B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of Jubilant Therapeutics India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jubilant Therapeutics India Limited (the "Company") which comprise the balance sheet as at 31 March 2023, 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 significant accounting policies and other explanatory information.

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 2023, and its profit 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's and Board of Directors' Responsibilities 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, profit 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 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, 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 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 in preparation of financial statements 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 (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

a. The Company does not have any pending litigations which would impact its financial position.

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

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

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 32 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 32 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the remuneration paid by Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Amit Aggarwal
Partner
Membership No.: 521774
ICAI UDIN:23521774BGXDRB9558

Place: Bengaluru
Date: 19 May 2023

Annexure A to the Independent Auditor's Report on the Financial Statements of Jubilant Therapeutics India Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company does not hold any physical inventories. Accordingly, clause 3(i)(a) of the Order is not applicable

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies, in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties. Accordingly, provision of clauses 3(iii)(a), 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year, prima facie, not prejudicial to the interest of the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 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) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) and 3(ix)(b) of the Order are not applicable to the Company.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company. Accordinlgy, cluase 3(ix)(d) of the order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

Annexure A to the Independent Auditor's Report on the Financial Statements of Jubilant Therapeutics India Limited for the year ended 31 March 2023 *(Continued)*

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

(xiii) The requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 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.

(xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) Based on the information and explanations provided by the management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company. For reporting on this clause/ sub clause, while we have performed the audit procedures, we have relied on and not been able to independently validate the information provided to us by the management of the Company with respect to entities outside the consolidated Group but covered in the Core Investment Companies (Reserve Bank) Directions, 2016.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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

Annexure A to the Independent Auditor's Report on the Financial Statements of Jubilant Therapeutics India Limited for the year ended 31 March 2023 *(Continued)*

us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Amit Aggarwal
Partner
Membership No.: 521774
ICAI UDIN:23521774BGXDRB9558

Place: Bengaluru
Date: 19 May 2023

Annexure B to the Independent Auditor's Report on the financial statements of Jubilant Therapeutics India Limited for the year ended 31 March 2023

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

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

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

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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Act.

Auditor's 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 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 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 internal financial controls with reference to financial statements, 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 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)

Annexure B to the Independent Auditor's Report on the financial statements of Jubilant Therapeutics India Limited for the year ended 31 March 2023 *(Continued)*

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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

Amit Aggarwal
Partner
Membership No.: 521774
ICAI UDIN:23521774BGXDRB9558

Place: Bengaluru
Date: 19 May 2023

Jubilant Therapeutics India Limited

Balance sheet as at 31 March 2023

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

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	928	289
Other intangible assets	3 (b)	346	-
Financial assets			
(i) Investment	4	1,057,995	562,796
(ii) Other financial assets	5	160	160
Deferred tax assets (net)	6	-	4,031
Total non-current assets		**1,059,429**	**567,277**
Current assets			
Financial assets			
(i) Cash and cash equivalents	7	26,467	419,346
(ii) Trade Receivable	8 (a)	24,404	-
(iii) Other financial assets	8 (b)	240	13
Other current assets	9	10,108	5,953
Total current assets		**61,219**	**425,312**
Total assets		**1,120,648**	**992,588**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	866,452	866,452
Other equity		212,208	102,740
Total equity		**1,078,660**	**969,192**
LIABILITIES			
Non-current liabilities			
Provisions	11	12,144	9,033
Deferred tax Liability (net)	6	16,313	-
Total non-current liabilities		**28,457**	**9,033**
Current liabilities			
Financial liabilities			
(i) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	12	3,542	4,754
(ii) Other financial liabilities	13	6,213	4,409
Other current liabilities	14	1,047	3,268
Provisions	11	1,083	1,468
Current tax liabilities (net)	15	1,646	464
Total current liabilities		**13,531**	**14,363**
Total liabilities		**41,988**	**23,396**
Total equity and liabilities		**1,120,648**	**992,588**

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

Amit Aggarwal
Partner
Membership No: 521774
Place: Bangalore, India
Date : 19 May 2023

For **and on behalf of the Board of Directors of**
Jubilant Therapeutics India Limited

Shyam Pattabiraman
Director
DIN No. 01338226
Place: Bangalore, India
Date : 19 MAY 2023

Sridharan Rajagopal
Whole-time Director
DIN No. 08450717
Place: Bangalore, India
Date : 19 MAY 2023

Anil Sharma
Company Secretary
Place: Noida, India
Date : 19 MAY 2023

Arun Kumar Sharma
Chief Financial Officer
Place: Noida, India
Date : 19 MAY 2023

Jubilant Therapeutics India Limited
Statement of profit and loss for the year ended 31 March 2023

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

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Revenue			
Revenue from operations	16	101,211	60,560
Other income	17	101,148	2,362
Total income		**202,359**	**62,922**
Expenses			
Employee benefit expenses	18	44,247	31,985
Depreciation and amortisation expense	19	291	117
Other expenses	20	11,521	8,404
Total expenses		**56,059**	**40,506**
Profit before tax		**146,300**	**22,416**
Tax expense	21		
Current taxes		15,657	6,212
Deferred taxes		20,510	(513)
Total tax expense		**36,167**	**5,699**
Profit for the year		**110,133**	**16,717**
Other comprehensive income			
(i) Items that will not be reclassified to the statement of profit and loss			
Re-measurement of defined benefit obligations		(657)	(1,418)
Gain on sale of investments		-	400,008
Income tax relating to these items		165	(99,753)
Other comprehensive income for the year, net of taxes		**(492)**	**298,837**
Total comprehensive income for the year		**109,641**	**315,554**
Earnings per equity share	28		
Basic (in Rs)		1.27	0.19
Diluted (in Rs)		1.27	0.19

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

Amit Aggarwal
Partner
Membership No: 521774
Place: Bangalore, India
Date :19 May 2023

For **and on behalf of the Board of Directors of**
Jubilant Therapeutics India Limited

Shyam Pattabiraman
Director
DIN No. 01338226
Place: Bangalore, India
Date : 19 MAY 2023

Sridharan Rajagopal
Whole-time Director
DIN No. 08450717
Place: Bangalore, India
Date : 19 MAY 2023

Anil Sharma
Company Secretary
Place: Noida, India
Date : 19 MAY 2023

Arun Kumar Sharma
Chief Financial Officer
Place: Noida, India
Date : 19 MAY 2023

Jubilant Therapeutics India Limited

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

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

(A) Equity share capital

Balance as at 31 March 2021	**866,452**
Changes in equity share capital during the year	-
Balance as at 31 March 2022	**866,452**
Changes in equity share capital during the year	-
Balance as at 31 March 2023	**866,452**

(C) Other equity

	Reserves and surplus		
	Capital reserve	**Retained earnings**	**Total**
Balance as at 31 March 2021	**(304,149)**	**91,335**	**(212,814)**
Profit for the year	-	16,717	**16,717**
Other comprehensive income for the year	-	298,837	**298,837**
Balance as at 31 March 2022	**(304,149)**	**406,889**	**102,740**
Profit for the year	-	109,960	**109,960**
Other comprehensive income for the year	-	(492)	**(492)**
Balance as at 31 March 2023	**(304,149)**	**516,357**	**212,208**

Refer note 10.2 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

Amit Aggarwal
Partner
Membership No: 521774
Place: Bangalore, India
Date : 19 May **2023**

For **and on behalf of the Board of Directors of**
Jubilant Therapeutics India Limited

Shyam Pattabiraman
Director
DIN No. 01338226
Place: Bangalore, India
Date : 19 MAY 2023

Sridharan Rajagopal
Whole-time Director
DIN No. 08450717
Place: Bangalore, India
Date : 19 May 2023

Anil Sharma
Company Secretary
Place: Noida, India
Date : 19 MAY 2023

Arun Kumar Sharma
Chief Financial Officer
Place: Noida, India
Date : 19 MAY 2023

Jubilant Therapeutics India Limited

Statement of cash flows for the year ended 31 March 2023

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

		Year ended 31 March 2023	Year ended 31 March 2022
A.	**Cash flow from operating activities**		
	Net profit/(loss) before tax	146,300	22,416
	Adjustments:		
	Depreciation and amortisation expense	291	117
	Interest income	(13,906)	(634)
	Net gain arising on financial assets measured at FVPL	(84,349)	-
	Unrealised foreign exchange loss (gain)	(1,890)	1
	Operating cash flow before working capital changes	**46,446**	**21,900**
	(Increase) / Decrease in other assets and other financial assets	(23,261)	21,349
	Increase in trade payables and other financial liability	16,592	3,849
	Cash generated from operations	**39,777**	**47,098**
	Net income tax paid (net of refund)	(30,788)	(6,540)
	Net cash generated from operating activities	**8,989**	**40,558**
B.	**Cash flow from investing activities**		
	Purchase of property,plant, equipment	(1,276)	(138)
	Investment in bank deposits	-	(50,000)
	Redemption/ maturity of bank deposits	-	50,000
	Proceeds from sale of investment	-	441,111
	Income tax paid on sale of investment	-	(100,109)
	Interest received	8,359	634
	Investment in "Jubilant Therapetic Inc" Optionally Convertible Debenture	(408,950)	-
	Net cash from/ (used in) investing activities	**(401,867)**	**341,498**
C.	**Cash flow from financing activities**		
	Proceeds from issues of equity shares	-	-
	Net cash generated from financing activities	-	-
	Net increase in cash and cash equivalents (A+B+C)	(392,878)	382,056
	Cash and cash equivalents at the beginning of year	419,345	37,289
	Cash and cash equivalents at the end of the year (refer note 7)	**26,467**	**419,345**

The Statement of Cash Flows have been prepared under the indirect method as set out in 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

Amit Aggarwal
Partner
Membership No: 521774
Place: Bangalore, India
Date : 19 May 2023

For **and on behalf of the Board of Directors of**
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Place: Bangalore, India
Date : 19 MAY 2023

Anil Sharma
Company Secretary
Place: Noida, India
Date : 19 MAY 2023

Arun Kumar Sharma
Chief Financial Officer
Place: Noida, India
Date : 19 MAY 2023

Note 1: Corporate Information

Jubilant Therapeutics India Limited (the Company) is a wholly owned subsidiary of Jubilant Pharmova Limited. The Company is domiciled in India and incorporated under the provisions of Indian Companies Act, 2013. The Company is engaged in the business of discovery and development of novel small molecules for the treatment of cancer.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(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") 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 and are rounded to the nearest thousands, except per share data and unless stated otherwise.

The financial statements are authorized for issue by the Company's Board of Directors on 19th May 2023.

(ii) *Historical cost convention*

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

(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 realized 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 realized within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include the current portion of non-current financial assets.
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.
Deferred tax assets and liabilities are classified as non-current assets and liabilities; respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified a period less than twelve months as its operating cycle for the purpose of current-noncurrent classification of assets and liabilities.

(c) Business Combinations

Business combinations (other than business combinations between common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts related to the settlement of pre existing relationships; such amounts are generally recognised in the Statement of Profit or Loss and Other Comprehensive Income. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities & contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statement of the acquired entity. The differences, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(d) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

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

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

(ii) Depreciation 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 PPE 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 property, plant and equipment 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 (included in office equipment)	3 Years	6 Years

Depreciation and amortization on property, plant and equipment and intangible assets added/ disposed off during the year has been provided on pro-rata basis with reference to the date/month of addition/disposal.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(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 recognised in the Statement of Profit and Loss.

(e) 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 (i.e. corporate assets) 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 recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised 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 amortisation, if no impairment loss had been recognised.

(f) 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 the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. 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 the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and 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, at initial recognition, the Company may irrevocably 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.

Equity investments

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 AS 103 applies are classified as at FVPL. 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 FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized 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 ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

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

(g) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(h) 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.

(i) Revenue recognition

Service income is recognised as and when the company satisfies a performance obligation.

Revenues are measured based on the transaction price allocated to the performance obligation, which is the consideration, net of taxes or duties collected on behalf of the government and applicable discounts and allowances including expected sales return etc. The transaction price is allocated to each performance obligation in the contract on the basis of the relative standalone selling prices of the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes significant financing component.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash and only passage of time is required as per contractual terms. Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

(j) Employee benefits

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

(ii)Post-employment benefits: Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of Gratuity is recognised in the books of accounts based on actuarial valuation by an independent actuary.

(b) Provident fund

(i) The Company makes contribution to the recognised provident fund "Regional Provident Fund Commissioner" for all its employees in India, which is treated as defined contribution plan. The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(ii) Other long-term employee benefits:

Compensated absences
As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(iii) Termination benefits*:*
Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.
(iv) Actuarial valuation
The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows.

The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurment gains and losses are recognised in the Statement of Profit and Loss in the year in which they arise. Remeasurment gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is re

(k) **Finance costs**

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced)

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

(l) **Income tax**

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized 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. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income tax, 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 recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss at the time of the transaction

Deferred tax assets are recognized 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. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which that can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by 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.

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

(m) Segment reporting:

The Board of Directors of the Company has been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, Operating Segments. Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the Company has determined proprietary novel drugs as the only reportable segment.

(n) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at Balance Sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(o) 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, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(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.

(p) Measurement of fair values

A number of accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into three 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: input other than the quoted prices include in level1 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 liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(q) Critical estimates and judgments

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 financial statements is included in the following notes.

- Estimated impairment of financial assets and non-financial assets – Note 2(e) and 2(f)
- Fair value measurement- Note 2(p) and Note 23

(r) 1. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements - Disclosure of Accounting Policies

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

3 (a) Property, plant and equipment

	Office Equipment	Total
Gross carrying amount as at 31 March 2021	**486**	**486**
Additions during the year	138	**138**
Disposals/ other adjustments during the year	-	-
Gross carrying amount as at 31 March 2022	**624**	**624**
Additions during the year	871	871
Disposals/ other adjustments during the year	-	-
Gross carrying amount as at 31 March 2023	**1,495**	**1,495**
Accumulated depreciation as at 31 March 2021	**218**	**218**
Depreciation for the year	117	**117**
Disposals/ other adjustments during the year	-	-
Accumulated depreciation as at 31 March 2022	**335**	**335**
Depreciation for the year	232	**232**
Disposals/ other adjustments during the year	-	-
Accumulated depreciation as at 31 March 2023	**567**	**567**
Net carrying amount as at 31 March 2022	**289**	**289**
Net carrying amount as at 31 March 2023	**928**	**928**

3 (b) Other intangible assets

	Software	Total
Gross carrying amount as at 31 March 2022	-	-
Additions during the year	405	**405**
Disposals/ other adjustments during the year	-	-
Gross carrying amount as at 31 March 2023	**405**	**405**
Accumulated depreciation as at 31 March 2021	-	-
Depreciation for the year	-	-
Disposals/ other adjustments during the year	-	-
Accumulated depreciation as at 31 March 2022	-	-
Depreciation for the year	59	**59**
Disposals/ other adjustments during the year	-	-
Accumulated depreciation as at 31 March 2023	**59**	**59**
Net carrying amount as at 31 March 2022	-	-
Net carrying amount as at 31 March 2023	**346**	**346**

	As at 31 March 2023	As at 31 March 2022
4. Investments		
I. Investment in equity shares (at cost)		
Unquoted equity shares (fully paid up)		
Subsidiary company:		
105,200 (31 March 2022: 105,200) Equity shares with USD 0.005 par value Jubilant Therapeutics Inc, USA	562,796	562,796
II. Investment in Optionally Convertible Debenture		
Optionally Convertible Debenture Investment in "Jubilant Therpeutic Inc, USA	495,199	-
	1,057,995	**562,796**
Total non current investments	**1,057,995**	**562,796**
Aggregate amount of unquoted investments	1,057,995	562,796
Aggregate amount of impairment in the value of investment	-	-

5. Other financial assets - non current	As at 31 March 2023	As at 31 March 2022
Security Deposits	160	160
	160	**160**

6. Deferred tax

Deferred income tax reflect the net tax effect of temporary difference between carrying amount of assets and liabilities for financial reproting purpose and the amount used for income tax purpose. Significant component of the Company's net deferred income tax are as follows:

Reconciliation of deferred tax (liabilities) /assets (net):	As at 31 March 2023	As at 31 March 2022
Deferred tax Assets		
Provision for compensated absences and gratuity	3,330	2,643
Expenditure allowed on actual payment basis	1,201	626
Preliminary expenses	439	778
Deferred tax liabilities		
Accelerated depreciation for tax purposes	(54)	(16)
INDAS Adjustment for fair vlaue of Optionally Convertible Debenture to JTI USA	(21,229)	-
Net deferred tax asset / (Liability) at the year end	**(16,313)**	**4,031**

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

Balance as at the commencement of the year	**4031**	**3161**
- in statement of profit and loss (including MAT)	720	513
- in other comprehensive income	165	357
Balance as at the end of the year	**4916**	**4031**

7. Cash and cash equivalents	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- in current accounts	6,467	419,346
- Fixed deposit	20,000	-
Total cash and cash equivalents	**26,467**	**419,346**

8 (a) Trade Receivable	**As at 31 March 2023**	**As at 31 March 2022**
From Related Party	24,404	-
	24,404	**-**

Trade receivable ageing schedule:
as on 31 March 2023:

Particulars	**Outstanding for following periods from due date of payment**						
	Unbilled	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than**	**Total**
Undisputed trade receivables – considered good Inter Company	-	13,065	11,339	-	-	-	**24,404**
Less - Less: Expected credit loss allowance	-	-	-	-	-	-	-
Total trade receivables	-	**13,065**	**11,339**	-	-	-	**24,404**

as on 31 March 2022:

Particulars	**Outstanding for following periods from due date of payment**						
	Unbilled	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Inter Company	-	-	-	-	-	-	-
Less - Less: Expected credit loss allowance	-	-	-	-	-	-	-
Total trade receivables	-	-	-	-	-	-	-

* It includes receivable from related parties of Rs. 24,404 (31 March 2022: Rs. 0.00) (refer note 27)

8 (b) Other financial assets - current	**As at 31 March 2023**	**As at 31 March 2022**
Other receivables	137	13
Interest Receivable	103	-
	240	**13**

9. Other current assets	**As at 31 March 2023**	**As at 31 March 2022**
Unsecured, considered good		
Prepaid expenses	2,816	2,588
Balances with government authorities	1,637	3,083
Advance to employee	-	268
Interest Accrued on ICD	5,518	-
Other Advance	137	14
	10,108	**5,953**

	As at 31 March 2023	As at 31 March 2022
10. Equity share capital and other equity		
10.1 Share capital		
Authorised		
86,645,214 (31 March 2022: 86,645,214) equity shares of Rs. 10 (31 March 2022: Rs. 10) each	866,452	866,452
Issued, subscribed and fully paid up		
86,645,213 (31 March 2022: 86,645,213) equity shares of Rs. 10 (31 March 2022: Rs. 10) each	866,452	866,452

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

	As at 31 March 2023		As at 31 March 2022	
Particulars	**Number of shares**	**Amount**	**Number of shares**	**Amount**
Equity shares				
At the commencement of the year	86,645,213	866,452	86,645,213	866,452
Issued during the year	-	-	-	-
At the end of the financial year	**86,645,213**	**866,452**	**86,645,213**	**866,452**

(b) Rights, preferences and obligations attached to class of shares:

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 dividends as declared from time to time. The voting rights of equity shareholders 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 can not be exercised in respect of shares on which any call or other sums presently payable have not been paid.

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. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

	As at 31 March 2023		As at 31 March 2022	
Particulars	**Number of shares**	**% holding**	**Number of shares**	**% holding**
Equity shares of INR 10 each fully paid up held by				
Jubilant Pharmova Ltd. - the holding company (Including 6 shares held by Jubilant Pharmova Ltd. jointly with 6 different individuals)	86,645,213	0%	86,645,213	100%
	86,645,213	**0%**	**86,645,213**	**100%**

Disclosure of shareholding of promoters:

Shareholding of promoters as at 31 March 2023 is as follows:

	As at 31 March 2023		As at 31 March 2022		% change during the year
	Number of shares	**% holding**	**Number of shares**	**% holding**	
Jubilant Pharmova Ltd.	86,645,213	100%	86,645,213	100%	
	86,645,213	**100%**	**86,645,213**	**100%**	-

Shareholding of promoters as at 31 March 2022 is as follows:

	As at 31 March 2022		As at 31 March 2021		% change during the year
	Number of shares	**% holding**	**Number of shares**	**% holding**	
Jubilant Pharmova Ltd.	86,645,213	100%	86,645,213	100%	-
	86,645,213	**100%**	**86,645,213**	**100%**	-

10.2 Nature and purpose of other equity

Retained earnings

Retained earnings represent the amount of accumulated earnings of the company.

Capital reserve

Capital reserve recognised under the scheme of demerger vide NCLT order dated 29 June 2020

Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently and includes excess/shortfall of consideration over book value of net assets/liabilities transferred under a common control transaction

Equity instrument through OCI

The Company has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instrument through OCI within equity. The Company transfers amount therefrom to retained earnings when the relevant equity securities are derecognized.

Other items of other comprehensive income

Other items of other comprehensive income represents re-measurements of the defined benefits plan

11. Provisions

	As at 31 March 2023		As at 31 March 2022	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good				
Provision for employee benefits (refer note 22)				
Gratuity	468	8,209	900	5,944
Compensated leave balances	616	3,935	568	3,089
Total provision	**1,084**	**12,144**	**1,468**	**9,033**

12. Trade Payables

	As at 31 March 2023	As at 31 March 2022
Current		
Total outstanding dues of micro enterprises and small enterprises		-
Total outstanding dues of creditors other than micro and small enterprises *	3,542	4,754
	3,542	**4,754**

* It includes trade payable to related parties of Rs. 995 thousands (31 March 2022: Rs. 4,076 thousands) (refer note 27)

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act")

There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at the end of year. The information as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the entity.

	As at 31 March 2023	As at 31 March 2022
(i) The principal amount remaining unpaid to any supplier as at the end of the year	-	-
(ii) The interest due on principal amount remaining unpaid to any supplier as at the end of the year	-	
(iii) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iv)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	-	-
(v) he amount of interest accrued and remaining unpaid at the end of the year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

(b) Trade payable ageing schedule:

as on 31 March 2023:

Particulars	Unbilled	Outstanding for following periods from due date of payment						Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) Micro enterprises and small enterprises	-	-	-	-	-	-		-
(ii) Other than micro enterprises and small enterprises	523	1,721	1,298	-	-	-		3,542
(iii) Disputed dues – Micro enterprises and small enterprises	-	-	-	-	-	-		-
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	-		-
Total Trade payable	**523**	**1,721**	**1,298**	**-**	**-**	**-**		**3,542**

as on 31 March 2022:

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises	-	-	-	-	-	-	-
(ii) Other than micro enterprises and small enterprises	765	-	3,989	-	-	-	4,754
(iii) Disputed dues – Micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total Trade payable	**765**	**-**	**3,989**	**-**	**-**	**-**	**4,754**

	As at 31 March 2023	As at 31 March 2022
13. Other financial liabilities		
Employee benefits payable	6,213	4,409
	6,213	**4,409**
14. Other current liabilities		
Statutory dues payables	1,047	843
Payable to customer	-	2,425
	1,047	**3,269**
15. Current tax liabilities (net)		
Current income tax liabilities	1,646	464
	1,646	**464**

16. Revenue from operations

	Year ended 31 March 2023	Year ended 31 March 2022
Sale of services	63,036	42,177
Sale of patents	38,175	18,383
	101,211	**60,560**

17. Other income

	Year ended 31 March 2023	Year ended 31 March 2022
Net gain arising on financial assets measured at fair value through profit or l	84,349	-
Interest on Optionally Convertible Debenture Investement	5,531	-
Interest on bank deposits	8,375	634
Foreign exchange income	2,893	1,727
	101,148	**2,361**

18. Employee benefit expense

	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages, bonus, gratuity and allowances	41,009	30,379
Contribution to provident fund, superannuation and other funds	1,779	1,358
Staff welfare expenses	1,459	248
	44,247	**31,985**

19. Depreciation

	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of property, plant and equipment	291	117
	291	**117**

20. Other expenses

	Year ended 31 March 2023	Year ended 31 March 2022
Legal and professional fees	1,409	1,033
Rates and taxes	448	186
Travel and conveyance	1,584	762
License fee	-	1,783
Advertisement, publicity and sales promotion	1,002	1,060
Payments to auditors (refer note 20 (a) below)	65	65
Bank charges	58	259
Repairs and maintenance		
(a) Building	-	75
(b) Others	10	236
Processing charges	350	131
Rental charges	1,570	985
Communication expenses	16	61
Donations (refer note 29)	1,052	1,300
Subscriptions	3,889	468
Miscellaneous expenses	68	-
	11,521	**8,404**

20(a). Details of payments to auditors (excluding GST and including out of pocket expenses)

Payment to auditors	Year ended 31 March 2023	Year ended 31 March 2022
As auditor:		
Statutory Audit fee	65	65
	65	**65**

21. Income tax

	Year ended 31 March 2023	Year ended 31 March 2022
The major components of income tax expense for the year ended 31 March 2023:		
Current income tax:		
Current income tax charge for the year	16,662	6,212
Adjustments in respect of current tax of previous years	(1,005)	-
Deferred tax:		
Deferred tax recognised during the year	20,510	(513)
Adjustments in respect of deffered tax of previous years	-	-
Income tax expense reported in the statement of profit and loss	**36,167**	**5,699**
OCI section		
Tax related to items that will not be reclassified to the statement of Profit and Loss:	165	(99,753)
Income tax charged to OCI	**165**	**(99,753)**

Reconciliation between average effective tax rate and applicable tax rate :

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2022**
Accounting profit/ (loss) before income tax	146,300	22,416
At India's statutory income tax rate of 25.168% (31 March 2022: 25.168%)	36,819	5,642
Taxes of earlier years (True ups)	(1,005)	(296)
Permanent Difference	353	353
Income tax expense reported in the statement of profit and loss	**36,167**	**5,699**

22. Employee Benefits in respect of the Company have been calculated as under:

I. Defined Contribution Plans.

The Company contributes to the following defined contribution plan

(a) Provident Fund:

During the year the Company has contributed following amount:

	Year ended 31 March 2023	**Year ended 31 March 2022**
Employers contribution to provident fund	1552	1,165
Employers contribution to employee's pension scheme	156	132

II. Defined Benefit Plans.

(i) Gratuity:

As per Ind AS-19, Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The discount rate assumed is **7.35 %** p.a (31 March 2022: 7.20% p.a) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at **58** years (31 March 2022: 58 years) and mortality table is as per IALM (2012-14).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first 3 years and 6% p.a thereafter, taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

	As at 31 March 2023	**As at 31 March 2022**
Present value of obligation at the beginning of the period	6,845	4,565
Current service cost	682	310
Interest cost	493	552
Actuarial (Gain)/loss	657	1,418
Benefits paid		-
Present value of obligation at the end of the year	**8,677**	**6,845**

(b) Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

	As at 31 March 2023	**As at 31 March 2022**
Present value of obligation at the end of the period	8,677	6,845
Fair value of plan assets at the end of the year		-
Net liabilities recognised in the Balance Sheet	8,677	6,845

The Company's best estimating contribution during next year is Rs 1,437 (Previous year 31 March 2022, Rs. 1,101)

(c) Expense recognized in the statement of profit and loss under employee benefit expense:

	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	682	310
Interest cost	493	552
Expense recognised in the statement of profit and loss	1,175	862

(d) Amount recognised in the statement of other comprehensive income:

	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial (gain)/loss due to Demographic assumption change		-
Acturial Loss due to Financial assumption change	657	1,418
Acturial Loss due to experience adjustment		
Amount recognised in other comprehensive income	**657**	**1,418**

(e) Sensitivity analysis:

Discount rate

Particulars	**31 March 2023**		**31 March 2022**	
Sensitivity level	0.5% increase	0.5% Decrease	0.5% increase	0.5% Decrease
Impact on defined benefit	(291)	305	(165)	173

Future salary increase

Particulars	**31 March 2023**		**31 March 2022**	
Sensitivity level	0.5% increase	0.5% Decrease	0.5% increase	0.5% Decrease
Impact on defined benefit	305	(293)	172	(166)

The Sensitivity analysis above has been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on the change in the key assumption while holding all other assumption constant.

(f) Other Long Term Benefits (compensatory absences and sick leave):

	31 March 2023	31 March 2022
Present Value at the end of the period	4,551	3,657
	4,551	**3,657**

(g) Maturity profile of defined benefit obligation:

Within one year	468	900
Between one to three years	888	1,503
Between three to five year	810	1,128
Later than five years	6,510	3,314
Total	**8,676**	**6,845**

23. Fair value measurements

As at 31 March 2023	**Note**	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**
Financial assets					
Investment	(d)	495,199		562,796	1,057,994
Trade Receivable	(a)			24,404	24,404
Cash and cash equivalents	(a)			26,467	26,467
Other financial assets	(a)			240	240
Other non-current financial assets	(a)			160	160
		495,199	-	**614,067**	**1,109,266**
Financial liabilities					
Trade payables	(a)			3,542	3,542
Other financial liabilities	(a)			6,213	6,213
		-	-	**9,755**	**9,755**

As at 31 March 2022	**Note**	**FVTPL**	**FVTOCI**	**Amortised cost**	**Total**
Financial assets					
Investment	(d)	-	-	562,796	562,796
Cash and cash equivalents	(a)	-	-	419,346	419,346
Other financial assets	(a)	-	-	13	13
Other non-current financial assets	(a)	-	-	160	160
		-	-	**982,315**	**982,315**
Financial liabilities					
Trade payables	(a)	-	-	4,754	4,754
Other financial liabilities	(a)	-	-	4,409	4,409
		-	-	**9,163**	**9,163**

Note:

(a) Fair valuation of financial assets and liabilities with long term and short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair value of non- current financial assets has been disclosed as same as carrying value as there is no significant difference between carrying value and fair value.

(c) There are no transfers between level 1, Level 2 and Level 3 during the year ended 31 March 2023

(d) The fair value is determined by using the valuation model/technique with observable/non-observable inputs and assumptions

24. 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

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

- credit risk (see (i));
- liquidity risk (see (ii));
- 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.

The carrying amount of financial assets represents the maximum credit exposure.

Financial assets
Management believes these to be high quality assets with negligible credit risk. The management believes that the parties (group Company) 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 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.

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.

		Contractual Cash Flows		
As at 31 March 2023	**Carrying Amount**	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Trade payables	3,542	3,542	3,542	
Other financial liabilities	6,213	6,213	6,213	
	9,755	**9,755**	**9,755**	-

		Contractual Cash Flows		
As at 31 March 2022	**Carrying Amount**	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Trade payables	4,754	4,754	4,754	-
Other financial liabilities	4,409	4,409	4,409	-
	9,163	**9,163**	**9,163**	-

(iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates that 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.

Currency risk
The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currency in which the company is exposed to risk is USD.

Exposure to currency risk

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

	As at 31 March 2023	As at 31 March 2022
	USD	USD
Trade receivable	297,000	
Other receivables	1,636	174
Trade payable	(20,765)	(20,262)
Other current liabilities	-	(32,000)
Net statement of financial position exposure	**277,871**	**(52,088)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US Dollar against all other currencies at 31 March 2022 and 31 March 2021 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss (before tax)	
	Strengthening	Weakening
As at 31 March 2023		
USD (1% movement)	2,779	(2,779)
As at 31 March 2022		
USD (1% movement)	521	(521)

25. Segment reporting

Board of Directors of the Company has been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the company has determined the proprietary novel drugs as the only reportable segment.

26. Capital management

Risk management

The Company's objectives when managing capital are to:

Safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other
Maintain an optimal capital structure to reduce the cost of capital.
The company is having nil borrowing as on 31 March 2023 and 31 March 2022

Note 27: Related Party Disclosures

Name of the Related Parties

Related Parties where control exist

i. Ultimate Holding Company

Jubilant Pharmova Limited, India

ii. Subsidiary Companies

Jubilant Therapeutics Inc., USA
Jubilant Epicore LLC
Jubilant Prodel LLC

iii. Fellow Subsidiary

Jubilant Biosys Limited, India

iv. Key Management Personnel

Dr. Sridharan Rajagopal – Whole-time Director
Mr. Shyam Pattabiraman- Director
Mr. Arun Kumar Sharma – Chief Financial Officer
Mr. Sanjay Gupta - Director
Mr. Anil Sharma, Company Secretary

i. Others

Jubilant Bhartia Foundation
Jubilant Ingrevia Limited

Particulars	31-Mar-23	31-Mar-22
Description of Transactions:		
1. Investment		
Jubilant Therapeutic Inc	408,950	-
2. Interest Income		
Jubilant Therapeutic Inc	5,531	-
3. Expenses charged by subsidiaries/fellow subsidiaries		
Jubilant Biosys Ltd		11,610
Jubilant Therpeutic Inc	134	
Jubilant Epicore LLC	-	11
Jubilant Prodel LLC	2	2
4. Expense charged for facility provided by fellow subsidiaries:		
Jubilant Biosys Limited	1,560	1,132
5 Expense charged for facility provided by other related party:		
Jubilant Ingrevia Limited	10	12
6 Expenses charged by other related party:		
Jubilant Ingrevia Limited	-	543
7. Remuneration paid to directors:		
Dr. Sridharan Rajagopal	8,801	8,202
8. Sale of services :		
Jubilant Therapeutics Inc	61,064	42,177
9. Donations:		
Jubilant Bhartia Foundation	1,052	1,300

Outstanding amount as at year end

Particulars	As at 31-Mar-23	As at 31-Mar-22
1. Other Payable		
Jubilant Biosys Limited	983	1,142
Jubilant Therapeutics Inc	-	2,425
Jubilant Ingrevia Limited	12	509
2. Other Receivable		
Jubilant Therapeutics Inc	24,539	-
Jubilant Epicore LLC	-	11
Jubilant Prodel LLC	2	2

	Year ended 31 March 2023	**Year ended 31 March 2022**
28. Earnings per share		
Profit/ (loss) for the year attributable to equity holders	110,133	16,717
No. of shares outstanding for the period	**86,645,213**	**86,645,213**
Earnings per share (face value of Rs 10 each)		
Basic (Rs)	1.27	0.19
Diluted (Rs)	1.27	0.19

29. Corporate Social Responsibility (CSR) expense

	Year ended 31 March 2023	**Year ended 31 March 2022**
(a) Gross amount required to be spent by the company	954	1,224
(b) Amount spent during the year on:		
(i) Contruction/ acquisition of any asset		-
(ii) On purposes other than (i) above		
- In cash	1,052	1,300
- Yet to be paid in cash		-
	1,052	**1,300**
(c) Shortfall at the end of the year	-	-
(d) Total of previous year shortfall	-	-
(e) Reason for shortfall, if any	Not applicable	Not applicable
(f) Nature of CSR activities		
The Company has incurred CSR expenditure by way of contribution to Jubilant Bhartia Foundation for promoting education.		
(g) Details of related party transaction*	1052	1,300
(h) Provision recognised with respect to liability incurred by entering into a contractual obligation	-	-

* refer note 27

30. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

31. Ratios

Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% change	Reason for change
Current ratio	Current Assets	Current Liabilities	4.52	29.61	-85%	Decrease in cash and cash equivalents since investment in Optionally Convertible Debenture
Debt-Equity ratio	Total Debt	Shareholder's Equity	-	-	0.00%	Not applicable
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	-	0.00%	Not applicable
Return on equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	10.76%	2.06%	422%	Increase in net profit after taxes
Inventory turnover	Revenue from operations	Average Inventory	-	-	0.00%	Not applicable
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	24%	-	24%	Increase in Trade receivable
Trade payable turnover ratio	Net credit purchases = Gross purchases - purchase return + other expenses (net of non-cash and donations)	Average Trade Payables	2.52	1.27	98%	Increase in other expenses and trade payables
Net capital turnover ratio	Net sales = Total sales - sales return	Average Working Capital = Average Current assets - Average Current liabilities	44.14%	26.28%	68%	Increase in working capital, offset partially by increase in revenue
Net profit ratio	Net Profit	Net sales = Total sales - sales return	108.82%	27.60%	294%	Increase in revenue and profit after taxes, due to increase in Other income.
Return on capital employed	Earnings before interest and taxes	Average Capital Employed = Tangible networth + Total debt + Deferred tax liability-Deferred tax assets	13.56%	2.32%	484%	Increase in revenue and profitabilty due to increase in Other income.
Return on investment	Net fair value gain/ (loss) + net gain / (loss) on sale of investment + dividend income	Average Investment (at Fair value through OCI)	7%	1946.37%	-100%	No Sale of Investment in current year

Note 32: Additional information

a. There are no funds which 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 persons or entities. including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b. There are no funds which have been received by the Company from any persons or entities. including foreign entities ("Funding Parties"). with the understanding, whether recorded in writing or otherwise, that the Company shall.

- directly or indirectly. lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

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

Anil Aggarwal
Partner
Membership No: 521774
Place: Bangalore, India
Date : 19 May 2023

For **and on behalf of the Board of Directors of**
Jubilant Therapeutics India Limited

Shyam Pottubiraman
Director
DIN No. 01338226
Place: Bangalore, India
Date : 19 MAY 2023

Sridharan Rajagopal
Whole-time Director
DIN No. 08450717
Place: Bangalore, India
Date : 19 MAY 2023

Anil Sharma
Company Secretary
Place: Noida, India
Date : 19 MAY 2023

Arun Kumar Sharma
Chief Financial Officer
Place: Noida, India
Date : 19 MAY 2023