B S R & Co. LLP
Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Independent Auditor's Report

To the Members of Enzene Biosciences Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Enzene Biosciences Limited (the "Company"), which comprise the balance sheet as at 31 March 2022, 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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 3.38 to the financial statements which more fully explains the impact on the balance sheet, statement of profit and loss and statement of cash flows of the rectification of accounting of certain costs and contracts with customers in respect of contract research and development, primarily pertaining to the earlier year. Accordingly, the corresponding figures pertaining to the year ended 31 March 2021 have been restated in accordance with requirements of "Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

Our opinion is not modified in respect of this matter.

Independent Auditor's Report *(Continued)*

Enzene Biosciences Limited

Other Information

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

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

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

Management's and Board of Directors' 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/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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.

Independent Auditor's Report *(Continued)*

Enzene Biosciences Limited

Auditor's Responsibilities for the audit of financial statements *(Continued)*

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.

Other matter

Corresponding figures for the year ended 31 March 2021 have been audited by another auditor who expressed an unmodified opinion dated 21 May 2021 on the Ind AS financial statements of the Company for the year ended 31 March 2021.

Our opinion is not modified in respect of this matter.

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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls 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 Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 3.26 to the financial statements.

   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.

Independent Auditor's Report *(Continued)*

Enzene Biosciences Limited

Report on Other Legal and Regulatory Requirements *(Continued)*

d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note 3.41 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 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.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 3.41 to the financial statements, no funds 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.

(iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material misstatement.

e) The Company has not declared any dividend during the year.

(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 the 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

Balajirao Pothana
Partner
Membership No. 122632
UDIN:22122632AJGXUK6530

Place: Singapore
Date: 19 May 2022

Enzene Biosciences Limited

Annexure A to the Independent Auditor's Report on the financial statements of Enzene Biosciences Limited for the year ended 31 March 2022

(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.

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

*(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 once in three years. The previous verification was done in FY 2020-21. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

*(c)*According to the information and explanations given to us, the Company does not have any immovable property (other than properties where the Company is the lessee and the lease 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 (including Right of Use assets) or intangible assets or both during the year.

(e) According to 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 inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

Enzene Biosciences Limited

Annexure A to the Independent Auditor's Report *(Continued)*

(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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of 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 made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(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) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods (and/or services provided by it) and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

Enzene Biosciences Limited

Annexure A to the Independent Auditor's Report *(Continued)*

(vii) (a) 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 Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax and Value Added Tax which have not been deposited on account of any dispute are mentioned below:

Name of the statute	Nature of dues	Amount in million	Amount paid under dispute	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	24.08	9.53	FY 2015-16 and 2016-17	Commissioner of Income Tax, Appeals
Karnataka Value Added Tax Act, 2003	Value Added Tax	22.60	6.78	FY 2015-16 and 2016-17	Joint Commissioner of Commercial Taxes, Appeals

(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 has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(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 declared a wilful defaulter by any bank or financial institution or government or government authority.

(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.

(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, associates or joint ventures as defined under the Act.

Enzene Biosciences Limited

Annexure A to the Independent Auditor's Report *(Continued)*

(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. The Company does not have any subsidiaries, joint ventures or associate companies (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.

(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) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(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) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) 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.

(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) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has incurred cash losses of Rs. 531.1 million in the current and Rs. 863.4 million in the immediately preceding financial year.

Enzene Biosciences Limited

Annexure A to the Independent Auditor's Report *(Continued)*

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

(xix) (a) 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, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. 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

Balajirao Pothana
Partner
Membership No. 122632
UDIN: 22122632AJGXUK6530

Place: Singapore
Date: 19 May 2022

Enzene Biosciences Limited

Annexure B to the Independent Auditors' report

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Enzene Biosciences Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements.

Enzene Biosciences Limited

Annexure B to the Independent Auditors’ report

Auditors’ Responsibility *(continued)*

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Enzene Biosciences Limited

Annexure B to the Independent Auditors' report

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.

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

T Balajirao

Balajirao Pothana
Partner
Membership No. 122632
UDIN: 22122632AJGXUK6530

Place: Singapore
Date: 19 May 2022

ENZENE BIOSCIENCES LIMITED
FINANCIAL STATEMENTS
BALANCE SHEET AS AT 31 MARCH, 2022

(Rs. million)

Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021 (Restated)#
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3.1	1,977.0	1,952.6
(b) Capital work in progress	3.1	190.9	73.7
(c) Right-of use assets	3.1	16.9	25.1
(d) Intangible assets	3.1	6.4	6.1
(e) Non-Current tax assets(Net)	3.37	82.7	50.9
(f) Other non-current assets	3.2	54.7	31.8
Total Non-current assets		2,328.6	2,140.2
2 Current assets			
(a) Inventories	3.3	281.6	123.2
(b) Financial Assets			
(i) Trade receivables	3.4	206.1	29.0
(ii) Cash and cash equivalents	3.5	6.1	25.8
(iii) Bank balances other than (ii) above	3.6	210.2	424.2
(iv) Loans	3.7	1.4	0.1
(v) Other current financial assets	3.8	38.9	15.6
(c) Other current assets	3.9	490.8	464.1
Total Current assets		1,235.1	1,082.0
TOTAL ASSETS		3,563.7	3,222.2
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	3.10	408.4	368.2
(b) Other equity **(Refer statement of changes in equity)**		2,127.7	2,162.7
Total Equity		2,536.1	2,530.9
2 Non-Current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	3.11	6.0	13.6
(b) Provisions	3.12	21.1	19.8
(c) Other non-current liabilities	3.13	4.1	4.5
Total Non-Current liabilities		31.2	37.9
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	3.14	322.7	365.7
(ii) Lease Liabilities	3.11	7.5	11.7
(iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises	3.15	6.9	2.8
(b) Total Outstanding dues of creditors other than micro and small enterprises	3.15	195.7	113.2
(iv) Other financial liabilities	3.16	51.8	43.2
(b) Other current liabilities	3.17	404.6	112.8
(c) Provisions	3.18	7.2	4.0
Total Current liabilities		996.4	653.4
TOTAL EQUITY AND LIABILITIES		3,563.7	3,222.2
Significant Accounting Policies	1B		
Critical accounting judgements and key sources of estimation uncertainty	2		
Notes to Accounts	3		

 # refer note 3.38
The accompanying notes are an integral part of these financial statements.

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Balajirao Pothana
Partner
Membership No. 122632
~~Mumbai~~ Singapore
Date: 19 May 2022

For and on behalf of the Board,
For Enzene Biosciences Limited
CIN No: U24232PN2006PLC165610

Himanshu Gadgil
Director
DIN No.: 07548149
Pune
Date:11 May 2022

Sandeep Singh
Director
DIN No.: 01277984
Mumbai
Date:11 May 2022

Viral Shah
Chief Financial Officer
Pune
Date:11 May 2022

Renu Sharma
Company Secretary
Pune
Date:11 May 2022

ENZENE BIOSCIENCES LIMITED
FINANCIAL STATEMENTS
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2022

(Rs. million)

Particulars	Note No.	For the year ended 31 March, 2022	For the year ended 31 March, 2021 (Restated)#
1 Income			
(a) Revenue from operations	3.19	872.1	326.6
(b) Other income	3.20	23.8	48.4
Total Income		**895.9**	375.0
2 Expenses			
(a) Cost of materials consumed	3.21	633.9	496.4
(b) Changes in inventories of work-in-progress	3.22	22.4	38.8
(c) Employee benefits expense	3.23	323.2	241.7
(d) Finance costs	3.24	12.3	39.7
(e) Depreciation and amortisation expenses	3.1	156.9	157.6
(f) Contract research and development expenses		95.9	128.6
(g) Other expenses	3.25	352.0	284.4
Total Expenses		**1,596.6**	1,387.2
3 Profit/(Loss) before tax (1) - (2)		**(700.7)**	(1,012.2)
4 Tax expense			
(a) Current tax		-	-
(b) Deferred tax		-	-
		-	-
5 Profit/(Loss) for the year (3) - (4)		**(700.7)**	(1,012.2)
6 Other Comprehensive Income/ (Expense)			
(a) Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit plans		1.2	(1.7)
Total of Other Comprehensive Income/ (Expense) for the year, net of tax		**1.2**	(1.7)
7 Total Comprehensive Income/ (Expense) for the year (5) + (6)		**(699.5)**	(1,013.9)
8 Basic and diluted earnings per share	3.29	**(17.7)**	(29.5)
Significant Accounting Policies	1B		
Critical accounting judgements and key sources of estimation	2		
Notes to Accounts	3		

 # refer note 3.38
The accompanying notes are an integral part of these financial statements.

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Balajirao Pothana
Partner
Membership No. 122632
~~Mumbai~~ Singapore
Date: 19 May 2022

For and on behalf of the Board,
For Enzene Biosciences Limited
CIN No: U24232PN2006PLC165610

Himanshu Gadgil
Director
DIN No.: 07548149
Pune
Date:11 May 2022

Sandeep Singh
Director
DIN No.: 01277984
Mumbai
Date:11 May 2022

Viral Shah
Chief Financial Officer
Pune
Date:11 May 2022

Renu Sharma
Company Secretary
Pune
Date:11 May 2022

ENZENE BIOSCIENCES LIMITED
FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

(a) Equity share capital

(Rs. million)

Balance as at 1 April 2021	Change in equity share capital	Restated balance as at 1 April 2021	Change in equity share capital during the year	Balance as at 31 March 2022
368.2		368.2	40.2	408.4

Balance as at 1 April 2020	Change in equity share capital	Restated balance as at 1 April 2020	Change in equity share capital during the year	Balance as at 31 March 2021
323.5		323.5	44.7	368.2

(b) Other Equity

(Rs. million)

Particulars	Share Application Money pending allotment	General Reserve	Share Option Outstanding account	Securities Premium	Retained Earnings#	Total other equity
Balance at 1 April, 2020	-	1.8	13.6	4,722.6	(2,320.2)	2,417.8
Total comprehensive Income						
Loss for the year					(1,012.2)	(1,012.2)
Other comprehensive loss					(1.7)	(1.7)
ESOP exercised during the year			(3.3)			(3.3)
Addition/(deletion) during the year	0.1	0.2	1.1	761.0		762.3
Transfer to General Reserve			(0.2)			(0.2)
Share Application Money refunded	-	-	-	-	-	-
Balance at 31 March, 2021	**0.1**	**2.0**	**11.2**	**5,483.6**	**(3,334.1)**	**2,162.7**
Total comprehensive Income						
Loss for the year	-	-	-	-	(700.7)	(700.7)
Other comprehensive income	-	-	-	-	1.2	1.2
ESOP exercised during the year	-	-	(5.2)	-	-	(5.2)
Addition/(deletion) during the year	(0.1)	-	0.0	669.8	-	669.7
Transfer to General Reserve	-	-	-	-	-	-
Balance at 31 March, 2022	-	**2.0**	**6.0**	**6,153.4**	**(4,033.6)**	**2,127.7**

Description of the nature and purpose of each reserve within equity:

Share application money pending allotment: Share application money pending allotment represents share application money received from Employee who have exercised ESOP as per ESOP scheme.This is utilised for allotment of shares to employees.

General Reserve: General reserve represents the reversal of ESOP outstanding liability due to forfeiture of ESOP.

Share option outstanding account (ESOP) : ESOP represents the systematic transfer of ESOP expenses over the vesting period.
53,208(31 March 2021:1,06,416) number of shares are reserved for employees for issue under the employee stock options plan(ESOP) amounting to Rs 6.0 million (31 March 2021: Rs 11.2 million)

Security Premium: Securities premium is credited when shares are issued at a premium. The securities premium can be utilized as per the provisions of the Companies Act, 2013 for specified purposes such as to issue bonus shares, to provide for premium on redemption of shares or debentures etc.

Retained Earnings: Retained earnings represents the losses that the company has incurred till date.

The accompanying notes are an integral part of these financial statements.
 # refer note 3.38

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Balajirao Pothana
Partner
Membership No. 122632
~~Mumbai~~ Singapore
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Pune
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Renu Sharma
Company Secretary
Pune
Date:11 May 2022

ENZENE BIOSCIENCES LIMITED
FINANCIAL STATEMENTS
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2022

(Rs. million)

	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021 (Restated)#
A.	**Cash flow from operating activities**		
	Net profit before tax	(700.7)	(1,012.2)
	Adjustment for:		
	Depreciation and amortisation expenses	156.9	157.6
	Unrealised gain/loss	(1.4)	(0.2)
	Employee stock compensation expenses	-	1.1
	Loss on sale/obsolescence of property plant and equipments (net)	11.2	2.9
	Interest paid	8.9	35.8
	Interest Received	(10.5)	(44.7)
	Subtotal of adjustments	165.1	152.5
	Operating profit before working capital changes	(535.6)	(859.7)
	Adjustment for:		
	Decrease / (Increase) in loans	(1.3)	0.1
	Decrease / (Increase) in inventories	(158.4)	20.2
	Decrease / (Increase) in other financial assets and other assets	(50.8)	(61.1)
	(Increase) / Decrease in trade receivables	(175.7)	(28.7)
	(Decrease) / Increase in trade payable	86.6	(10.6)
	(Decrease) / Increase in other financial liabilities and other liabilities	300.0	67.1
	Increase / (Decrease) in provisions	5.7	5.4
	Subtotal of adjustments	6.1	(7.6)
	Cash generated from operations used in	(529.5)	(867.3)
	Less: Direct taxes paid	(31.3)	(15.5)
	Net Cash (used)/ generated from operating activities	(560.8)	(882.8)
B.	**Cash flow from investing activities**		
	Purchases of property, plant and equipment (Net)	(324.5)	(104.1)
	Redemption/(investments) of bank deposits having maturity of more than 3 months	214.0	356.5
	Interest received	10.5	44.7
	Net Cash (used)/ generated from investing Activities	(100.0)	297.1
C.	**Cash flow from financing activities**		
	Repayment of lease liabilities	(11.7)	(10.3)
	Proceeds from current borrowings (net)	(43.0)	(192.9)
	Repayment from current borrowings (net)		
	Share application money received	-	0.1
	Proceeds from issue of shares	704.7	802.4
	Interest paid	(8.9)	(35.8)
	Net Cash (used)/ generated from financing activities	641.1	563.5
D.	**Net Increase/ (Decrease) in Cash & cash equivalents (A+B+C)**	(19.7)	(22.2)
E.	**Cash & cash equivalents as at 1 April, 2021**	25.8	48.0
F.	**Cash & cash equivalents as at 31 March, 2022 (D+E) (Refer note 3.5)**	6.1	25.8

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) on Cash Flow Statement.
2. Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.
3. Debt reconciliation in accordance with Ind AS 7:

(Rs. million)

Particulars	Current borrowings
As at 1 April 2020	558.6
Cash flows from borrowing during the year (net)	(192.9)
As at 31 March 2021 (Refer note 3.14)	365.7
Cash flows from borrowing during the year (net)	(43.0)
As at 31 March 2022 (Refer note 3.14)	**322.7**

The accompanying notes are an integral part of financial statements
 # refer note 3.38

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

T Balajirao

Balajirao Pothana
Partner
Membership No. 122632
~~Mumbai~~ Singapore
Date: 19 May 2022

For and on behalf of the Board,
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CIN No: U24232PN2006PLC165610

Himanshu Gadgil
Director
DIN No.: 07548149
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Date:11 May 2022

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DIN No.: 01277984
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Viral Shah
Chief Financial Officer
Pune
Date:11 May 2022

Renu Sharma

Renu Sharma
Company Secretary
Pune
Date:11 May 2022

ENZENE BIOSCIENCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

1A **General Information:**

Enzene Biosciences Limited ('the Company') was incorporated in 2006 under the provisions of Companies Act,1956. The Company is domiciled in India with its registered office address being, Plot No. A 22, A/1/2 Chakan Industrial Area, Phase 2, Khalumbre, Chakan, Pune 410501, Maharashtra, India. The Company is engaged in the business of research & development of Biotechnology Products & has started commercial manufacturing in FY 2021-22 and also providing CDMO services.

1B **SIGNIFICANT ACCOUNTING POLICIES:**

a) The financial statements of the Company as at and for the year ended 31 March 2022 have been prepared in accordance with Indian Accounting standards ('Ind AS') notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Act.

The financial statements are prepared in Indian Rupees in Million, rounded off to the nearest one decimal except for share data and per share data, unless otherwise stated.

The financial statements are authorised for issue by the Board of Directors of the Company at its meeting held on 11 May 2022.

b) **Basis of preparation of financial statements:**

The financial statements of the company as at and for the year ended 31st March, 2022 have been prepared in accordance with Indian Accounting standards ('Ind AS') notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (As amended) and the relevant provisions of the Act.

The Financial statement are prepared in Indian rupees.

The preparation of financial statements in accordance with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in **Note 2**. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.
An asset is classified as current when it is:
a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
a) it is expected to be settled in normal operating cycle,
b) it is held primarily for the purpose of trading,
c) it is due to be settled within twelve months after the reporting period,
d) 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.

c) **Basis of measurement:**

These financial statements are prepared under historical cost convention except for provision for defined benefit obligations and certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below.

d) **Functional and Presentation Currency:**

These financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

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1.2 Property, plant and equipment("PPE"):

a) Items of Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition for its intended use and any trade discount and rebates are deducted in arriving at purchase price. Cost of the assets also includes interest on borrowings attributable to acquisition of qualifying Property, plant and equipment up to the date the asset is ready for its intended use incurred up to that date. Subsequent expenditure relating to Property, plant and equipment is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

b) Cost of Items of Property, plant and equipment not ready for intended use as on the balance sheet date, is disclosed as capital work in progress. Advances given towards acquisition of Property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advance under Other non current assets.

1.3 Intangible assets:

I. Recognition and measurement

Research and development	Expenditure on research activities is recognised in profit or loss as incurred.
	Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.
Other intangible assets	Other intangible assets, such as computer software and trademarks and patents, that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

1.4 Depreciation and amortisation:

Depreciation is provided on a straight line basis for all assets. Depreciation is provided based on the useful life of assets. Pursuant to Schedule II of Companies Act, 2013, the remaining useful life has been revised wherever appropriate based on an evaluation by an independent valuer. The carrying amount as on 1st April, 2014 and addition made thereafter is depreciated over the revised remaining useful life as under-

Tangible assets	Useful life
Leasehold Land	Amortized over the period of Lease
Building	5 Years to 30 Years
Plant and Machinery	1 Year to 20 Years
Furniture and Fixtures	10 Years
Office Equipments	3 Years to 6 Years
Assets individually costing less than or equal to Rs.5,000	1 Year

Intangible assets	Useful life
Computer Software	3 to 6 Years
Right of Use	Over the period of lease

1.5 Impairment of assets:

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) 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 are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units("CGU"). The recoverable amount of an asset or CGU is the greater 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 pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss is reversed 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.

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1.6 Leases:

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset;
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

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

Certain lease arrangements include the options to extend the lease before the end of the lease term, but the renewal aspect has not been added to the lease term since the option to renew the lease lies with both the lessor and the lessee.

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using discount rates generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet.

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1.7 Financial instruments:

Financial instruments are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the Financial asset.

(a) Financial assets

The Company determines the classification of its financial assets at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

The financial assets are classified in the following measurement categories:

a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

b) Those to be measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

The Company follows trade date accounting for all regular way purchase or sale of financial assets.

(i) Amortised cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

a) The asset is held within a business model with the objective of collecting the contractual cash flows, and

b) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortised cost include loans receivable, trade and other receivables, and other financial assets that are held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment.

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 finance income in the statement of profit or loss. The losses arising from impairment are recognised in the Statement of Profit or Loss in other income.

(ii) Fair value through other comprehensive income

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

For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

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

(iii) Financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss:

a) Debt investments that do not qualify for measurement at amortised cost;

b) Debt investments that do not qualify for measurement at fair value through other comprehensive income; and

c) Debt investments that have been designated at fair value through profit or loss.

Financial assets at fair value through profit or loss include financial assets held for trading, debt securities and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value presented as finance costs in profit or loss. Interests, dividends and gain/loss on foreign exchange on financial assets at fair value through profit or loss are included separately in other income.

If Company elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments shall continue to be recognised in profit or loss as other income when the Company's' right to receive payments is established. There are no impairment requirements for equity investments measured at fair value through other comprehensive income. Changes in the fair value of financial assets at fair value through profit or loss shall be recognised in other gain/(losses) in the statement of profit or loss as applicable.

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

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of Financial Assets

Credit risk exposure:

a) Financial assets that are debt instruments and are measured at amortised cost e.g., loans, deposits, and bank balance

b) Trade receivables or any contractual right to receive cash or other financial asset that result from transactions that are within the scope of In AS 11 and In AS 18

Expected credit losses is the probability-weighted estimate of credit losses (i.e. present value of all cash shortfalls) over the expected life of the financial asset. A cash shortfall is the difference between the cash flows that are due in accordance with the contract and the cash flows that the company expects to receive. The expected credit losses consider the amount and timing of payments and hence, a credit loss arises even if the Company expects to receive the payment in full but later than when contractually due. The expected credit loss method requires to assess credit risk, default and timing of collection since initial recognition. This requires recognising allowance for expected credit losses in profit or loss even for receivables that are newly originated or acquired.

Impairment of financial assets is measured as either 12 month expected credit losses or life time expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. '12 month expected credit losses' represent the expected credit losses resulting from default events that are possible within 12 months after the reporting date. 'Lifetime expected credit losses' represent the expected credit losses that result from all possible default events over the expected life of the financial asset.

Trade receivables are of a short duration, normally less than 12 months and hence the loss allowance measured as lifetime expected credit losses does not differ from that measured as 12 month expected credit losses. The Company uses the practical expedient in In AS 109 for measuring expected credit losses for trade receivables using a provision matrix based on ageing of receivables.

The Company uses historical loss experience and derived loss rates based on the past twelve months and adjusts the historical loss rates to reflect the information about current conditions and reasonable and supportable forecasts of future economic conditions. The loss rates differ based on the ageing of the amounts that are past due and are generally higher for those with the higher ageing.

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate (EIR), which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original EIR of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original EIR.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and Fixed deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

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Mumbai

Enzene Biosciences Ltd.
Pune

(b) Financial liabilities

The Company determines the classification of its financial liabilities at initial recognition.

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. At initial recognition, the Company measures financial liabilities at its fair value. Financial liabilities at fair value through profit and loss are carried in the Balance Sheet at fair value with changes recognised in the Statement of Profit and Loss.

Financial liabilities measured at amortised cost

Financial liabilities are initially recognised at fair value, net of transaction cost incurred and are subsequently measured at amortised cost, using the EIR method. Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counter party.

1.8 Equity instruments:

Equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issuance costs.

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1.9 Inventories:

a) Raw Materials and Packing Materials are valued at cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. If the decline in price of materials indicate that the cost of finished goods exceeds net realisable value, the materials are written down to net realisable value; cost is calculated on moving weighted average basis.

b) Finished Goods and Work–in–Progress are valued at lower of cost (on Moving weighted average basis) and net realisable value. In respect of finished goods & Work-in Progress, cost includes materials, appropriate share of utilities, other overheads and non refundable taxes. Trading Goods are valued at lower of cost (on Moving weighted average basis) and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

c) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

1.10 Revenue recognition:

Revenue from sale of products

a) Revenue from sale of products is recognised when the Company satisfies a performance obligation upon transfer of control of products to customers at the time of shipment. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts etc all of which are established at the time of sale.

Contract development and manufacturing services income

a)The Company derives revenues from Contract development and manufacturing services.

b) Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service

c) Invoices are issued as per the general business terms and are payable in accordance with the contractually agreed credit period

d) Revenue is recognised based on the percentage of completion method.

e)The consideration received by the Company in exchange for its goods may be fixed or variable. Variable consideration is only recognised when it is considered highly probable that a significant revenue reversal will not occur once the underlying uncertainty related to variable consideration is subsequently resolved.

f)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.

g) 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.

1.11 Foreign currencies:

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions. The functional and presentation currency of the Company is Indian Rupees.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

1.12 Employee benefits:

a) Post Employment Benefits and Other Long Term Benefits:

i) Defined Contribution Plan:

Company's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss

The Company's contribution towards provident fund and superannuation fund for certain eligible employees are considered to be defined contribution plan for which the Company made contribution on monthly basis.

ii) Defined Benefit and Other Long Term Benefit Plans:

Company's liabilities towards defined benefit plans and other long term benefits viz. gratuity and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of Other Comprehensive income in the period of occurrence of such gains and losses. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any.

b) Short term Employee Benefits:

Short term employee benefits are benefits payable and recognised in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the year as the related service are rendered by the employee. These benefits include performance incentives.

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1.13 Taxes on income:

Income tax expense represents the sum of the current tax and deferred tax.

Current tax payable or recoverable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Profit and Loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only if the company currently has a legally enforceable right to set-off the current income tax assets and liabilities.

1.14 Borrowing costs:

Borrowing costs are interest and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible Property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the Statement of Profit and Loss of the period in which they are incurred.

1.15 Provision, contingent liabilities and contingent assets:

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount can not be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

1.16 Earnings per share ('EPS'):

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

1.17 Government grants:

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants received in relation to assets are recognised as deferred income and amortised over the useful life of such asset. Government grants, which are revenue in nature are either recognised as income or deducted in reporting the related expense based on the terms of the grant, as applicable.

1.18 Employee stock option scheme:

The excess of fair value of shares, at the date of grant of options under the Employee stock option scheme of the Company, over the exercise price is regarded as employee compensation, and recognised on a straight-line basis over the period as expense in profit and loss account over which the employees would become unconditionally entitled to apply for the shares.

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1.19 Recent accounting pronouncements:

New and amended standards

The Company has not early adopted certain standards and amendments, which are issued for annual periods beginning on or after 1 Apr 2021 because it is not yet effective:

Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

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

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

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

Conceptual framework for financial reporting under Ind AS issued by ICAI

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

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.
The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.
These amendments had no impact on the financial statements of the Company.

Ind AS 116: COVID-19 related rent concessions

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

Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards" issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

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

Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

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

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

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Note 2: Critical accounting judgements and key sources of estimation uncertainty

The Company prepares its financial statements in accordance with Ind AS as issued by the MCA, the application of which often requires judgements to be made by management when formulating the Company's financial position and results. The Directors are required to adopt those accounting policies most appropriate to the Company's circumstances for the purpose of presenting fairly the Company's financial position, financial performance and cash flows.

In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the Company should it later be determined that a different choice would be more appropriate.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an explanation of each below. The discussion below should also be read in conjunction with the Company's disclosure of significant accounting policies which are provided in note 1 to the financial statements, 'Significant accounting policies'.

a. **Recognition of deferred tax assets**

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the foreseeable future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

b. **Estimation of useful life**

The useful life used to amortise or depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from the asset. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Statement of Profit and Loss.

The useful lives and residual values of Company's assets are determined by management as per schedule II of the Companies Act, 2013.

c. **Provisions and contingent liabilities**

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

d. **Defined Benefit Plans:**

The cost of the defined benefit gratuity plan and other post-employment benefits and present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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ENZENE BIOSCIENCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

3.1 Property, plant and equipment, Capital work in progress and Other intangible assets

(Rs. million)

Particulars	Tangible Assets						Intangible assets	Right of Use	Capital work in progress
	Leasehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipments	Total	Computer software		
At Cost									
As at 1st April, 2020	106.3	634.4	1,320.8	49.3	51.8	2,162.5	11.3	32.9	-
Additions	-	6.9	71.5	2.2	9.1	89 6	2.4	11.6	
Adjustments									
Deletions			4.8	1.0	0 5	6 3	0.3		
As at 31st March, 2021	106.3	641.3	1,387.5	50.5	60.4	2,245.8	13.4	44.5	-
Additions	-	8.4	145.6	4.5	11.5	170.0	3.3	-	
Adjustments						-			
Deletions			-	-	-	-	-		
As at 31st March, 2022	106.3	649.7	1,533.1	55.0	71.9	2,415.8	16.7	44.5	-
Depreciation and Amortisation									
As at 1st April, 2020	3.6	14.9	117.4	7.8	10.8	154.5	4.2	7.8	-
Depreciation / amortisation charge for the year	1 1	28 5	93 8	8 3	10 7	142.5	3.4	11.7	
Adjustments									
Deductions			2.6	0.7	0 5	3.8	0.3		
As at 31st March, 2021	4.7	43.4	208.6	15.4	21.0	293.1	7.3	19.5	-
Depreciation / amortisation charge for the year	1.1	28.6	100 5	5.2	10 2	145.7	3.0	8.2	
Adjustments			-			-			
Deductions			-	-	-	-	-		
As at 31st March, 2022	5.8	72.0	309.1	20.6	31.2	438.8	10.3	27.7	-
Net Book Value									
As at 31st March, 2021	101.6	598.0	1,178.9	35.1	39.4	1,952.6	6.1	25.1	73.7
As at 31st March, 2022	100.5	577.6	1,223.9	34.4	40.7	1,977.0	6.4	16.9	190.9

Note : 1. An amount of Rs 38.5 million has been capitalised from opening balance of Capital work in Progress in the current year.

Capital work in progress Movement			
Opening	Addition	Capitalised	Closing
73.7	290.6	173.4	190.9
73.7	290.6	173.4	190.9

2. Refer note 3.26 for contractual commitments with respect to property, plant and equipments
3. During the year, company has Carried out fair market valuation of assets lying in Capital Work in Progress through an independent valuer. Basis report from valuer,Impairment of Rs 11.2 million ha been provided in the financials.

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At March 31,2022, ageing of Capital work in progress : (Rs. million)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
Project in Progress	168.2	1.0	-	-	169.2
Project temporary suspended	-	-	21.7	-	21.7
Total	168.2	1.0	21.7	-	190.9

At March 31,2021, ageing of Capital work in progress

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
Project in Progress	40.5	-	0.1	-	40.6
Project temporary suspended	-	33.1	-	-	33.1
Total	40.5	33.1	0.1	-	73.7

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NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

(Rs. million)

Particulars	As at 31 March, 2022	As at 31 March, 2021(Restated)#
3.2 : OTHER NON-CURRENT ASSETS:		
Capital advances	38.0	15.8
Security deposits	16.7	16.0
TOTAL	54.7	31.8
3.3 : INVENTORIES:		
Raw material and packing material	255.6	75.4
Work-in-progress	25.3	47.8
Finished goods	0.7	-
TOTAL	281.6	123.2
The Company follows suitable provisioning norms for writing down the value of inventories towards slow moving, Non Moving, expired and non saleable inventory. Write down of inventory for the year ended 31 March 2022 is Rs 10.4 million (31 March 2021 : Nil)		
3.4 : TRADE RECEIVABLES:		
Considered good, Unsecured	206.1	29.0
Less: Loss allowance	-	-
Trade receivables include amount due from related parties Rs.60.6 million (Previous Year Rs.NIL)		
TOTAL	206.1	29.0

At March 31,2022, ageing of trade and other Receivables is as under :

(Rs. million)

Particulars	Outstanding for the following periods from the due date of payment						
	Not due	Less than 6 months	6 Months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
Undisputed - Trade receivables - considered good	120.8	83.7	1.6	-	-	-	206.1
Disputed - Trade receivables - considered good	-	-	-	-	-	-	-
Total	120.8	83.7	1.6	-	-	-	206.1

At March 31,2021, ageing of trade and other Receivables is as under :

(Rs. million)

Particulars	Outstanding for the following periods from the due date of payment						
	Not due	Less than 6 months	6 Months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
Undisputed - Trade receivables - considered good	15.5	13.5	-	-	-	-	29.0
Disputed - Trade receivables - considered good	-	-	-	-	-	-	-
Total	15.5	13.5	-	-	-	-	29.0

refer note 3.38

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ENZENE BIOSCIENCES LIMITED
NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

(Rs. million)

Particulars	As at 31 March, 2022	As at 31 March, 2021 (Restated)#
3.5 : CASH AND CASH EQUIVALENTS:		
Cash on hand	0.0	0.0
Balance with Banks:		
In Current Accounts	6.1	25.8
TOTAL	6.1	25.8
3.6 : OTHER BANK BALANCES:		
Bank Deposits with maturity within 12 months	141.2	424.2
Bank Deposits with maturity beyond 12 months	69.0	-
	210.2	424.2
Bank deposits of Rs.210.2 million (31 March 2021: Rs.424.2 million) are under lien with the banks against overdraft facility & Bank Guarantee.		
3.7 : LOANS:		
Loans and advances to employees (Considered good, unsecured unless otherwise stated)	1.4	0.1
TOTAL	1.4	0.1
3.8 : OTHER CURRENT FINANCIAL ASSETS:		
(Considered good, unsecured unless otherwise stated)		
Government grant receivable	-	5.4
Other receivables*	38.9	10.2
* Other receivables include amount due from related parties Rs.38.9 million (Previous Year Rs.10.2 million) - Refer Note 3.32		
TOTAL	38.9	15.6
3.9 : OTHER CURRENT ASSETS:		
(Considered good, unsecured unless otherwise stated)		
Balances with government authorities	422.3	416.0
Contract Assets	33.7	29.2
Advance to suppliers:		
Considered good	28.3	11.8
Less: Provision for doubtful advances	-	-
	28.3	11.8
Prepaid expenses	6.5	7.1
TOTAL	490.8	464.1
3.10 : EQUITY SHARE CAPITAL:		
Authorised:		
5,00,00,000 equity shares of Rs.10/- each (31st March, 2021: 5,00,00,000 equity shares of Rs.10/- each)	500.0	500.0
	500.0	500.0
Issued, Subscribed and Paid up:		
4,08,38,885 equity shares of Rs.10/- each fully paid up (31st March, 2021: 3,68,23,660 equity shares of Rs.10/- each fully paid up)	408.4	368.2
TOTAL	408.4	368.2

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

(Rs. million)

Particulars	As at 31 March, 2022		As at 31 March, 2021(Restated)#	
	Number	Rs.	Number	Rs.
At the commencement of the year	3,68,23,660	368.2	3,23,54,855	323.5
Add: Shares issued during the year	39,62,017	39.6	44,36,785	44.4
Add: Shares issued under ESOP	53,208	0.6	32,020	0.3
At the end of the year	4,08,38,885	408.4	3,68,23,660	368.2

(b) Rights, preferences and restrictions attached to Equity Shares:
The Company has issued one class of equity shares with voting rights having a par value of Rs 10/- per share. Each shareholder is eligible for one vote per share held.

On winding up of the Company, the holders of equity shares will be entitled to receive residual assets of the Company remaining after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

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

(Rs. million)

Name of the shareholders	As at 31 March, 2022		As at 31 March, 2021(Restated)#	
	Number of Shares	Percentage of Holding	Number of Shares	Percentage of Holding
Equity Shares of Rs.10 Each (Previous Year Rs.10 Each) held by:				
M/s. Alkem Laboratories Limited	4,07,24,500	99.72%	3,67,31,258	99.75%

refer note 3.38

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ENZENE BIOSCIENCES LIMITED
NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

(Rs. million)

(d) Shares held by Holding Company:

Name of the shareholder	As at 31 March, 2022		As at 31 March, 2021 (Restated)#	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
M/s. Alkem Laboratories Limited	4,07,24,500	407.2	3,67,31,258	367.3

(e) Shares held by Promoters:

(Rs. million)

Name of the Promoters	As at 31 March, 2022		As at 31 March, 2021 (Restated)#	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
M/s. Alkem Laboratories Limited	4,07,24,500	407.2	3,67,31,258	367.3

Note : The Company has not issued any bonus shares, shares for consideration other than cash or bought back any shares during 5 years immediately preceding the reporting date.

refer note 3.38

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NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

(Rs. million)

Particulars		As at 31 March, 2022	As at 31 March, 2021 (Restated)#
3.11 : LEASE LIABILITIES:			
Non Current -Lease Liabilities (Refer Note 3.30)		6.0	13.6
Current - Lease Liabilities (Refer Note 3.30)		7.5	11.7
	TOTAL	13.5	25.3
3.12 : NON CURRENT PROVISIONS:			
Provisions for employee benefits			
Gratuity (Refer Note 3.28)		12.0	11.5
Compensated absences		9.1	8.3
	TOTAL	21.1	19.8
3.13 : OTHER NON CURRENT LIABILITIES:			
Deferred Government grant (Refer Note 3.39)		4.1	4.5
	TOTAL	4.1	4.5
3.14 : CURRENT BORROWINGS:			
Secured			
Loans repayable on demand from Banks		322.7	365.7
	TOTAL	322.7	365.7
Notes:			
1. As at 31st March, 2022 Overdrafts from Axis Bank **Rs.184.2 million** (31st March, 2021 Rs.365.7 million) is secured against pledge of Fixed Deposits with the banks.			
Overdraft Facilities carry a rate of interest ranging between 4.45% - 6.40% p.a. computed on a monthly basis on the actual amount utilized, and are repayable on demand.			
2. As at 31st March, 2022 Overdrafts from Citi Bank **Rs.138.5 million** (31st March, 2021 NIL) is secured against corporate guarantee given by Alkem Laboratories Limited.			
There is no non cash movement			
3.15 : TRADE PAYABLES:			
Dues of micro and small enterprises (Refer note 3.27)		6.9	2.8
Dues of creditors other than micro and small enterprises		195.7	113.2
	TOTAL	202.6	116.0

At March 31,2022, ageing of trade and other payable is as under : (Rs. million)

Particulars	Outstanding for the following periods from the due date of payment					
	Not due	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
MSME	6.9					6.9
Others	93.3	101.0	1.5			195.7
Total	100.2	101.0	1.5	-	-	202.6

At March 31,2021, ageing of trade and other payable is as under : (Rs. million)

Particulars	Outstanding for the following periods from the due date of payment					
	Not due	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
MSME	1.8	1.0				2.8
Others	54.8	56.8	0.6	0.4	0.6	113.2
Total	56.6	57.8	0.6	0.4	0.6	116.0

refer note 3.38

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ENZENE BIOSCIENCES LIMITED
NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

(Rs. million)

Particulars	As at 31 March, 2022	As at 31 March, 2021 (Restated)#
3.16 : OTHER CURRENT FINANCIAL LIABILITIES:		
Employee payables	14.8	14.6
Accrual for expenses	37.0	28.6
	51.8	43.2
3.17 : OTHER CURRENT LIABILITIES:		
Due to statutory authorities*	8.5	6.8
Advances from customers	395.1	103.0
Deferred Government grant (Refer Note 3.39)	1.0	2.9
TOTAL	404.6	112.7
* Dues to statutory authorities includes TDS payable, PF, ESIC payable.		
3.18 : CURRENT PROVISIONS:		
Provision for employee benefits:		
Gratuity (Refer Note 3.28)	2.4	1.2
Compensated absences	4.8	2.8
TOTAL	7.2	4.0

refer note 3.38

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ENZENE BIOSCIENCES LIMITED
NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

(Rs. million)

Particulars		For the year ended 31 March, 2022	For the year ended 31March, 2021 (Restated)#
3.19 : REVENUE FROM OPERATIONS:			
Revenue from contracts with customers			
-Sale of Services		364.0	120.3
-Sale of Goods		447.8	64.0
-Sale of R&D Sample		0.3	1.4
Other operating revenues			
Clinical Trial Batches and Others		59.3	140.8
Scrap sales		0.4	
Government subsidy income (Refer Note 1.17)		0.3	0.1
	TOTAL	872.1	326.6
a) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:			
Revenue from contract with customers as per contracted price		812.8	185.8
Adjustments made to contract price on account of:			
Less: Sales return			
Less: Discounts			
Revenue from contract with customers		812.8	185.8
Other operating revenue		59.3	140.8
Revenue from operations		872.1	326.6
b) Disaggregation of revenue from contracts with customers based on geography:			
Revenue from Operations:			
Country of Domicile - India		361.3	159.7
United States of America		492.5	150.7
Other Countries		18.4	16.2
		872.2	326.6
C) Changes in Contract assets are as follows:			
Balance at the beginning of the year		29.2	-
Invoices raised that were included in the contract assets balance at the beginning of the year		29.2	-
Increase due to revenue recognised during the year,excluding amounts billed during the year		33.7	29.2
Balance at the end of the year		33.7	29.2
3.20 : OTHER INCOME:			
Interest on bank deposits		10.5	44.7
Foreign currency transactions and translation gain (net)		13.3	3.5
Miscellaneous receipt		0.0	0.2
	TOTAL	23.8	48.4
3.21 : COST OF MATERIALS CONSUMED:			
Raw and Packing material consumed		633.9	496.4
	TOTAL	633.9	496.4
3.22 : CHANGES IN INVENTORIES OF WORK-IN-PROGRESS:			
Opening Stock:			
Work-in-progress		47.8	86.6
Less: Closing stock:			
Work-in-progress		25.4	47.8
	TOTAL	22.4	38.8
3.23 : EMPLOYEE BENEFITS EXPENSE:			
Salaries, wages and bonus		289.1	218.5
Contribution to provident and other funds (Refer Note 3.28)		16.2	12.0
Employee stock compensation expenses (Refer Note 3.31)		-	1.1
Employees' welfare expenses		17.9	10.1
	TOTAL	323.2	241.7
3.24 : FINANCE COSTS:			
Interest expenses on			
-Bank overdraft and others		6.6	35.5
-Defined benefit liabilities (Refer Note 3.28)		0.8	0.5
Other borrowing cost		4.9	3.7
	TOTAL	12.3	39.7

refer note 3.38

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ENZENE BIOSCIENCES LIMITED

NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

(Rs. million)

Particulars	For the year ended 31 March, 2022	For the year ended 31March, 2021 (Restated)#
3.25 : OTHER EXPENSES:		
Consumption of stores and spare parts	26.3	15.5
Power and fuel	97.6	104.0
Manpower Outsourcing	55.1	40.5
Rates and taxes	2.4	1.2
Insurance	10.5	8.0
Selling and distribution expenses	2.2	-
Legal and professional Fees	31.1	30.2
Travelling and conveyance	26.7	19.4
Repairs:		
- Buildings	1.4	1.5
- Plant and machineries	42.0	26.2
- Others	3.2	2.4
Loss on sale/obsolescence of property plant and equipments (net) **	11.2	2.9
Royalty Expenses	3.7	-
Donation	0.3	-
Communication and printing expenses	10.0	7.8
Vehicle expenses	4.9	4.3
Gowning & Apron expenses	12.1	2.7
Office maintenance expenses	5.1	11.6
Fines and penalties	0.3	0.2
Miscellaneous expenses (Refer Note 3.36)	5.9	6.0
TOTAL	352.0	284.4

** During the year, Company has carried out fair market valuation of assets lying at Capital work in Progress through an independent valuer, Basis report from valuer, impairment loss of Rs 11.2 million in FY 2021-22 (2020-21 - Nil) has been provided in the financials.

refer note 3.38

2.9

ENZENE BIOSCIENCES LIMITED
NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

3.26 Contingent Liabilities and Commitments

a) Contingent Liabilities not provided For (Rs. million)

Sr.No.	Particulars	As at 31 March, 2022	As at 31 March, 2021
1	**Claims against the Company not acknowledged as debt**		
	i) Income Tax Demand disputed in appeal {Advances paid in dispute Rs. 96,47,680 (31st March 2021 : Rs 48,15,880)}	24.1	24.1
	ii) Value Added Tax demand disputed in appeal {Advances paid in dispute Rs. 67,80,072 (31st March 2021 : Rs Nil)}	22.6	22.6
	Total	**46.7**	**46.7**

The Company has reviewed all its pending litigations and proceedings and has adequately provided for, where provisions are required and disclosed as contingent liabilities wherever applicable, in its financial statement. The Company does not expect the outcome of these proceedings to have materially adverse effect on its financial statements.
For certain assessement years, there are claims against the company not acknowledged as debt related to Income tax matters.There is no demand made by the income tax authority in those years.

b) Commitments (Rs. million)

Sr.No.	Particulars	As at 31 March, 2022	As at 31 March, 2021
1	Estimated amount of contracts remaining to be executed on Capital Accounts (advances paid Rs.3,80,29,689) (for the year ended 31st March, 2021 Advance Paid Rs.1,58,14,778)	**244.9**	274.9
2	Letter of Credit opened by the Banks	**268.6**	-
3	Pending Export Obligation under EPCG Scheme	**494.7**	-

3.27 Dues to Micro and Small enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) certain disclosures are required to be made relating to Micro and Small Enterprises. On the basis of the information and records available with the Company and the same has been relied upon by the auditors, the outstanding dues to the Micro & Small enterprises as defined in MSMED are set out in following disclosure.

(Rs. million)

Sr.No.	Particulars	As at 31 March, 2022	As at 31 March, 2021
1	Principal amount remaining unpaid to any supplier as at the year end	**6.9**	2.8
2	Interest due thereon	-	0.2
3	The amount of interest paid by the buyer in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) (MSMED Act, 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
4	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 MSMED Act, 2006.	-	-
5	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	0.2
6	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, 2006.	-	0.2

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3.28 Disclosure of Employee Benefits as per Indian Accounting Standard 19 is as under:

i) Defined contribution plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The provident fund plan is operated by the Government administered employee provident fund. Eligible employees receive the benefits from the said Provident Fund. Both the employees and the Company make monthly contribution to the Provident Fund plan equal to a specific percentage of the covered employee's salary. The minimum interest rate payable to the beneficiaries every year is being notified by the Government.

The Company has recognised the following amounts in the statement of Profit and Loss: (Rs. million)

Particulars	As at	
	31 March, 2022	31 March, 2021
- Contribution to Provident Fund	16.1	11.8
- Contribution to Employee State Insurance Plan	0.1	0.2
Total	16.2	12.0

ii) Defined benefit plan:

The Company earmarks liability towards unfunded Gratuity and Compensated absences and provides for payment to vested employees as under:

a) On Normal retirement/ early retirement/ withdrawal/resignation:

As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

b) On death in service:

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at 31 March, 2022 by an independent actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31 March, 2022:

(Rs. million)

Sr. No.	Particulars	As at 31 March, 2022	As at 31 March, 2021 (Restated)#
I)	**Reconciliation in present value of obligations (PVO) – defined benefit obligation:**		
	Current service cost	3.7	2.6
	Interest Cost	0.8	0.5
	Actuarial (gain) / losses	(1.2)	1.7
	Benefits paid	(1.5)	(0.1)
	PVO at the beginning of the year	12.6	7.9
	PVO at end of the year	14.4	12.6
II)	**Change in fair value of plan assets**		
	Expected return on plan assets	-	-
	Actuarial gain/(losses)	-	-
	Contributions by the employer	1.5	0.1
	Benefits paid	(1.5)	(0.1)
	Fair value of plan assets at beginning of the year	-	-
	Fair value of plan assets at end of the year	-	-
III)	**Reconciliation of PVO and fair value of plan assets:**		
	PVO at end of year	-	-
	Actuarial gain/(losses)	-	-
	Funded status	-	-
	Unrecognised actuarial gain/ (loss)	-	-
	Net asset/ (liability) recognised in the balance sheet	-	-
IV)	**Net cost for the year**		
	Current service cost	3.7	2.6
	Interest cost	0.8	0.5
	Expected return on plan assets	-	-
	Actuarial (gain) / losses	(1.2)	1.7
	Net cost	3.3	4.8
V)	**Assumption used in accounting for the gratuity plan:**		
	Discount rate (%)	6.09%	6.26%
	Salary escalation rate (%)	9.00%	9.00%

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary Escalation Rate: The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March, 2022		31 March, 2021(Restated)#	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	-0.6	0.6	-0.7	1.0
Future salary growth (1% movement)	0.5	-0.4	0.8	-0.6

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NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

(Rs. million)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31March 2018
Defined Benefit Obligation at end of the year	14.4	12.7	7.9	4.6	2.1
Experience (Gain)/Loss Adjustment on plan Liabilities	0.5	1.6	(0.0)	0.1	(0.3)
Actuarial (Gain)/Loss due to change on assumption	(1.7)	0.1	0.3	1.2	(0.1)

3.29 Earnings per share (EPS)

(Rs. million)

Particulars			Year ended 31 March, 2022	Year ended 31 March, 2021 (Restated)#
Profit /(loss) after tax attributable to equity shareholders	In Rs.	A	**(700.7)**	(1,012.2)
Number of equity shares at the beginning of the year	Nos.		**3,68,23,660**	3,23,54,855
Equity shares issued during the period	Nos.		**40,15,225**	44,68,805
Number of equity shares outstanding at the end of the year	Nos.		**4,08,38,885**	3,68,23,660
Weighted average number of equity shares outstanding during the period	Nos.	B	3,94,78,040	3,43,13,818
Basic and diluted earnings per equity share (Rs) - Face value of Rs.10 per share	In Rs.	(A / B)	(17.7)	(29.5)

 # refer note 3.38

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ENZENE BIOSCIENCES LIMITED
NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

3.30 Disclosure as per Indian Accounting Standard 116 on Leases

(Rs. million)

i. Rights-of-use assets	As at 31 March, 2022	As at 31 March, 2021
	Land and Buildings	Land and Buildings
Opening Balance	25.1	25.1
Depreciation charge for the year	8.2	11.7
Additions to right—of—use assets	-	11.6
Carrying amount of right of use assets as at 31 March 2022	**16.9**	25.1

(Rs. million)

ii. Lease liability	As at 31 March, 2022	As at 31 March, 2021
Maturity analysis of lease liability - undiscounted contractual cash flows		
Less than one year	8.3	13.8
One to three years	8.2	16.5
More than three years	-	-
Total undiscounted cash flows	**16.5**	30.3
Current	8.3	13.8
Non-current	8.2	16.5

iii. Amount recognised in profit or loss	For the year 31 March, 2022	As at 31 March, 2021
Depreciation and impairment losses		
Depreciation of right of use lease asset	8.2	11.7
Finance cost		
Interest expense on lease liability	2.1	2.8
	10.3	14.4

(Rs. million)

iv. Amount recognised in statement of cash flows	As at 31 March, 2022	As at 31 March, 2021
Principal component of Cash outflow for long-term leases	11.7	10.3
Interest component of Cash outflow for long-term leases	2.1	2.8
Total cash outflow for leases	**13.8**	13.0

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3.31 Employee share-based payment plans

As at 31 March, 2022, the company has following share based payment arrangements for employees
ESOS 2016
This Scheme shall be called 'Enzene Employee Stock Option Scheme 2016' ("ESOS 2016"/"Scheme")

ESOS 2016 is established with effect from 15th January, 2016 on which the Shareholders have approved the Scheme by way of a special resolution and shall continue to be in force until (i) its termination by the Board, or (ii) the date on which all of the Employee Stock Options available for issuance under the ESOS 2016 have been issued and exercised, whichever is earlier. The plan entitles key management personnel and senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions; all exercised options shall be settled by physical delivery of shares.

The terms and conditions related to the grant of the shares options are as follows:

1

Date of Grant	03-Mar-16
Exercise price per Option	Rs. 125.80
Number of Options granted	1,45,600
Exercise period	2 years from the date of respective vesting
Vesting Period	1 to 5 years from the date of grant as stated below
Vesting Schedule	As mentioned below

Vesting Schedule:		
End of vesting period	**Vesting period after the date of grant**	**Vesting based on time**
3-Mar-17	1 year from the date of grant	5%
3-Mar-18	2 years from the date of grant	15%
3-Mar-19	3 years from the date of grant	20%
3-Mar-20	4 years from the date of grant	30%
3-Mar-21	5 years from the date of grant	30%
	Total	**100%**

2

Date of Grant	27-Jan-17
Exercise price per Option	Rs.10
Number of Options granted	56,400
Exercise period	2 years from the date of respective vesting
Vesting Period	1 to 4 years from the date of grant as stated below
Vesting Schedule	As mentioned below

Vesting Schedule:		
End of vesting period	**Vesting period after the date of grant**	**Vesting based on time**
27-Jan-18	1 year from the date of grant	15%
27-Jan-19	2 years from the date of grant	25%
27-Jan-20	3 years from the date of grant	30%
27-Jan-21	4 years from the date of grant	30%
	Total	**100%**

3

Date of Grant	25-May-17
Exercise price per Option	Rs.125.80
Number of Options granted	18,000
Exercise period	2 years from the date of respective vesting
Vesting Period	1 to 5 years from the date of grant as stated below
Vesting Schedule	As mentioned below

Vesting Schedule:		
End of vesting period	**Vesting period after the date of grant**	**Vesting based on time**
25-May-18	1 year from the date of grant	5%
25-May-19	2 years from the date of grant	15%
25-May-20	3 years from the date of grant	20%
25-May-21	4 years from the date of grant	30%
25-May-22	5 years from the date of grant	30%
	Total	**100%**

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NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

Share based payment expenses

(Rs. million)

Name of Scheme	31 March, 2022	31 March, 2021
ESOS 2016	-	1.1
Total Expenses recognised in "Employee benefit"	-	1.1

Reconciliation of outstanding share options

Particulars	Number of Options	
	31 March, 2022	31 March, 2021
Outstanding at 1st April	1,06,416	1,48,308
Granted during the year	-	-
Forfeited during the year	-	(3,600)
Exercised during the year	(53,208)	(32,815)
Expired during the year	-	(5,477)
Outstanding at 31st March	53,208	1,06,416

1. The estimated grant-date fair value of Stock options granted under ESOS 2016(1) plan is Rs. 69.94
2. The estimated grant-date fair value of Stock options granted under ESOS 2016(2) plan is Rs. 147.43
3. The estimated grant-date fair value of Stock options granted under ESOS 2016(3) plan is Rs. 75.48

The fair values are measured based on the Black-Scholes-Merton formula. Expected volatility, an input in this formula, is estimated by considering historical average of share price volatility of peer companies. The inputs used in the measurement of grant-date fair values are as follows:

Particulars	ESOS 2016 (1)	ESOS 2016 (2)	ESOS 2016 (3)
Fair value of shares	148	155	155
Compounded Risk-Free Interest Rate	7.70%	7.50%	7.50%
Expected volatility	31.93%	31.93%	31.93%

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3.32 Information on related party transactions as required by Indian Accounting Standard 24 (Ind AS 24) on related party disclosures for the year ended 31 March, 2022.

List of related parties and their relationship

A Holding Company

Name of the Companies	Country of Incorporation
Alkem Laboratories Limited	India

B Key Managerial Personnel ("KMP")

Basudeo Narayan Singh	Director
Sandeep Singh	Director
Amit Ghare	Director
Himanshu Gadgil	Whole time Director & CEO
Laxmana Ranjal Shenoy	Independent Director
Sudha Ravi	Independent Director
Viral Shah	Chief Financial Officer
Renu Sharma	Company Secretary

D Relatives of Key Management Personnel ("KMP") with whom transactions have taken place during the year.

Shilpa Gadgil (wife of Mr. Himanshu Gadgil)

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NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

Details of transactions with related parties

(Rs. million)

Sr. No.	Particulars	Year ended 31 March, 2022			
		Holding Company	Key Management Personnel	Relatives of Key Management Personnel	Total
		a	b	c	
1	Remuneration	-	26.7	5.9	32.6
		-	(22.4)	(4.6)	(27.0)
2	Sales of Goods	224.1	-	-	224.1
		-	-	-	-
3	Outlicensing deals	222.3	-	-	222.3
		-	-	-	229.7
4	Recovery on account of Clinical Trial Batches and Others #	69.0	-	-	69.0
		(168.7)	-	-	(168.7)
5	Reimbursement of expenses	18.9	-	-	18.9
		(4.0)	-	-	(4.0)
6	Sale of R&D Samples #	0.3	-	-	0.3
		(1.6)	-	-	(1.6)
7	Royalty	3.4	-	-	3.4
		-	-	-	-
8	Raw material purchased#	-	-	-	-
		(0.6)	-	-	(0.6)
9	Equity infusion	700.0	8.0	-	708.0
		(800.0)	(2.4)	-	(802.4)

Inclusive of GST

Key management personnel compensation

Key management personnel compensation comprised the following.

(Rs. million)

Particulars	Year ended 31 March, 2022	Year ended 31 March,2021
Short term employee benefits	26.2	22.0
Post-employment benefits	0.5	0.6
Other long-term benefits	0.4	(0.1)
Share Based payment (ESOS 2016)	4.2	3.2
Sitting fees paid to independent director	0.4	0.4

Balance due from / to the related Parties

(Rs. million)

Sr. No.	Particulars	As at 31 March, 2022			
		Holding Company	Key Management Personnel	Relatives of Key Management Personnel	Total
1	Others receivable*	35.7	-	-	35.7
		(10.2)	-	-	(10.2)
2	Trade Receivables- Sale of Goods*	48.7			48.7
		-			
3	Trade Receivables-Others#	203.4			203.4
		-			
4	Trade Payable	3.4	-	-	3.4
		-	-	-	-

* Net of tax deducted at source

#The unearned income has been netted off against receivable since the amount is not received as on 31st March 2022.

Note:

Figures in the brackets are the corresponding figures of the previous year.

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3.33 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

(Rs. million)

	As at 31 March, 2022							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	6.1	6.1	-	-	-	-
Other bank balances	-	-	210.2	210.2	-	-	-	-
Short-term loans and advances	-	-	1.4	1.4	-	-	-	-
Trade receivables	-	-	206.1	206.1	-	-	-	-
Other Current financial asset	-	-	38.9	38.9	-	-	-	-
	-	-	**462.7**	**462.7**	-	-	-	-
Financial liabilities								
Other non-current financial liabilities	-	-	6.0	6.0				-
Short term borrowings	-	-	322.7	322.7				-
Trade payables	-	-	202.7	202.7	-	-	-	-
Lease Liabilities	-	-	7.5	7.5	-	-	-	-
Other current financial liabilities	-	-	51.8	51.8	-	-	-	-
	-	-	**590.7**	**590.7**	-	-	-	-

(Rs. million)

	As at 31 March, 2021(Restated)#							
	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	25.8	25.8	-	-	-	-
Other bank balances	-	-	424.2	424.2	-	-	-	-
Short-term loans and advances	-	-	0.1	0.1	-	-	-	-
Trade receivables	-	-	29.0	29.0	-	-	-	-
Other Current financial asset	-	-	15.6	15.6	-	-	-	
	-	-	**494.7**	**494.7**	-	-	-	-
Financial liabilities								
Other non-current financial liabilities	-	-	13.6	13.6	-	-	-	-
Short term borrowings	-	-	365.7	365.7	-	-	-	-
Trade payables	-	-	116.0	116.0	-	-	-	-
Lease Liabilities	-	-	11.7	11.7	-	-	-	-
Other Current financial liabilities	-	-	43.2	43.2	-	-	-	-
	-	-	**550.2**	**550.2**	-	-	-	-

The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk ; and
- Market risk

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

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company uses the following hierarchic structure of valuation methods to determine and disclose information about the fair value of financial instruments:

Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities;
Level 2: valuation models for which all inputs which have significant effect on the recorded in the financial statements fair value are observable in the market, either directly or indirectly;
Level 3: valuation models which use inputs that have significant effect on the recorded in the financial statements fair value that are not based on observable market data.

ii. 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. The Company is exposed to credit risk from its operating activities (primarly trade receivables) and arises principally from the Company's receivables from customers.The Company has no significant concentration of credit risk with any counterparty.

Trade Receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.Management considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

At 31 March 2022, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

(Rs. million)

Particulars	As at 31 March, 2022	As at 31 March, 2021
India	97.4	12.2
US	90.3	16.8
Other countries	18.4	-
	206.1	29.0

Cash and Cash equivalents and Bank Deposits

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic credit rating agencies.

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3.33 Financial instruments – Fair values and risk management

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings and fixed deposits. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(Rs. million)

	Carrying amount in Rs.	
	31 March, 2022	31 March, 2021
Variable-rate instruments		
Financial assets	**216.4**	450.0
Financial liabilities	**322.7**	365.7
Total	**(106.7)**	84.3

Sensitivity analysis

	Profit or loss	
Effect in Rs.	**Strengthening**	**Weakening**
31st March, 2022		
5% movement	**16.1**	(16.1)

	Profit or loss	
Effect in Rs.	**Strengthening**	**Weakening**
31st March, 2021		
5% movement	**18.3**	(18.3)

for.

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3.33 Financial instruments – Fair values and risk management

iv. Market risk
Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk
The Company is exposed to currency risk on account of its other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company has exposure to USD, EURO and GBP. The Company has not hedged this foreign currency exposure.

Exposure to currency risk
The currency profile of financial assets and financial liabilities as at 31 March, 2022, 31 March, 2021 are as below:

	31 March, 2022		
	EURO	GBP	USD
Financial assets			
Trade and other receivables	5,00,000	-	27,01,026
	5,00,000	-	27,01,026
Financial liabilities			
Trade and other payables	55,962	11,500	9,67,759
	55,962	11,500	9,67,759

	31 March, 2021		
	EURO	GBP	USD
Financial assets			
Trade and other receivables	-	-	2,31,902
	-	-	2,31,902
Financial liabilities			
Trade and other payables	52,057	-	71,120
	52,057	-	71,120

Sensitivity analysis
A reasonably possible strengthening (weakening) of the Indian Rupee against various foreign currencies at March 31 would have affected the measurement of financial instruments denominated in foreign currencies 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.

(Rs. million)

	Profit or loss	
Effect in Rs.	**Strengthening**	**Weakening**
31st March, 2022		
10% movement		
EURO	3.7	(3.7)
GBP	(0.1)	0.1
USD	13.1	(13.1)
	16.7	(16.7)

	Profit or loss	
Effect in Rs.	**Strengthening**	**Weakening**
31st March, 2021(Restated)		
10% movement		
EURO	0.4	(0.4)
GBP	-	-
USD	(1.2)	1.2
	(0.7)	0.7

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3.33 Financial instruments – Fair values and risk management

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings and fixed deposits. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(Rs. million)

	Carrying amount in Rs.	
	31 March, 2022	31 March, 2021
Variable-rate instruments		
Financial assets	216.4	450.0
Financial liabilities	322.7	365.7
Total	(106.7)	84.3

Sensitivity analysis

	Profit or loss	
Effect in Rs.	Strengthening	Weakening
31st March, 2022		
5% movement	(5.3)	5.3

Comparative

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3.34 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at 31 March, 2022 was as follows:

(Rs. million)

Particulars	As at 31 March, 2022	As at 31 March , 2021
Total Borrowings	322.7	365.7
Less : Cash and cash equivalent	6.1	25.8
Adjusted net debt	**316.6**	339.9
Total equity	2,536.1	2,530.9
Adjusted net debt to equity ratio	0.12	0.13

3.35 Segment Reporting

The Company is in the Research and Development function of pharmaceutical business. As the Company has a single reportable segment, the segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. In compliance to the said standard, Basis for segmentation disclosures are as under :

(Rs. million)

Sr	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021(Restated)#
a)	**Revenues from sale of product and services from external customers attributed to the country of domicile and attributed to all foreign countries from which the company derives revenues**		
	Revenue from sale of product and services from the Country of Domicile-India	361.3	159.7
	Revenue from sale of product and services of product from foreign countries	510.9	166.9
		872.2	326.6

Sr	Particulars		
b)	**Non Current Assets (Refer note below)** Country of Domicile India	2,174.4	2,032.4
c)	Non Current Assets for this purpose consist of Property, Plant & Equipments & Intangibles.		

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3.36 Payment to auditors (excluding taxes)

(Rs. million)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
As Auditor		
Audit fees	1.2	0.6
Tax audit fees	-	0.1
In other capacity		
In any other services such as certification, etc.	-	0.2
Total	1.2	0.9

3.37 Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

A. Tax assets and liabilities

(Rs. million)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non Current tax assets (net)	82.7	50.9

B. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Gross Amount	Unrecognised Deferred Tax Asset	Gross Amount	Unrecognised Deferred Tax Asset
Deductible temporary differences	25.5	6.6	21.7	5.6
Tax Losses	4,633.5	1,204.7	3,604.5	937.2

Tax Losses carried forward

(Rs. million)

Particulars	Expiry Date	As at 31 March, 2022	Expiry Date	As at 31 March, 2021
Brought forward losses (allowed to carry forward for specified period)	2024-31	971.6	2023-30	764.7
Brought forward losses (allowed to carry forward for infinite period)		233.1		172.5

B. Reconciliation of effective tax rate

Particulars	%	As at 31 March, 2022	As at 31 March, 2021
Profit before tax		(700.7)	(1,012.2)
Tax using the Company's applicable tax rate	26%		
Tax effect of:		-	-

Deferred tax note

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Note-3: Notes to the separate Financial Statements for the Financial Year Ended 31 March 2022

3.38 Restatement of Comparitive Information

(Rs. million)

Particulars	Note No.	Previous Year As at 31 March, 2021	Restatement	As at 31 March, 2021 (Restated)
I. ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	3.1	1,952.6		1,952.6
(b) Capital work in progress	3.1	73.7		73.7
(c) Right-of use assets	3.1	25.1		25.1
(d) Other intangible assets	3.1	6.1		6.1
(d) Non Current tax assets (Net)	3.37	50.9		50.9
(e) Other non-current assets(Net)	3.2	31.8		31.8
Total Non-current assets		2,140.2	-	2,140.2
2 Current assets				
(a) Inventories	3.3	142.8	-19.6	123.2
(b) Financial Assets				
(i) Trade receivables	3.4	29.0		29.0
(ii) Cash and cash equivalents	3.5	25.8		25.8
(iii) Bank balances other than (ii) above	3.6	424.2		424.2
(iv) Loans	3.7	0.1		0.1
(v) Other current financial assets	3.8	15.6		15.6
(c) Other current assets	3.9	434.9	29.2	464.1
Total Current assets		1,072.4	9.5	1,082.0
TOTAL ASSETS		3,212.6	9.5	3,222.2
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	3.10	368.2		368.2
(b) Other equity (Refer statement of changes in equity)		2,153.2	9.5	2,162.7
Total Equity		2,521.4	9.5	2,530.9
2 Non-Current liabilities				
(a) Financial Liabilities				
(i) Lease Liabilities	3.11	13.6		13.6
(b) Provisions	3.12	19.8		19.8
(c) Other non-current liabilities	3.13	4.5		4.5
Total Non-Current liabilities		37.9	-	37.9
3 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	3.14	365.7		365.7
(ia) Lease Liabilities	3.11	11.7		11.7
(ii) Trade payables				
(a) Dues of micro & small enterprises	3.15	2.8		2.8
(b) Dues of creditors other than micro & small enterprises	3.15	113.2		113.2
(iii) Other financial liabilities	3.16	43.2		43.2
(b) Other current liabilities	3.17	112.8		112.8
(c) Provisions	3.18	4.0		4.0
Total Current liabilities		653.4	-	653.4
TOTAL EQUITY AND LIABILITIES		3,212.6	9.5	3,222.2

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ENZENE BIOSCIENCES LIMITED

Note-3: Notes to the separate Financial Statements for the Financial Year Ended 31 March 2022

3.38 Restatement of Comparitive Information

(Rs. million)

Particulars	Note No.	Previous year ended 31 March, 2021	Restatement	For the year ended 31 March, 2021 (Restated)
1 Income				
(a) Revenue from operations	3.19	297.4	29.2	326.6
(b) Other income	3.20	48.4		48.4
Total Income		345.8	29.2	375.0
2 Expenses				
(a) Cost of materials consumed	3.21	496.4	-	496.4
(b) Changes in inventories of work-in-progress	3.22	19.2	19.6	38.8
(c) Employee benefits expense	3.23	241.7		241.7
(d) Finance costs	3.24	39.7		39.7
(e) Depreciation and amortisation expenses	3.1	157.6		157.6
(f) Contract research and development expenses		128.6		128.6
(g) Other expenses	3.25	284.4		284.4
Total Expenses		1,367.6	19.6	1,387.2
3 Profit/(Loss) before tax (1) - (2)		(1,021.8)	9.5	(1,012.2)
4 Tax expenses				
(a) Current tax		-		
(b) Deferred tax		-		
		-	-	-
5 Profit/(Loss) for the period (3) - (4)		(1,021.8)	9.5	(1,012.2)
6 Other Comprehensive Income/ (Expense)				
(a) Items that will not be reclassified to profit or loss				
(i) Remeasurements of defined benefit plans		(1.7)		(1.7)
Total of Other Comprehensive Income/ (Expense) for the period, net of tax		(1.7)	-	(1.7)
7 Total Comprehensive Income/ (Expense) for the period (5) + (6)		(1,023.5)	9.5	(1,013.9)
Basic and diluted EPS		(29.8)		(29.5)

Note on restatement:

In the previous year, the Company did not account for certain contracts with customers in relation to contract research and development (entered for the first time in FY 2020-21) in accordance with the requirements of Ind AS 115 Revenue from Contracts with Customers ('Ind AS 115'). Consequently, the Company did not record revenue and contract assets, aggregating Rs 29.2 Million for such contracts towards performance obligations which were partially completed as at 31 March 2021. Further, related contract costs aggregating Rs 19.6 million were accounted as work-in-progress within Inventory in the balance sheet instead of recording these expenses as cost in the Statement of Profit and Loss.

This been rectified in the current year by the management and the corresponding figures as at and for the year ended 31 March 2021 have been restated in the financial statements in accordance with Ind AS 8 Accounting policies, changes in accounting estimates and errors. The consequential impact of the restatement has been given within cash flows from operating activities in the statement of cash flows.

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ENZENE BIOSCIENCES LIMITED

NOTE 3: NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

3.39 **Grant from Biotechnology Industry Research Assistance Council**

The company is eligible for government grant from Biotechnology Industry Research Assistance Council (BIRAC) under National Biopharma Mission. The grant received/receivable includes grant in relation to the assets and grant which are revenue in nature.

The grant received/receivable is for specific project for which the company is incurring the expenditure. Accordingly the eligible amount of revenue grant is deducted from the respective head of expenditure. The company has recognised Rs. 1.9 million Government Grant (Revenue in nature) during the year.

The Company is also eligible for government grants which are against Capital expenditure incurred by the company on the specific purchase of assets.These grants, recognized as deferred income, is being amortized over the useful life of the assets in proportion in which the related depreciation expense is recognised.The unamortised grant as on 31 March 2022 amount to Rs 4.5 million, the break-up of which is as below:

(Rs. million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current	1.0	2.9
Non Current	4.1	4.5
Total	**5.1**	**7.4**

During the year, the company has received overdues grant of **Rs 5.1 million** of another grant from a specific project of previous year for which the company has incurred expenditure during last year.

3.40 **Ratios**

Particulars	Numerator	Denominator	Units	As at 31 March 2022	As at 31 March 2021 (Restated)#	% Variance
Current Ratio	Current Assets	Current Liabilities	times	1.24	1.66	-25%
Debt-Equity Ratio	Net Debt	Total Equity	times	0.13	0.14	-12%
Interest Coverage Ratio	EBIT	Finance Cost	times	-56.87	-25.50	123%
Return on Equity Ratio	PAT	Total Equity	%	-28%	-40%	-31%
Inventory Turnover Ratio	Inventory	Revenue from Operations *365 days	No of Days	243	171	42%
Trade Receivables Turnover Ratio	Trade Receivables	Revenue from Operations * 365 days	No of Days	177	40	340%
Trade Payables Turnover Ratio	Trade Payables	Total Purchases * 365 days	No of Days	0	0	12%
Net Capital Turnover Ratio	Net Annual Sales	Working Capital	times	1.78	0.61	190%
Net Profit Ratio	PAT	Revenue from Operations	%	-165%	-386%	-57%
Return on Capital Employed	EBIT	Capital Employed	%	-25%	-35%	-30%
Return on Investment	PAT	Total Equity	%	-28%	-40%	-31%

Commentary on significant changes in Key financials ratios (i.e changes of 25% or more compared to the immediately preceding financial year)

Current Ratio :Current ratio has changed as there is more build up of inventory due to longer lead time of key source materials & also there is an increase in trade receivables as commercial operation has started in current year.

Interest Coverage Ratio: Interest coverage ratio has improved due to decrease in finance cost and also reduction in losses with commencement of commercial operation.

Return on Equity Ratio: Return on Equity has improved compared to previous year due to commencement of commercial operations and reduction in net losses

Trade Receivables Ratio: Trade Receivables turnover is higher in current year compared to previous year due to commencement of commercial operations and increase in revenue.

Net Capital Turnover Ratio: Net Capital Turnover ratio has improved due to commencement of Commercial operation.

Net Profit Ratio: Net Profit ratio has improved compared to previous year due to commencement of commercial operations and reduction in net losses.

Return on Capital Employed:ROCE ratio has improved compared to previous year due to commencement of commercial operations and reduction in net losses.

Return on Investment: Return on Investment ratio has improved as Commercial operation has started in Current year.

3.41 **Intermediaries**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Balajirao Pothana
Partner
Membership No. 122632
~~Mumbai~~ Singapore
Date: 19 May 2022

For and on behalf of the Board,
For Enzene Biosciences Limited
CIN No: U24232PN2006PLC165610

Himanshu Gadgil
Director
DIN No.: 07548149
Pune
Date:11 May 2022

Sandeep Singh
Director
DIN No.: 01277984
Mumbai
Date:11 May 2022

Viral Shah
Chief Financial Officer
Pune
Date:11 May 2022

Renu Sharma
Company Secretary
Pune
Date:11 May 2022