B S R & Co. LLP
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Jubilant Clinsys Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jubilant Clinsys Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Financial statements

The Company's Management and Board of Directors are 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 state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

   i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements - Refer Note 21 to the financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the current year and accordingly the requirement as stipulated under section 197(16) of the Act are not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

Manish Gupta
Partner
Membership No. 095037
ICAI UDIN No.: 21095037AAAABV4063

Place: Delhi
Date: 3 June 2021

Annexure A to the Independent Auditor's Report of even date on financial statements of Jubilant Clinsys Limited.

We report that:

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) According to the information and explanations given to us, the Company has a regular programme for verification of its fixed assets by which all the fixed assets are verified annually. In our opinion, the periodicity of physical verification is reasonable having regard to size of the Company and nature of its assets. As informed to us, no material discrepancies were observed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company did not own any immovable property. Accordingly, paragraph 3(i) (c) of the Order is not applicable to the Company.

(ii) The Company did not have inventories. Accordingly, paragraph 3(ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. As informed to us, there are no firms covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any investments, or provided any guarantees or security to the parties covered under section 185 and 186 of the Act. Accordingly, paragraph 3 (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by Reserve Bank of India and the provisions of section 73 to 76 of the Act or any other relevant provision of the companies Act 2013, and the rules framed there under. Accordingly, paragraph 3(v) of the order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148 (1). Accordingly, para 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including income-tax, cess and goods and services tax (GST) and any other material statutory dues have generally been regularly deposited with the appropriate authorities. As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance, GST, value added tax, service tax, duty of excise and duty of customs.

According to the information and explanations given to us, no amounts payable in respect of undisputed statutory dues including income-tax, GST and any other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of sales-tax or income tax or service tax or value added tax or duty of custom duty and cess that have not been deposited with appropriate authorities on account of any dispute, except as mentioned below:

Name of the Statute	Nature of dues	Amount involved (Rs.in thousands)*	Amount deposit (Rs. In thousands)	Period to which amount relates to	Forum where dispute is pending
Finance Act, 1994	Service Tax	52,313	2,328	2008-2013	Commissioner, Noida
Customs Act, 1962	Customs Duty	458	17	2007-2015	Deputy Commissioner, New Delhi

*includes interest and penalty wherever qualified

(viii) According to the information and explanations given to us, the Company did not have any loans or borrowings from bankers, financial institutions, government or dues to debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and any term Loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) Based on our examination of the books of account and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/ provided for managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) Based on our examination of the books of account and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards. Further, according to the information and explanations given to us and based on our examination of the records of the Company, provision of Section 177 of the Act are not applicable to the Company.

(xiv) Based on our examination of the books of account and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or

B S R & Co. LLP

fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(vi) of the Order is not applicable.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Manish Gupta
Partner
Membership No.: 095037
ICAI UDIN No.: 21095037AAAABV4063

Place: Delhi
Date: 3 June 2021

Annexure B to the Independent Auditors' report on the financial statements of Jubilant Clinsys Limited for the period ended 31 March 2021.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

We have audited the internal financial controls with reference to financial statements of Jubilant Clinsys Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No.101248W/W-100022

Manish Gupta
Partner
Membership No. 095037
ICAI UDIN No.: 21095037AAAABV4063

Place: Delhi
Date: 3 June 2021

(₹ in thousands)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,477	1,527
Right of use assets		4,870	6,887
Financial assets			
i. Loans	5(c)	6,749	6,749
ii. Other financial assets	5(d)	4,665	3,078
Income-tax assets (net)		469	274
Total non-current assets		**18,230**	**18,515**
Current assets			
Financial assets			
i. Cash and cash equivalents	5(a)	1,919	1,314
ii. Other bank balances	5(b)	20,441	23,241
iii. Other financial assets	5(d)	4,912	5,273
Other current assets	6	292	292
Total current assets		**27,564**	**30,120**
Total assets		**45,794**	**48,635**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	7	19,998	19,998
Other equity	8	20,059	21,118
Total Equity		**40,057**	**41,116**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Lease liabilities		3,464	5,562
Total non-current liabilities		**3,464**	**5,562**
Current liabilities			
Financial liabilities			
i. Lease liabilities		2,098	1,790
ii. Trade payables	9		
Total Outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		153	141
iii. Other current liabilities	10	22	26
Total current liabilities		**2,273**	**1,957**
Total liabilities		**5,737**	**7,519**
Total equity and liabilities		**45,794**	**48,635**

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

For and on behalf of the Board of directors of
Jubilant Clinsys Limited

Manish Gupta
Partner
Membership No: 095037
Place : Delhi
Date : 3 June 2021

Arun Kumar Sharma
Director
DIN: 06991435
Place : Noida
Date : 3 June 2021

Nikhil Bihari Pandey
Director
DIN: 06708412
Place : Noida
Date : 3 June 2021

(₹ in thousands)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Other income	11	1,760	2,449
Total income		**1,760**	**2,449**
Expenses			
Finance cost		585	735
Depreciation and amortisation expense	12	2,066	2,086
Other expenses	13	168	231
Total expenses		**2,819**	**3,052**
Loss before tax		**(1,059)**	**(603)**
Tax expense			
- Current tax	14	-	(1,494)
Total tax expense		-	(1,494)
(Loss)/Profit for the year		**(1,059)**	**892**
Total comprehensive income for the year		**(1,059)**	**892**
Earnings per equity share of ₹ 10 each	19		
Basic (₹)		(0.53)	0.45
Diluted (₹)		(0.53)	0.45

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

For and on behalf of the Board of directors of
Jubilant Clinsys Limited

Manish Gupta
Partner
Membership No: 095037
Place : Delhi
Date : 3 June 2021

Arun Kumar Sharma
Director
DIN: 06991435
Place : Noida
Date : 3 June 2021

Nikhil Bihari Pandey
Director
DIN: 06708412
Place : Noida
Date : 3 June 2021

A. Equity share capital

	(₹ in thousands)
Balance as at 1 April 2019	19,998
Changes in equity share capital during the year	-
Balance as at 31 March 2020	**19,998**
Changes in equity share capital during the year	-
Balance as at 31 March 2021	**19,998**

B. Other Equity

(₹ in thousands)

	Preference share capital	Reserves and Surplus		Total
		Capital reserve	Retained earnings	
Balance as at 1 April 2019	**-**	**165**	**20,061**	**20,226**
Profit for the year	-	-	892	892
Total comprehensive income for the year	-	-	892	892
Balance as at 31 March 2020	**-**	**165**	**20953**	**21,118**
Loss for the year	-	-	(1,059)	(1,059)
Total comprehensive income for the year	**-**		(1,059)	(1,059)
Balance as at 31 March 2021	**-**	**165**	**19,894**	**20,059**

Refer note 8 for nature and purpose of equity.

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

For and on behalf of the Board of directors of
Jubilant Clinsys Limited

Manish Gupta
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Nikhil Bihari Pandey
Director
DIN: 06708412
Place : Noida
Date : 3 June 2021

		(₹ in thousands)
	For the year ended 31 March 2021	**For the year ended 31 March 2020**
A. Cash flow from operating activities		
Net loss before tax	**(1,059)**	**(603)**
Adjustments :		
Depreciation and amortisation expense	2,066	2,086
Finance costs	585	735
Interest income	(1,464)	(2,449)
Operating cash flow before working capital changes	**128**	**(231)**
Decrease in other financial assets and loans *	-	4
Increase in other current liabilities and trade payables	9	38
Cash used in operations	**137**	**(189)**
Income tax paid (net of refund)	(194)	2,226
Net cash generated from/ (used in) operating activities	**(57)**	**2,037**
B. Cash flow from investing activities		
Movement in other bank balances	2,800	(10,546)
Interest received	237	1,015
Net cash generated/(used in) from investing activities	**3,037**	**(9,531)**
C. Cash flow arising from financing activities		
Repayments of finance lease obligations	(1,790)	(1,550)
Finance Cost paid	(585)	(735)
Net cash used in financing activities	**(2,375)**	**(2,285)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**605**	**(9,779)**
Add: cash and cash equivalents at the beginning of year	1,314	11,093
Cash and cash equivalents at the end of the year (refer Note 5(a))	**1,919**	**1,314**

*Other financials assets ₹ Nil thousand (31 March 2020: ₹ 147 thousand) has restricted use.

Note:

Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

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

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W-100022

For and on behalf of the Board of directors of
Jubilant Clinsys Limited

Manish Gupta
Partner
Membership No: 095037
Place : Delhi
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Place : Noida
Date : 3 June 2021

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Director
DIN: 06708412
Place : Noida
Date : 3 June 2021

Note 1: Corporate Information

Jubilant Clinsys Limited (the Company) is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is a scientifically focused contract research organization that provides pharmaceutical and biotechnology companies with a full range of services in support of Phase I – IV drug. The Company has been offering a full range of clinical research services including clinical informatics, clinical pharmacology/pathology, data management/EDC, medical affairs, regulatory services etc.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. Also refer to respective accounting policies for further details.

(a) Basis of preparation

(i) *Statement of Compliance*

These Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013,("the Act"), the Companies (Indian Accounting Standards) (Amendment Rules) 2016 and other relevant provisions of the Act and other accounting principles generally accepted in India

All the amounts included in the financial statements are reported in thousands of Indian Rupees ('Rupees' or '₹') and are rounded to the nearest thousands, except per share data and unless stated otherwise.

The financial statements are authorized for issue by Company's Board of Director on 3rd June 2021.

(ii) *Historical cost convention*

The financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

(iii) Going concern

The Company has no active business and is in the process of evaluating business opportunities. Further, the Company has adequate resources to meet its working capital requirements in the foreseeable future. Based on above, the management considers that it is appropriate to prepare these financial statements on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.
Accordingly, the assets and liabilities are recorded on the basis that the company will be able to use or realise its assets at least at the recorded amounts and discharge its liabilities in the usual course of business.

(iv) Functional and presentation currency

The functional currency of the Company in the Indian rupee. These financial statements are presented in Indian rupees.

(b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when:

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

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

(c) Property, plant and equipment and Intangible assets

All items of property, plant and equipment are stated at cost, which includes capitalized finance costs, less accumulated depreciation and any accumulated impairment loss, if any.

Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in- progress.

(i) Intangible assets

Intangible assets comprise softwares purchased and are initially measured at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss, if any.

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

Expenditure for acquisition and implementation of software systems is recognised as part of the intangible assets.

(ii) Depreciation and amortization methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Computer servers and networks	5 years	6 years

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(iii) Derecognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

(d) Impairment of non-financial assets

The Company's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(e) Financial Instrument

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

• Debt instruments at amortised cost

• Debt instruments at fair value through other comprehensive income (FVOCI)

• Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)

• Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments.

Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL.

However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition of Financial assets

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

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition.

Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial Liabilities

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

Offsetting

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

(f) Cash and cash equivalents

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

(g) Provisions and Contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

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

(h) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- ***Current tax:***

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years.
The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

- **Deferred tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes unless exempted.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption.

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

(i) Leases

Leases – 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: (1) the contact involves the use of an identified asset; (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset.

The Company's lease asset classes primarily consist of leases for buildings which typically run for a period of 3 to 25 years, with an option to renew the lease after that date. At the date of commencement of the lease, the Company recognises a right-of-use asset 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). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets and lease liabilities includes the options to extend or terminate the lease when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain.

The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Transition to Ind AS 116

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" applied to all lease contracts existing on 1 April 2019 using the modified retrospective approach 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 an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance sheet immediately before the date of initial application. Comparatives have not been retrospectively adjusted.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation expense for the right-to-use asset and finance cost for interest accrued on lease liability. The effect of this adoption is insignificant on the profit for the year.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition on a lease-by-lease basis. The Company also used practical expedient and therefore, did not reassess, under Ind AS 116, whether a contracts is, or contains, a lease at the date of initial application. Further, as a practical expedient, on a lease-by-lease basis, the Company relied on its assessment as at 31 March 2019 as to whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, as an alternative to performing an impairment review. The Company has used a single discount rate to a portfolio of leases with similar characteristics. For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17. For those leases, the Company has accounted for the right-of-use asset and the lease liability applying Ind AS 116 from the date of initial application.

(j) Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

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

(ii) *Diluted earnings per share*

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

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

(k) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.
Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market observable.

(l) Critical estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Ind AS financial statements is included in the following notes:

- Recognition and estimation of current and deferred tax expense – Note 2(h)
- Evaluation of Going concern – Note 2(a)(iii)
- Fair value measurement – Note 2(k)
- Lease- Note 2 (i)

Note 3: Property, plant and equipment

(₹ in thousands)

Description	Furniture and fixtures (1)	Research Equipments	Office equipment	Total
Gross carrying amount as at 1 April 2020	**2,094**	**21**	**2,446**	**4,561**
Addition during the year	-	-	-	-
Deletions	-	-	-	-
Gross carrying amount as at 31 March 2021	**2,094**	**21**	**2,446**	**4,561**
Accumulated depreciation as at 1 April 2020	**1,602**	**18**	**1,414**	**3,033**
Depreciation charges for the year	50	-	-	50
Accumulated depreciation as at 31 March 2021	**1,652**	**18**	**1,414**	**3,083**
Net carrying amount as at 31 March 2021	**442**	**3**	**1,032**	**1477**

(₹ in thousands)

Description	Furniture and fixtures (1)	Research Equipments	Office equipment	Total
Gross carrying amount as at 1 April 2019	**2,094**	**21**	**2,446**	**4,561**
Addition during the year	-	-	-	-
Deletions	-	-	-	-
Gross carrying amount as at 31 March 2020	**2,094**	**21**	**2,446**	**4,561**
Accumulated depreciation as at 1 April 2019	**1,532**	**18**	**1,414**	**2,964**
Depreciation charges for the year	70	-	-	70
Accumulated depreciation as at 31 March 2020	**1602**	**18**	**1414**	**3033**
Net carrying amount as at 31 March 2020	**492**	**3**	**1032**	**1527**

Note:

(1) Furniture and fixture includes leasehold improvements.

Note 4: Other intangible assets

(₹ in thousands)

Description	Software	Total
Gross carrying amount as at 1 April 2020	**1,280**	**1,280**
Addition during the year	-	-
Deletions	-	-
Gross carrying amount as at 31 March 2021	**1,280**	**1,280**
Accumulated depreciation as at 1 April 2020	**1,280**	**1,280**
Amortisation for the year	-	-
Accumulated depreciation as at 31 March 2021	**1,280**	**1,280**
Net carrying amount as at 31 March 2021	**-**	**-**

(₹ in thousands)

Description	Software	Total
Gross carrying amount as at 1 April 2019	**1,280**	**1,280**
Addition during the year	-	-
Deletions	-	-
Gross carrying amount as at 31 March 2020	**1,280**	**1,280**
Accumulated depreciation as at 1 April 2019	**1,280**	**1,280**
Amortisation for the year	-	-
Accumulated depreciation as at 31 March 2020	**1,280**	**1,280**
Net carrying amount as at 31 March 2020	**-**	**-**

Note 5(a): Cash and cash equivalents

(₹ in thousands)

	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- on current accounts	1,919	1,314
Total cash and cash equivalents	**1,919**	**1,314**

Note 5(b): Other bank balances

(₹ in thousands)

	As at 31 March 2021	As at 31 March 2020
Deposits accounts with maturity up to twelve months from the reporting date	20,441	23,241
Total other bank balance	**20,441**	**23,241**

Note 5(c): Loans

(₹ in thousands)

	As at 31 March 2021		As at 31 March 2020	
	Current	Non- current	Current	Non- current
Unsecured, considered good				
Security deposits	-	6,749	-	6,749
Total loans	**-**	**6,749**	**-**	**6,749**

Note 5(d): Other financial assets

(₹ in thousands)

	As at 31 March 2021		As at 31 March 2020	
	Current	Non- current	Current	Non- current
Deposits accounts with maturity after 12 months from the reporting date	-	2,766	-	2,766
Interest accrued on deposits with banks	4,894	1,899	5,255	312
Others	18	-	18	-
Total other financial assets	**4,912**	**4,665**	**5,273**	**3,078**

₹ Nil (31 March 2020: ₹ 147 thousand) has restricted use.

Note 6: Other current assets

(₹ in thousands)

	As at 31 March 2021	As at 31 March 2020
Balance with government authorities	292	292
Total other current assets	**292**	**292**

Note 7: Share capital

(₹ in thousands)

	As at 31 March 2021	As at 31 March 2020
Authorised		
2,000,000 (31 Mar 2020: 2,000,000) equity shares of Rs. 10 each	20,000	20,000
28,500,000 (31 Mar 2020: 28,500,000) preference shares of Rs. 10 each	2,85,000	2,85,000
Issued, subscribed and fully paid up		
1,999,766 (31 Mar 2020: 1,999,766) equity shares of Rs. 10 each	19,998	19,998
	19,998	19,998

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2021	As at 31 March 2020
Equity shares of Rs. 10 each		
As at the commencement and end of the year	19,99,766	19,99,766
At the end of the year	**19,99,766**	**19,99,766**

b) Rights, obligations and preferences attached to the equity shares

i) The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been

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

c) Particulars of shareholders holding more than 5% shares of a class of shares:

	As at 31 March 2021		As at 31 March 2020	
	No of shares	% holding	No of shares	% holding
Equity shares of Rs. 10 each paid up held by:				
Jubilant Biosys Limited, (formerly Jubilant Chemsys Limited), the holding company	19,99,766	99.99%	19,99,766	99.99%
(including 6 shares held by Jubilant Biosys Limited, (formerly Jubilant Chemsys Limited) jointly with 6 different individuals)				

Note 8: Nature and purpose of other equity

Capital reserve

Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company and re-measurement differences on defined benefit plans.

Note 9: Trade payables

(₹ in thousands)

	As at 31 March 2021	As at 31 March 2020
Current		
i. Trade payables - Outstanding dues of micro and small enterprises	-	-
i. Trade payables - Outstanding dues of creditors other than micro and small enterprises	153	141
Total trade payables	**153**	**141**

Micro, Small and Medium Enterprises

There are no micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2020. The information as required to be disclosed under the micro, small and medium enterprises development act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of the information available with the Company.

Note 10: Other current liabilities

(₹ in thousands)

	As at 31 March 2021	As at 31 March 2020
Statutory dues payables	22	26
Total other current liabilities	**22**	**26**

Note 10 (a): Reconciliation of movement of liabilities (borrowings, lease liabilities and interest accrued) to cash flows arising from financing activities

(₹ in thousands)

	As at 31 March 2021	As at 31 March 2020
As at the beginning of the year	**7,352**	**8,902**
Movement due to cash transactions as per the statement of cash flows		
Movement due to :		
-Lease liabilities	(1,790)	(1,550)
As at the end of the year	**5,562**	**7,352**

Note 11: Other income

(₹ in thousands)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income	1,464	2,217
Other non-operating income	296	232
Total other income	**1,760**	**2,449**

Note 12: Depreciation and amortisation expense

(₹ in thousands)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment	50	70
Depreciation on right of use asset	2,016	2,016
Total depreciation and amortisation expense	**2,066**	**2,086**

Note 13: Other expenses

(₹ in thousands)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Rental charges	11	11
Rates and taxes	9	16
Insurance	-	1
Payments to auditors (refer note 13(a) below)	112	95
Legal and professional fees	29	96
Bank charges	7	12
Total other expenses	**168**	**231**

Note 13(a): Details of payments to auditors (₹ in thousands)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Payment to auditors (excluding GST and including out of pocket expenses)		
As auditor:		
Audit fee	112	95
	112	**95**

Note 14: Income tax

The major components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

Statement of profit and loss:

Profit or loss section

(₹ in thousands)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Current income tax:		
Adjustments in respect of current income tax of previous year	-	(1,494)
Income tax expense reported in the statement of profit or loss	**-**	**(1,494)**

(₹ in thousand)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Accounting loss before tax	(1,059)	(603)
At India's statutory income tax rate of 25.168% (31 March 2020: 25.168%)	(267)	(152)
- Effect of unrecognized deferred tax including rate change impact	267	152
-Effect of prior year reassessments	-	(1,494)
Income tax expense reported in the statement of profit and loss	**-**	**(1,494)**

(₹ in thousand)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Deferred tax on account of:		
Property, plant and equipment	626	672
Losses carried forward	675	363
Deferred tax asset, net	1,301	1,035
Less:- Deferred tax asset (net) not recognized in absence of reasonable certainty of realization	1,301	1,035
Deferred tax asset, net	**-**	**-**

Note 15: Fair value measurements

(₹ in Thousands)

	Notes	Carrying Value as at		Fair Value as at	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Financial assets					
Amortised Cost					
Loans	(b)	6,749	6,749	6,749	6,749
Cash and cash equivalents	(a)	1,919	1,314	1,919	1,314
Other bank balances	(a)	20,441	23,241	20,441	23,241
Other financial assets	(a),(b)	9,577	8,351	9,577	8,351
Total financial asset		**38,686**	**39,655**	**38,686**	**39,655**
Financial Liabilities					
Amortised Cost					
Lease liabilities	(a)	5,562	7,352	-	-
Trade payables	(a)	153	141	153	141
Total financial liabilities		**5,715**	**7,493**	**153**	**141**

Note:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments. Further, the fair value measurement of lease liabilities is not required.

(b) Fair value of non-current financial assets has not been disclosed as there is no significant difference between carrying value and fair value.

(c) There are no transfer between level 1, level 2 and level 3 during the year ended 31 March 2021 and 31 March 2020.

Note 16: Financial risk management

A. Financial risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The risk management framework is intended to ensure that risks are taken care with due diligence.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

i. 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, and arises principally from the Company's receivables from customers and from its financing activities, including deposit with banks, investments, foreign exchange transactions and other financial instruments.

Expected credit loss on financial assets

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The management is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by the management. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

(₹ in thousands)

As at 31 March 2021	**Contractual cash flows**			
	Carrying amount	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Lease liabilities	5,562	5,562	2,098	3,464
Trade payables	154	154	154	-

As at 31 March 2020	Contractual cash flows			
	Carrying amount	Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Lease liabilities	7,352	7,352	1,790	5,562
Trade payables	141	141	141	-

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Note 17: Capital Management

(a) Risk management

The Company's objectives when managing capital are to:

• safeguard its ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders, and

• maintain an optimal capital structure to reduce the cost of capital.

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

Note 18: Related party transactions

(a) Related parties and nature of parties where control exists

Ultimate Holding Company

Jubilant Pharmova Limited, India

Holding Company

Jubilant Biosys Limited (fellow subsidiary till July 2020)

(b) Other parties with whom transactions have taken place during the year and nature of relationship:

Holding Company

Jubilant Biosys Limited

The Company has entered into transactions with the following related parties during the year:-

(₹ in thousands)

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
<u>Fellow subsidiary</u>		
<u>Jubilant Biosys Limited:</u>		
Expenses reimbursed	-	237
<u>Holding Company</u>		
<u>Jubilant Biosys Limited:</u>		
Expenses reimbursed	164	-

Note 19: Earnings per share (EPS)

(₹ in thousands)

I.

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Profit for basic and diluted EPS of Rs 10 each	(1,059)	892

II.

Weighted average number of equity shares for earnings per share computation	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
a) Shares for basic EPS (Nos.)	1,999,766	1,999,766
b) <u>Share for diluted EPS (Nos.)</u>		
For basic EPS (Nos.)	1,999,766	1,999,766
Shares for diluted EPS (Nos.)	1,999,766	1,999,766

III. Earnings per share (face value of Rs 10 each)

S. No	**Particulars**	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
a)	Basic earnings per share (Rs.)	(0.53)	0.45
b)	Diluted earnings per share (Rs.)	(0.53)	0.45

Note 20: Segment Reporting

Based on the guiding principles given in the Ind AS 108 on “Operating Segments”, as the Company’s business activity falls within a single primary segment, the disclosure requirements of the said of Ind AS 108 in this regard are not applicable.

Note 21: Contingent liabilities and contingent assets

Contingent liabilities to the extent not provided for:

A. Claims against Company, disputed by the Company, not acknowledged as debt:

(₹ in thousands)

	As at 31 March 2021	As at 31 March 2020
Service Tax	52,313	52,313
Custom	458	458

Note 22: Leases

Leases under Ind AS 116 for the year ended 31 March 2021
The details of the right-of-use assets held by the Company is as follows:

(₹ in thousand)

	Depreciation charge for the year ended 31 March 2021	Depreciation charge for the year ended 31 March 2020	Net carrying amount as at 31 March 2021	Net carrying amount as at 31 March 2020
Building	2,016	2,016	4,870	6,886
Total	**2,016**	**2,016**	**4,870**	**6,886**

Amount recognised in Statement of Profit and Loss:

(₹ in thousand)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on lease liabilities	585	735
Rental expense relating to short term leases	11	11
Total	**596**	**746**

Amount recognised in statement of cash flows:

(₹ in thousand)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Total cash outflow for leases	1,790	1,550
Total	**1,790**	**1,550**

The weighted average incremental borrowing rate applied to lease liabilities is 9.16%.

The difference between the operating lease commitments disclosed applying Ind AS 17 as at 31 March 2019 in the financial statements for the year then ended and the lease liabilities recognised as at 1 April 2019 in these financial statements is primarily on account of inclusion of extension and termination options reasonably certain to be exercised and exclusion of short-term leases for which the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease, in measuring the lease liability in accordance with Ind AS 116.

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

As per our report of even date attached.

For **B S R & Co. LLP**	For and on behalf of the Board of directors of	
Chartered Accountants	**Jubilant Clinsys Limited**	
ICAI Firm registration number : 101248W/W-100022		
Manish Gupta	**Arun Kumar Sharma**	**Nikhil Bihari Pandey**
Partner	*Director*	*Director*
Membership No: 095037	DIN: 06991435	DIN: 06708412
Place : Delhi	Place : Noida	Place : Noida
Date : 3 June 2021	Date : 3 June 2021	Date : 3 June 2021