deductio ns/ Adjustm ents	As at 31 March 2021	As at 31 March 2021
Computer Software	300	-	-	300	83	71	-	155	145
Patent *	-	-	-	-	-	-	-	-	-
Total	300	-	-	300	83	71	-	155	145

* less than Rs. One thousand

6.1 Revaluation of Intangible Assets

The Company has not revalued any class of Intangible Assets.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bhandary

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.

Director

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

	<u>31 March 2022</u>	<u>31 March 2021</u>
7 Other financial assets		
Security Deposits	10,209	9,175
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date.	-	-
Margin Money Against Bank Guarantee	543	517
	<u>10,752</u>	<u>9,692</u>
	<u>10,752</u>	<u>9,692</u>
8 Other non-current assets	<u>31 March 2022</u>	<u>31 March 2021</u>
Capital advance*	6,184	3,677
Total other non-current other assets	<u>6,184</u>	<u>3,677</u>

* Value of contracts in capital account remaining to be executed as at 31 March 2022
[5,434] (31 March 2021:3,824)

9 Inventories*

(Valued at Cost or net realisable value whichever is lower)

	<u>31 March 2022</u>	<u>31 March 2021</u>
Raw material in stock	55,511	36,927
Work in progress in stock	11,515	6,340
Finished goods in stock	32,513	-
Store and spares parts including packing material and fi	21,877	19,987
	<u>1,21,416</u>	<u>63,253</u>

*Hypothecated as charge against short term-borrowings. Refer note 46.

During the year ended 31 March 2022, INR NIL (31 March 2021: INR NIL) was recognized as expense for inventories recognized at net realizable



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED



U. U. S. Sahra

Director

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

10 Trade receivable

Current

	31 March 2022	31 March 2021
Unsecured		
-Considered good	68,899	1,25,500
	<u>68,899</u>	<u>1,25,500</u>

Further classified as:

Receivable from related parties (Refer footnote I or Refer Note 35)	68,696	1,22,961
Receivable from others	203	2,539
	<u>68,899</u>	<u>1,25,500</u>

Footnote i : Due from parent/holding Company:

Current

	31 March 2022	31 March 2021
Advanced Enzyme Technologies Ltd	68,696	1,22,961
	<u>68,696</u>	<u>1,22,961</u>

The net carrying value of trade receivables is considered a reasonable approximation of fair value.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. Kabra
Director

Ageing of Trade Receivables

31 March 2022	Current							
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	68,899	-	-	-	-	-	68,899
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-	-
	-	68,899	-	-	-	-	-	68,899



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bonda,apati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. Kanna
Director

31 March 2021	Current							
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	1,25,500	-	-	-	-	-	1,25,500
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-	-
	-	1,25,500	-	-	-	-	-	1,25,500



For JC BIOTECH PRIVATE LIMITED

Naveen K. Boudelapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. Kabra
Director

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

11 Cash and cash equivalents	31 March 2022	31 March 2021
Balances with banks:		
in current accounts	58	34
Cash on hand	366	182
	<u>425</u>	<u>216</u>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Cash and cash equivalents	31 March 2022	31 March 2021
Balances with banks:		
On current accounts	58	34
Cash on hand	366	182
	<u>425</u>	<u>216</u>
Less: Bank overdrafts	-	-
	<u>425</u>	<u>216</u>

12 Other financial assets	31 March 2022	31 March 2021
Subsidy Receivable	11,521	11,521
Interest Receivable Deposit	522	429
	<u>12,043</u>	<u>11,950</u>

13 Current tax assets	31 March 2022	31 March 2021
Advance income tax (net of provisions amounting INR 305 (31 March 2021: 18,451))	1,326	1,114
	<u>1,326</u>	<u>1,114</u>

14 Other current assets

Advances to Suppliers	2,222	1,371
Salary Advances	624	248
Balance with Government authorities	717	-
Prepaid Expenses	3,728	3,783
Excess of Planned Assets over Obligation	515	
Others	15	201
	<u>7,821</u>	<u>5,602</u>



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bhandalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. S. Kataria

Director

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

15 Share capital

(A) Equity shares

Authorized

2,10,00,000 (31 March 2021: 2,10,00,000) Equity Shares of Rs.10 each

Issued, subscribed and paid up

2,07,11,200 (31 March 2021: 2,07,11,200) equity shares of Rs.10 each fully paid
Total

31 March 2022 31 March 2021

2,10,000 2,10,000

2,10,000 2,10,000

2,07,112 2,07,112

2,07,112 2,07,112

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

Outstanding at the beginning of the year

Add: Issued during the year

Outstanding at the end of the year

31 March 2022

31 March 2021

Number of
shares

Amount

Number of
shares

Amount

20,711

2,07,112

20,711

2,07,112

20,711

2,07,112

20,711

2,07,112

(ii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of [Face value] per share. Each shareholder is entitled to one vote per share held. entitle the holders to participate in dividends and dividend, if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is approval of the shareholders in the ensuing Annual General Meeting.

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



For JC BIOTECH PRIVATE LIMITED

Navleen K. Bondalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. Kabra

Director

- (iii) Shares held by holding Company
Advanced Enzyme Technologies Ltd.
1,76,05,680 (31 March 2021: 1,44,99,000)

31 March 2022 31 March 2021

17,606 14,499

- (iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company
Name of the shareholder

31 March 2022

31 March 2021

Number of shares % of holding in the class Number of shares % of holding in the class

Equity shares of INR 10 each fully paid

Advanced Enzyme Technologies Ltd.

Singavarapu Chandra Sekhar

17,606 85.01% 14,499 70.01%
2,016 9.74% 4,287 20.70%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, shareholding represents both legal and beneficial ownerships of shares.

- (v) Details of Shares held by Promoters at the end of the year

Name of Promoter	31 March 2022			31 March 2021		
	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
Advanced Enzyme Technologies Ltd.	17605680	87%	21%	14499000	72%	0
Singavarapu Chandra Sekhar	2016316	10%	-53%	4287090	21%	0
B Naveen Krishna	379956	2%	-50%	759909	4%	0
A Arvind Kumar	151998	1%	-50%	303996	2%	0
B Krishna Mohan Rao	50662	0%	-50%	101323	1%	0
L Venkata Ramaiah	0	0%	-100%	253294	1%	0
Total	20204612	100%		20204612	100%	0

- (vi) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

- (vii) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bondalapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.
Director

16 Other equity

	31 March 2022	31 March 2021
Capital Contribution (Guarantee Commission charged by AETL)	5,400	5,400
Securities premium	7,290	7,290
Surplus/(deficit) in the Statement of Profit and Loss	4,02,152	3,29,705
Others reserves	(1,481)	(811)
	<u>4,13,362</u>	<u>3,41,584</u>
(A) Capital Contribution (Guarantee Commission charged by AETL)		
Balance at the beginning of the year	5,400	5,400
Add: Guarantee Commission for the year	-	-
	<u>5,400</u>	<u>5,400</u>
(B) Securities premium (SP)*		
Opening balance	7,290	7,290
Add : Securities premium credited on share issue	-	-
Closing balance	<u>7,290</u>	<u>7,290</u>

*SP record premium on issue of shares to be utilized in accordance with the Act.

(C) Surplus/(deficit) in the Statement of Profit and Loss

	31 March 2022	31 March 2021
Opening balance	3,29,705	2,52,195
Add: Net Profit for the current year	72,447	77,510
Closing balance	<u>4,02,152</u>	<u>3,29,705</u>



For JC BIOTECH PRIVATE LIMITED
Navreen K. Bandalapati
 B. NAVEEN KRISHNA
 Executive Director

For JC BIOTECH PRIVATE LIMITED

ee. ee. ka. bra
 Director

(D) Other Comprehensive Income

-As at beginning of year
-Re-measurement gains/ (losses) on
Closing balance

31 March 2022	31 March 2021
(811)	(1,731)
(670)	920
(1,481)	(811)

^Includes cumulative impact of amounts (net of tax effect) recognized through other comprehensive income and has not been transferred to Equity or Profit and loss, as applicable.

Total other equity

4,13,362	3,41,584
----------	----------

17 Non-current borrowings

Secured

(a) Term loan

From Bank

Axis Bank Limited - DLOD

-	12,175
---	--------

From Others

Biotechnology Industry Research Assistance Council (SBIRI DBT)

-	4,448
---	-------

-	16,623
---	--------

Less: Amount disclosed under the hear "Other financial liabilities"

Less: Current maturities of long term debt

-	(16,623)
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Less: Current maturities of finance lease
obligation

Total non current maturities of long term borrowings

-	-
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For JC BIOTECH PRIVATE LIMITED

Naveen K. Bondalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. U. Kalra

Director

Terms of repayment

1. Term loan from Axis Bank DLOD was taken during the financial year 2018-19 and carries interest @ 8.90% p.a. The loan is repayable in 16 instalments from the date of sanction of loan.

2. Term loan from BIRAC(SBIRI DBT) was taken during the financial year 2016-17 and carries interest @ 1% to 2% p.a. The loan is repayable in 10 Quarterly instalments from the date of sanction of loan.

The Company has not obtained term loan from Bank/ Financial Institution during the financial year 2021-22. Hence question does not arise that the term loan has been applied for the purpose for which it is being raised.

18 Provisions

	Long term		Short term	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Provision for employee benefits (Refer note 36)				
Provision for gratuity	-	-	-	167
Provision for leave encashment	562	1,172	763	391
Provision for Unspent CSR Expenses	-	-	-	2,010
Total Provisions	562	1,172	763	2,569

19 Deferred Tax Liabilities (Net)

Deferred Tax Liability Relating To

Accumulated depreciation for tax purposes

31 March 2022	31 March 2021
52,221	51,214
52,221	51,214

Deferred Tax Assets Relating To

Minimum Alternate Tax credit entitlement

Provision for employee benefits

Relating to Ind As Adjustments

(3,256)	(14,482)
(369)	(481)
-	355
(3,624)	(14,609)

Total Deferred Tax Liabilities (Net)

48,597	36,605
---------------	---------------



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bondalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. W. Kabra

Director

20 Short -term borrowings**Secured, from bank, term loan (Refer footnote i)****- Loans repayable on demand**

Working capital facility from AXIS Bank Limited

Current Maturity of Long term Debts

SBIRI-DBT

AXIS Bank Ltd. - DLOD

Interest Accrued

SBIRI-DBT

Total short-term borrowings

(I)

31 March 2022 31 March 2021

17,641 36,838

- 4,448

- 12,175

- 18

17,641 53,479**Terms and conditions of loans**

(i) The Company has Cash Credit from Axis Bank amounting to INR 500 Lakh (31 March 2021: INR 500 Lakh) which are secured by way of Hypothecation of current assets and movable assets of the company and deed of mortgage on Immovable properties of the company.

The Company has not obtained term loan from Bank/ Financial Institution during the financial year 2021-22. Hence question does not arises that the term loan has been applied for the purpose for which it is being raised.

Net Debt Reconciliation

Analysis of net debts and movement in net debts for each of the period presented:

	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowing	
Net debt as on April 1, 2020	16,273	66,993	83,266
Cash Flows	(16,273)	(13,514)	(29,786)
Net debt as at March 31, 2021	-	53,479	53,479
Cash Flows	-	(35,839)	(35,839)
Net debt as at March 31, 2022	-	17,641	17,641

The details of financial and non financial assets pledged as security for current and non-current borrowings are disclosed in Note 46.



For JC BIOTECH PRIVATE LIMITED

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

Director

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

21 Trade payables	Current	
	31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises	1,400	2,710
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,651	8,107
Total trade payables (II)	8,050	10,817

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	31 March 2022	31 March 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	1,400	2,710
Interest	-	-
Total	1,400	2,710
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-



For JC BIOTECH PRIVATE LIMITED
Navleen K. Bondalapati
 B. NAVEEN KRISHNA
 Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.
 Director

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 has been made in the standalone financials statements based on information received and available with the Company.

Trade Payables ageing schedule

31 March 2022	Current					
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment			
			Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	1,400	-	-	-	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	-	6,651	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	-	8,050	-	-	-	-

31 March 2021	Current					
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment			
			Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	2,710	-	-	-	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	-	8,107	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	-	10,817	-	-	-	-



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. W. K. K. K.

Director

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

22 Other financial liabilities

	31 March 2022	31 March 2021
Trade Payables for Capital Goods	3,497	2,009
Other Payables for Expenses	5,935	6,406
Total other financial liabilities	9,433	8,415

23 Other current liabilities

	31 March 2022	31 March 2021
Statutory due payable	5,893	5,698
Advance from customer	-	-
Total other current liabilities	5,893	5,698



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED



W. W. K. K. K.

Director

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

24 Revenue from operations	31 March 2022	31 March 2021
Revenue from operations		
-Sale of goods	5,03,474	5,03,702
	5,03,474	5,03,702
Other operating revenue	106	136
Total revenue from operations	5,03,579	5,03,838
25 Other income	31 March 2022	31 March 2021
Other non operating income		
Interest income on security deposits	436	417
Gain on sale/disposal of property, plant and equipment	-	-
Net Gain due to Foreign Currency Transaction & Translation	88	20
Interest income on Income Tax Refund	-	48
Miscellaneous income	19	29
Total other income	543	514
26 Cost of material consumed	31 March 2022	31 March 2021
Inventory at the beginning of the year	37,049	26,890
Add: Purchases	1,73,303	1,44,986
Less: Inventory at the end of the year	55,737	37,049
Cost of raw material and packing material consumed	1,54,615	1,34,828
27 Changes in inventories of finished goods and work-in-	31 March 2022	31 March 2021
Inventories at the beginning of the year		
-Finished goods	-	1,182
-Work-in-progress	6,340	-
	6,340	1,182
Less: Inventories at the end of the year		
-Finished goods	32,513	-
-Work-in-progress	11,515	6,340
	44,028	6,340
Net decrease/ (increase)	(37,688)	(5,159)



For JC BIOTECH PRIVATE LIMITED
Naveen K. Bandelapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. S. I. Ganga
Director

28 Employee benefits expense

Salaries, wages, bonus and other allowances
Contribution to Provident Fund and ESI
Gratuity and compensated absences expenses (Refer Note 34)
Staff welfare expenses
Total employee benefits expense

31 March 2022	31 March 2021
---------------	---------------

53,430	53,619
4,012	3,993
1,666	2,330
5,657	4,358
64,765	64,301

29 Finance costs

Interest on borrowing
on Term Loans
on Working Capital facilities
on Dropline OD facility
Interest on delay in payment of taxes
Loan Processing Fees
Bank Charges
Total finance costs

31 March 2022	31 March 2021
---------------	---------------

16	60
2,550	3,586
408	2,057
11	5
147	317
26	73
3,158	6,099

30 Depreciation and amortization expense

Depreciation (Refer Note 5)
Amortization (Refer Note 6)
Total depreciation and amortization expense

31 March 2022	31 March 2021
---------------	---------------

36,039	36,368
63	71
36,101	36,439

31 Other expenses

Manufacturing Expenses
Consumption of Stores and Spare Parts
Consumption of Consumables
Power and Fuel
Carriage Inward and Freight
Repairs and Maintenance
- Buildings
- Plant and Equipment
- Others
Analysis & Testing Charges
Insurance
Other Manufacturing Expenses

31 March 2022	31 March 2021
---------------	---------------

19,677	12,714
46,751	41,613
59,970	55,956
1,381	1,349
2,261	2,863
5,346	5,588
7,515	7,076
6,766	6,304
4,371	3,469
2,874	2,577
1,56,912	1,39,507

Selling and Distribution Expenses

Freight Outward and Forwarding

733	942
733	942



For JC BIOTECH PRIVATE LIMITED

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

Director

Administrative and General Expenses

Rent	901	759
Rates and Taxes	1,939	1,651
Vehicle Maintenance	3,419	2,441
Printing and Stationery	321	387
Communication Expenses	389	309
Directors' Sitting Fees	320	290
Legal and Professional Charges	1,911	2,344
Payments to Statutory Auditor	369	300
Payments to Internal Auditor	150	125
Payments to Tax Auditor	65	65
Research and Development Expenses	6,469	6,288
Commuting Expenses	265	165
Corporate Social Responsibility expenditure (refer note 44)	2,628	2,060
Loss/(Gain) From Sale Or Retirement Property, Plant and Equipment	199	-
Other Expenses	3,242	3,428
	22,586	20,612
Total other expenses	1,80,232	1,61,061

*Note : The following is the break-up of Auditors remuneration (exclusive of GST)

	31 March 2022	31 March 2021
As auditor:		
Statutory audit	260	225
Limited Review	75	75
In other capacity:		
Other matters	31	-
Reimbursement of expenses	3	-
Total	369	300

32 Income Tax and Deferred Tax

(A) Deferred tax relates to the following:

	31 March 2022	31 March 2021
Deferred tax assets		
On provision for employee benefits	369	481
Minimum Alternate Tax credit entitlement	3,256	14,482
On others	-	-
	3,624	14,964
Deferred tax liabilities		
On Property, Plant and Equipment	52,221	51,214
On re-measurements gain/(losses) of post-employment benefit obligations	-	-
On others	-	355
	52,221	51,568
Net Deferred tax liability	(48,597)	(36,605)



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandojopadhyay

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. Kabra
Director

(B) Recognition of deferred tax asset to the extent of deferred tax liability

Balance sheet	31 March 2022	31 March 2021
Deferred tax asset	3,624	14,964
Deferred tax liabilities	(52,221)	(51,568)
Deferred tax assets/ (liabilities), net	(48,597)	(36,605)

(C) Reconciliation of deferred tax assets/ (liabilities) (net):

	31 March 2022	31 March 2021
Opening balance as of 1 April	(36,605)	(25,641)
Tax liability recognized in Statement of Profit and Loss	(1,024)	(2,324)
Tax liability recognized in OCI	-	(355)
On re-measurements gain/(losses) of post-employment benefit obligations	258	-
MAT Credit Entitlement	(11,227)	(8,285)
Closing balance as at 31 March	(48,597)	(36,605)

(D) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss

	31 March 2022	31 March 2021
Tax liability	(1,024)	(2,324)
Tax asset	-	-
	(1,024)	(2,324)

(E) Income tax expense

	31 March 2022	31 March 2021
- Current tax taxes	29,564	27,220
- Adjustments in respect of current income tax of previous year	(95)	(270)
- Deferred tax charge / (income)	1,024	2,324
Income tax expense reported in the statement of profit or loss	30,493	29,273

(F) Income tax expense charged to OCI

	31 March 2022	31 March 2021
Unrealised (gain)/loss on FVTOCI debt securities		
Unrealised (gain)/loss on FVTOCI equity securities		
Net loss/(gain) on remeasurements of defined benefit plans	(258)	355
Income tax charged to OCI	(258)	355

(H) Reconciliation of tax charge

	31 March 2022	31 March 2021
Profit before tax	1,02,940	1,06,784
Income tax expense at tax rates applicable	29,976	29,707
Tax effects of:		
- Item not deductible for tax	530	(163)
- Others	-	(270)
Income tax expense	30,506	29,273



For JC BIOTECH PRIVATE LIMITED

Naveen K. Boudhupati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. K. Kahra

Director

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022

(Amount in INR thousands, unless otherwise stated)

33 Earnings/ Loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

	31 March 2022	31 March 2021
Profit attributable to equity holders	72,447	77,510
Weighted average number of equity shares for basic EPS*	20,711	20,711
Weighted average number of equity shares adjusted for the effect of dil	20,711	20,711
Basic loss per share (INR)	3.50	3.74
Diluted loss per share (INR)	3.50	3.74

34 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss -
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 28)

	31 March 2022	31 March 2021
	4,012	3,993



For JC BIOTECH PRIVATE LIMITED
Naveen K. Bondalapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. Kohra
Director

- (B) Defined benefit plans
- a) Gratuity payable to employees
- b) Compensated absences for Employees

- 167

1,325 1,563

Employee's Compensated absences fund Employee's gratuity fund

- i) Actuarial assumptions
- Discount rate (per annum)
- Rate of increase in Salary
- Normal Retirement Age
- Attrition rate

31 March 2022	31 March 2021	31 March 2022	31 March 2021
7.36%	6.90%	7.36%	6.90%
6.00%	6.00%	6.00%	6.00%
60	60	60	60
4.00%	4.00%	4.00%	4.00%

- ii) Changes in the present value of defined benefit obligation & plan assets

Employee's Compensated absences fund Employee's gratuity fund

Present value of obligation at the beginning of the year

Interest cost

Past service cost

Current service cost

Curtailements

Settlements

Benefits paid

Actuarial (gain)/ loss on obligations

Present value of obligation at the end of the year*

*Included in provision for employee benefits (Refer note 14 & 18)

31 March 2022	31 March 2021	31 March 2022	31 March 2021
4,515	4,225	8,606	8,085
244	281	519	535
-	-	-	-
685	701	966	1,074
-	-	-	-
-	-	-	-
(1,969)	(217)	(2,176)	(533)
397	(476)	(200)	(555)
3,873	4,515	7,714	8,606



For JC BIOTECH PRIVATE LIMITED

Naveen K. Boudolopati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. I. Sahas

Director

Reconciliation of fair value of plan assets

Plan assets at the beginning of the year

Expected return on plan assets

Actuarial gain/(loss)

Employer contributions

Additional charge *

Benefits paid

Plan assets at the end of the year

Employee's Compensated absences fund**Employee's gratuity fund**

31 March 2022	31 March 2021	31 March 2022	31 March 2021
2,952	2,522	8,438	7,177
191	-	573	261
(226)	96	(505)	146
1,600	535	1,900	1,388
	16	-	(103)
(1,969)	(217)	(2,176)	(430)
2,548	2,952	8,229	8,438

iii) Expense recognized in the Statement of Profit and

Current service cost

Past service cost

Interest cost

Expected return on plan assets

Actuarial (gain) / loss on obligations

Settlements

Curtailments

Total expenses recognized in the Statement Profit and Loss*

Employee's Compensated absences fund		Employee's gratuity fund	
31 March 2022	31 March 2021	31 March 2022	31 March 2021
685	701	966	1,074
-	-	-	-
244	281	519	535
(191)	-	(573)	(261)
623	(572)	305	(701)
-	-	-	-
-	-	-	-
1,361	411	1,217	647

*Included in Employee benefits expense (Refer Note 28). Actuarial (gain)/loss of INR 928 (31 March 2021: INR (1,275)) is included in other comprehensive income.

iv) Assets and liabilities recognized in the Balance Sheet:

Present value of unfunded obligation as at the end of the year

Unrecognized actuarial (gains)/losses

Unfunded net asset / (liability) recognized in Balance Sheet*

*Included in provision for employee benefits (Refer note 14 & 18)

Employee's Compensated absences fund		Employee's gratuity fund	
31 March 2022	31 March 2021	31 March 2022	31 March 2021
1,325	1,563	(515)	167
-	-	-	-
1,325	1,563	(515)	167



For JC BIOTECH PRIVATE LIMITED
Naveen K. Boudalapati
 B. NAVEEN KRISHNA
 Executive Director

For JC BIOTECH PRIVATE LIMITED

W. S. K. K. K.
 Director

v) Expected contribution to the fund in the next year

Gratuity
Compensated Absences

31 March 2022	31 March 2021	31 March 2022	31 March 2021
-	-	-	-
1,325	-	-	-

vi) Maturity profile of defined benefit obligation
Year

Apr 2021- Mar 2022
Apr 2022- Mar 2023
Apr 2023- Mar 2024
Apr 2024- Mar 2025
Apr 2025- Mar 2026
Apr 2026- Mar 2027
Apr 2026 onwards

Employee's Compensated absences fund		Employee's gratuity fund	
31 March 2022	31 March 2021	31 March 2022	31 March 2021
763	-	495	-
576	-	379	-
517	-	392	-
463	-	405	-
416	-	415	-
374	-	424	-
334	-	434	-

35 Related Party Disclosures: 31 March 2022

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company

Advanced Enzyme Technologies Limited

Key Management Personnel (KMP)

Mr. S. Chandra Shekhar
Mr. B. Naveen Krishna
Mr. TSSN Sivarama Prasad
Mr. Parag Bodha
Mr. Mukund Madhusudan Kabra
Mr. Kedar Jagdish Desai
Mr. Satish Pagar
Mr. Beni Prasad Rauka
Mr. Pramod Kasat
Mr. Pranit Chandrakant Dalvi

Managing Director (till 18.08.2021)
Director
Chief Financial Officer
Company Secretary (till 25.09.2021)
Director
Director
Director
Director
Director
Company Secretary (From 22.03.2022)



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bondalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. S. K. K. K. K.
Director

(B) Details of transactions with related party in the ordinary course of business for the year ended:

(i) Holding Company	31 March 2022	31 March 2021
Sale	5,93,896	5,01,552
Purchase	2,557	1,100
Corporate Guarantee Commission	-	600
(ii) Key Management Personnel (KMP) Compensation of key management personnel		
Salaries including bonuses		
S. Chandra Shekhar	1,088	2,592
B. Naveen Krishna	2,851	2,592
TSSN Sivarama Prasad	990	900
Vasudevan Iyer	9	650
Parag Bodha	239	-
Pranit Chandrakant Dalvi	13	-
	5,190	6,734
Directors sitting fees		
Mr. Kedar Jagdish Desai	170	150
Mr. Pramod Kasat	150	140
	320	290
Directors Commission		
B. Naveen Krishna	724	775
	724	775

(C) Amount due to/from related party as on:

(i) Holding Company	31 March 2022	31 March 2021
Trade Receivables	68,696	1,22,961
(ii) Key Management Personnel (KMP) Employee related payables	724	-



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bondalopati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

B. Naveen Krishna

Director

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(E) Terms and conditions of transactions with key management personnel

During the year 2021-22 and 2020-21, the Company made supply of goods manufactures at market prices to holding company Advances Enzyme Technologies Limited.

36 Segment reporting

The Company's operations predominantly relate to manufacturing and sales of enzyme(SRP). The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

An analysis of the Company's revenue from manufacturing and sales of enzyme(SRP) is as follows:

	31 March 2022		31 March 2021	
	Amount (INR)	%	Amount (INR)	%
Manufacturing and sales of enzyme(SRP)	5,03,474	100.00%	5,03,702	100.00%
	5,03,474	100.00%	5,03,702	100.00%

(A) Manufacturing and sales of enzyme(SRP)	31 March 2022		31 March 2021	
	Amount (INR)	%	Amount (INR)	%
India	5,03,474	100.00%	5,03,702	100.00%
Outside India	-	0.00%	-	0.00%
	5,03,474	100.00%	5,03,702	100.00%

(B) Non-current asset	31 March 2022		31 March 2021	
	Amount (INR)	%	Amount (INR)	%
India	4,99,481	100.00%	4,59,815	100.00%
Outside India	-	0.00%	-	0.00%
	4,99,481	100.00%	4,59,815	100.00%



For JC BIOTECH PRIVATE LIMITED
Naveen K. Bondalapati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. U. Lakshmi
Director

37 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

Non-current borrowing comprises term loan from the banks. The impact of fair value on such portion is not material and therefore not considered for above disclosure.

38 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

No financial assets/liabilities have been valued using level 1 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Fair value measurement hierarchy of assets

	31 March 2022	31 March 2021
(a) <u>Financial Assets measured at fair value</u>		
Level 1 (Quoted price in active markets)		
Level 2		
Level 3		
(b) <u>Financial assets measured at FVTOCI</u>		
Level 1 (Quoted price in active markets)		
Level 3		
(c') <u>Assets for which fair values are disclosed:</u>		

Fair value measurement hierarchy for liabilities:

- | | |
|--|--|
| (a) <u>Financial liabilities measured at fair value:</u> | |
| Level 2 | |
| <u>Financial liabilities measured at fair value through profit or loss</u> | |
| (b) <u>Liabilities for which fair values are disclosed</u> | |
| Level 2 | |



For JC BIOTECH PRIVATE LIMITED
Naveen K. Bondaopati
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.
Director

Financial assets measured at amortized cost

Trade receivables	68,899	1,25,500
Security Deposits - Non Current	10,752	9,692
Cash and cash equivalents	425	216
Other current financial assets	12,043	11,950

Financial liabilities measured at amortized cost

Borrowings (non-current)	-	-
Borrowings (current)	17,641	36,856
Current maturity of long term loans (note 20)	-	16,623
Trade payables (note 21)	8,050	10,817
Other Payables (Note 22)	9,433	8,415

The carrying amount of cash and cash equivalents, trade receivables, fixed deposits, trade payables, other payables and short-term borrowings are considered to be the same as their fair values. The fair values of borrowings and security deposits were calculated based on amortised cost.

39 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandopadhyay

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. U. Kabra
Director

Exposure to Interest Rate Risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Fixed-Rate Instruments

Financial Liabilities - measured at amortised cost

	31 March 2022	31 March 2021
Term Loan from Bank	-	12,175
Working capital demand loan	17,641	36,838
Term loan from SBIRI	-	4,448
Total	17,641	53,462

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit before tax
2022		
INR	+45	79
INR	-45	(79)
2021		
INR	+45	241
INR	-45	(241)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bandelapoti

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. I. Kanna

Director

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022, 31 March 2021 is the carrying amounts as mentioned in Note 9 to 14.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. (For example: The key liquidity risk the Company can face is the risk of subscription fee refund. As per the Company policy, no refunds are allowed once a subscription has been taken and it is only in exceptional cases that fee is refunded with proper approvals from senior Management. The Management believes that the probability of a liquidity risk arising due to fee refund is not there.)

The table below summarizes the maturity profile of the Company's financial liabilities:

	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31 March 2022					
Short term borrowings	17,641	-	-	-	17,641
Long-term borrowings	-	-	-	-	-
Trade payables	8,050	-	-	-	8,050
Other financial liability	9,433	-	-	-	9,433
	35,124	-	-	-	35,124
31 March 2021					
Short term borrowings	-	53,479	-	-	53,479
Long-term borrowings	-	-	-	-	-
Trade payables	10,817	-	-	-	10,817
Other financial liability	8,415	-	-	-	8,415
	19,232	53,479	-	-	72,711



For JC BIOTECH PRIVATE LIMITED
Naaveen K. Bandalapati
 B. NAVEEN KRISHNA
 Executive Director

For JC BIOTECH PRIVATE LIMITED

U. U. K. K. K.
 Director

J C BIOTECH PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2022

(Amount in INR thousands, unless otherwise stated)

40 Title deeds of Immovable Properties not held in name of the Company

The title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

41 Capital-Work-in Progress (CWIP)

(a) For Capital-work-in progress ageing schedule

31 March 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3years	More than 3 years	
Projects in progress	56,501	-	-	-	56,501
Projects temporarily suspended	-	-	-	-	-

31 March 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3years	More than 3 years	
Projects in progress	10,668	-	-	-	10,668
Projects temporarily suspended	-	-	-	-	-

42 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

31 March 2022

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly	Amount of difference	Reason for material discrepancies
		Inventory	78,023	73,235	4,788	The variation is on account of valuation of work in progress stock wherein the overhead allocation was not considered while sending the stock statement to bank.



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bondalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. Kabra

Director

Jun-21	Axis Bank	Receivables	1,10,549	1,10,335	214	Amount receivable from trade receivables other than AETL was not considered
		Payables	6,476	6,433	43	Certain invoices were received at a later date and thus were not considered while sending the stock statement
Sep-21	Axis Bank	Inventory	76,454	70,156	6,298	The variation is on account of valuation of work in progress stock wherein the overhead allocation was not considered while sending the stock statement to bank.
		Receivables	1,27,781	1,27,781	0	
		Payables	6,949	7,711	(762)	Certain invoices were received at a later date and thus were not considered while sending the stock statement
Dec-21	Axis Bank	Inventory	1,18,256	1,18,058	198	The variation is on account of valuation of work in progress stock wherein the overhead allocation was not considered while sending the stock statement to bank.
		Receivables	71,578	71,378	200	Amount receivable from trade receivables other than AETL was not considered



For JC BIOTECH PRIVATE LIMITED

Navneen K. Bhandalgoti

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. W. K. K. K.

Director

		Payables	1,413	1,933	(520)	Certain invoices were received at a later date and thus were not considered while sending the stock statement
Mar-22	Axis Bank	Inventory	1,21,416	1,16,447	4,969	The variation is on account of valuation of work in progress stock wherein the overhead allocation was not considered while sending the stock statement to bank.
		Receivables	68,899	68,899	0	
		Payables	5,018	5,144	(126)	Certain invoices were received at a later date and thus were not considered while sending the stock statement

31 March 2021

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
Jun-20	Yes Bank	Inventory	45,831	45,802	28	
		Receivables	43,136	43,136	-	
		Payables	7,473	7,225	248	
						Certain invoices were received at a later date and thus were not considered while sending the stock statement



For JC BIOTECH PRIVATE LIMITED

B. Naveen Krishna
B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED



U. V. K. Sharma
Director

Sep-20	Axis Bank	Inventory	40,679	38,499	2,180	The variation is on account of valuation of work in progress stock wherein the overhead allocation was not considered while sending the stock statement to bank.
		Receivables	83,021	83,021	0	
		Payables	5,514	5,499	15	Certain invoices were received at a later date and thus were not considered while sending the stock statement
Dec-20	Axis Bank	Inventory	56,532	52,797	3,735	The variation is on account of valuation of work in progress stock wherein the overhead allocation was not considered while sending the stock statement to bank.
		Receivables	1,00,636	1,00,636	(0)	
		Payables	11,906	10,863	1,043	Certain invoices were received at a later date and thus were not considered while sending the stock statement



For JC BIOTECH PRIVATE LIMITED

Navneen K. Bhandari

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.

Director

Mar-21	Axis Bank	Inventory	63,253	60,627	2,626	The variation is on account of valuation of work in progress stock wherein the overhead allocation was not considered while sending the stock statement to bank.
		Receivables	1,25,500	1,25,489	11	Amount receivable from trade receivables other than AETL was not considered
		Payables	7,616	7,697	(81)	Certain invoices were received at a later date and thus were not considered while sending the stock statement

Note

As per the bank guidelines trade payables for other than RM, PM and Stores and Spares was only considered while calculating drawing power of the Company



For JC BIOTECH PRIVATE LIMITED
Naveen K. Bandalapati
 B. NAVEEN KRISHNA
 Executive Director

For JC BIOTECH PRIVATE LIMITED



W. W. K. K. K.
 Director

Notes forming part of the Financial Statements for the year ended 31st March, 2022
(Amount in INR thousands, unless otherwise stated)

43 Ratios

S No.	Ratio	Formula	Particulars		March 31, 2022		March 31, 2021		Ratio as on March 31, 2022	Ratio as on March 31, 2021	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator				
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	211931	41780	207636	80978	5.07	2.56	97.83%	The current ratio has increased because the company has repaid current maturities of long term borrowings of the previous year and the utilisation of working capital limit is lower.
(b)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	0	620474	16623	548696	-	0.03	-100.00%	The variance in Debt-Equity ratio is because the company has repaid all long-term debt.
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	111706	38812	120048	35490	2.88	3.38	-14.91%	
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	72447	620474	77510	548696	11.68	14.13	-17.34%	
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	116927	92335	129669	51138	1.27	2.54	-50.06%	The variance is due to higher stock of finished Goods in current year when compared to previous year.



For JC BIOTECH PRIVATE LIMITED

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

Director

(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	503579	97200	503838	89603	5.18	5.62	-7.86%	
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	173303	9434	144986	10101	18.37	14.35	27.99%	The trade payables turnover ratio has been increased due to increase in Purchases in the month of March 2022, when compared to March 2021.
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets - Current liabilities	504123	85076	504352	63329	5.93	7.96	-25.60%	Net Capital turnover ratio has been decreased because the Company has repaid all the current maturities of long-term borrowings of previous year and has lower utilisation of working capital limit.
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	72447	504123	77510	504352	0.14	0.15	-6.49%	
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	106098	669632	112882	586473	0.16	0.19	-17.68%	
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	72447	620474	77510	548696	0.12	0.14	-17.34%	



For JC BIOTECH PRIVATE LIMITED

Naveen K. Bhandalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. K. K. K.
Director

JC BIOTECH PRIVATE LIMITED**Notes forming part of the Financial Statements for the year ended 31st March, 2022**

(Amount in INR thousands, unless otherwise stated)

44 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

A.	Particulars	31 March 2022	31 March 2021
	Gross Amount required to be spent as per Section 135 of the Act	2,226	2,060
	Add: Amount Unspent from previous years	2,010	-
	Total Gross amount required to be spent during the year	4,236	2,060

B	Particulars	31 March 2022	31 March 2021
	Amount approved by the Board to be spent during the year	2,628	2,060

C	Amount spent during the year on		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	4,638	50

D Details related to amount spent/ unspent

Particulars	31 March 2022	31 March 2021
Contribution to Charitable Trust	-	-
Spent on CSR activities	4,638	-
Contribution to CSR Programme	-	50



For JC BIOTECH PRIVATE LIMITED

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

Director

Accrual towards unspent obligations in relation to:		
Ongoing projects	-	2,010
Other than Ongoing projects	-	-
TOTAL	4,638	2,060

E Details of ongoing CSR projects

Nature of Project	Balance as at April 01, 2021		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2022	
	With the Company	In Separate CSR Unspent Account		From the Company's Account	From separate CSR Unspent Account	With the Company	In Separate CSR Unspent Account
Project 1 Construction of School	-	2,010	-	-	2,010	-	-
Project 2 Distribution of Oxyzone Cylinder	-	-	2,226	2,628	-	-	-

Nature of Project	Balance as at April 01, 2020		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2021	
	With the Company	In Separate CSR Unspent Account		From the Company's Account	From separate CSR Unspent Account	With the Company	In Separate CSR Unspent Account
Project 1	-	-	2,060	50	-	-	2,010



For JC BIOTECH PRIVATE LIMITED
Naaveen K. Boudalapati
 B. NAVEEN KRISHNA
 Executive Director

For JC BIOTECH PRIVATE LIMITED

W. W. Kabra

Director

F Details of excess CSR expenditure

Nature of Activity	Balance excess as at 1 April 2021	Amount required to be spent during the year	Amount spent during the year	Balance excess as at 31 March 2022
Distribution of Oxyzone Cylinder & on going project	-	4,236	4,638	(402)

G Disclosures on Shortfall

Particulars	March 31, 2022	March 31, 2021
Amount Required to be spent by the Company during the year	-	-
Actual Amount Spent by the Company during the year	-	-
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure		



For JC BIOTECH PRIVATE LIMITED

Naveen K. Boudalapati

B. NAVEEN KRISHNA
Executive Director

For JC BIOTECH PRIVATE LIMITED

U. U. Kataria

Director

J C BIOTECH PRIVATE LIMITED**Notes forming part of the Financial Statements for the year ended 31st March, 2022**

(Amount in INR thousands, unless otherwise stated)

45 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of Convertible Preference Shares and current borrowing from ultimate holding company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2022	31 March 2021
Equity		6,20,474	5,48,696
Total equity	(i)	6,20,474	5,48,696
Borrowings other than convertible preference shares		17,641	53,479
Less: cash and cash equivalents		(425)	(216)
Total debt	(ii)	17,216	53,263
Overall financing	(iii) = (i) + (ii)	6,37,690	6,01,960
Gearing ratio	(ii)/ (iii)	0.03	0.09

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

See accompanying notes to the financial statements

1-50

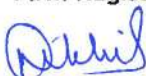
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.: 119375W/S200011



Nikhil Surana

Partner

Membership No: 232997

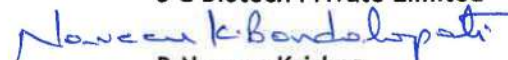


Place: Hyderabad

Date: 07-05-2022

For and on behalf of the Board of Directors of

J C Biotech Private Limited



B. Naveen Krishna

Executive Director

DIN: 07137132



TSSN Sivarama Prasad

Chief Finance Officer



Mukund Madhusudan Kabra

Director

DIN:00148294



Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

46 Assets Pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Notes	31 March 2022	31 March 2021
Current assets			
Inventories		1,21,416	63,253
Trade receivables		68,899	1,25,500
Cash and cash equivalents		425	216
Other Current Assets		19,864	17,553
Total Current assets pledged as security		2,10,604	2,06,522
Non-Current assets			
Property, Plant and Equipment Except Vehicles		4,23,215	4,32,838
Total Non-Current assets pledged as security		4,23,215	4,32,838
Total Assets pledged as security		6,33,819	6,39,360

Note

Sanctioned limit with Axis Bank has been secured by hypothecation of first charge on entire current assets of the company both current and future. The loan is also supported by first charge by way of an equitable mortgage of industrial land (by deposit of title deeds) and subservient charge on entire unencumbered movable fixed assets of the company both present and future(excluding vehicles/assets under HP/lease) of the borrower.

The charge in relation to Long term borrowings of the Company has been satisfied and the required forms have been filed with the Registrar of Companies.

See accompanying notes to the financial statements

1-50

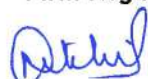
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Chartered Accountants

Firm Registration No.: 119375W/S200011



Nikhil Surana

Partner

Membership No: 232997

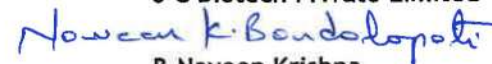
Place: Hyderabad

Date: 07-05-2022



For and on behalf of the Board of Directors of

J C Biotech Private Limited



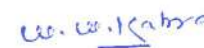
B. Naveen Krishna

Executive Director

DIN: 07137132


TSSN Sivarama Prasad

Chief Finance Officer



Mukund Madhusudan Kabra

Director

DIN:00148294



Pranit Chandrakant Dalvi

Company Secretary

Membership No: A62392

47 Commitments

Particulars

31 March 2022 31 March 2021

- Estimated Amount of contracts remaining to be executed on capital account [Net of Advances of INR 5,435 (previous year INR 3,824)]

5,435	3,824
5,435	3,824

48 Contingent liabilities and contingent assets

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent assets are neither recorded nor disclosed in the financial statements.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made

31 March 2022 31 March 2021

Pertains to income tax demand/ matters on account of deductions/ disallowances for earlier years, pending for appeals consequent to order passed against the Company/ demands raised by the Department under Income Tax Act, 1961.

Bank Guarantee given to AP Pollution Control Board

1,517	1,759
500	500
2,017	2,259

49 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

50 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

As per our report of even date

For NAC And Associates LLP

Chartered Accountants

Firm Registration No.:105047W


Nikhil Surana

Partner

Membership No: 232997

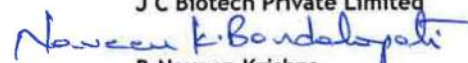
Place: Hyderabad

Date: 07-05-2022



For and on behalf of the Board of Directors of

J C Biotech Private Limited



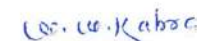
B. Naveen Krishna

Executive Director

DIN: 07137132

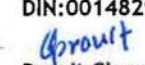

TSSN Sivarama Prasad

Chief Finance officer



Mukund Madhusudan Kabra
Director

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