SUVEN
LIFE SCIENCES LIMITED

Unwavering Purpose

SUVEN
LIFE SCIENCES LIMITED

33rd Annual Report

2021-22

Content

We are not in the run for revenue, we are not in the hunt for profits.
We are not like any company you know.
We work with zero prospects and yet immense possibilities.
We are innovators. We thrive in uncertainties.
We are only driven by an UNWAVERING PURPOSE.
Of creating new drugs for unmet ailments.

Suven Life Sciences, a

BRAIN-FOCUSED

and brain-driven Company.

We work single-mindedly on developing new chemical entities (NCEs) for

BRAIN-DISORDERS.

We are an organisation who's unwavering focus has helped in creating a robust

PIPELINE OF MOLECULES.

Our resources

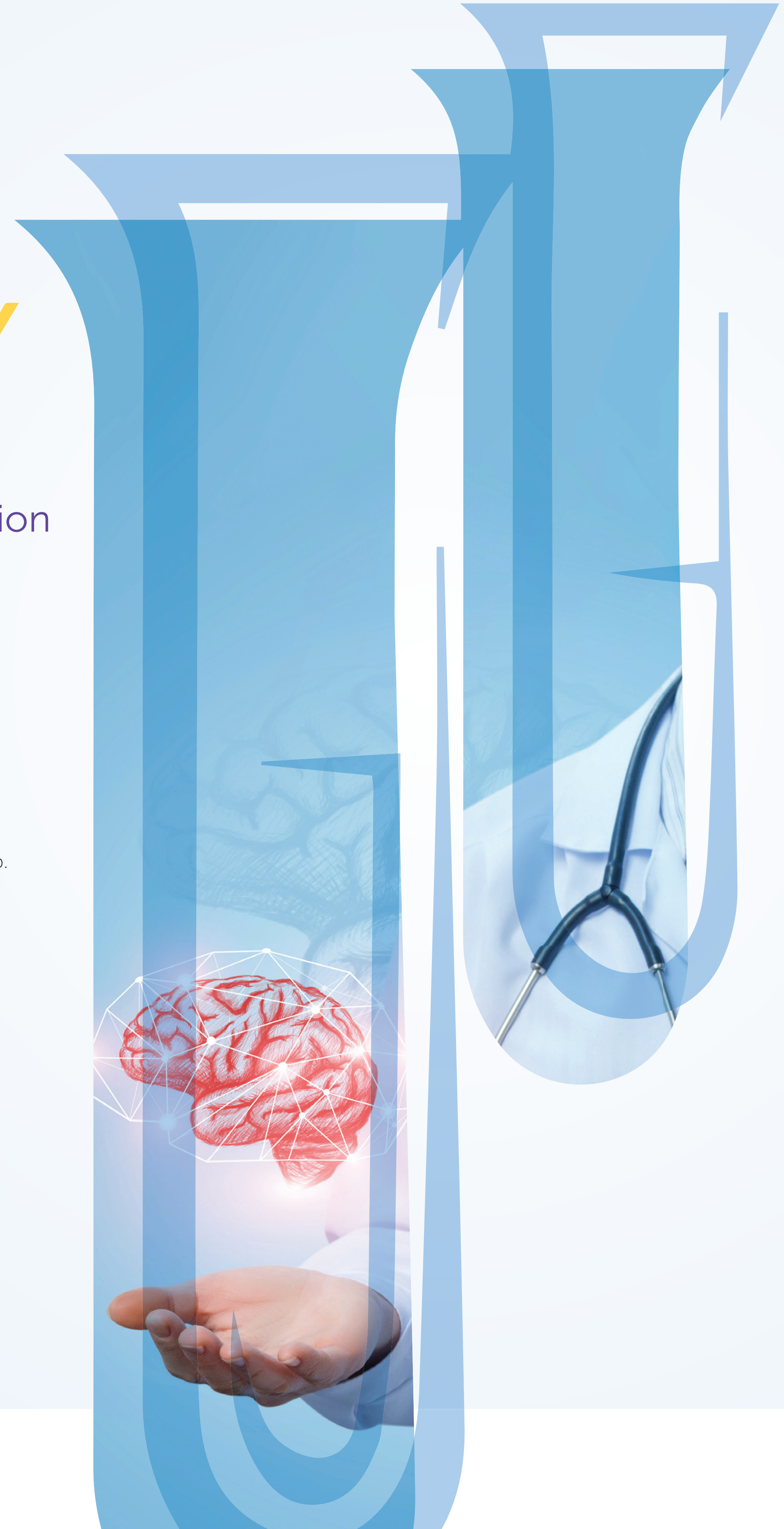
₹**51.74** crores
Cash and liquid assets
for research investment
(April 1, 2022)

132
Research team
(comprising 7 PhDs and 104 M. Sc)

2
Research units
(at Jeedimetla and
Pashamylaram in Telangana)

WE ARE INTRIGUED BY THE BRAIN...

The human brain is the ultimate creation of the Creator.



Because it is exceedingly complex.
It contains hundreds of billions of cells interlinked through trillions of connections.

Because it is forever working.
It controls every single act of the body. It's working even when we are asleep.

Because it is endlessly evolving.
It forms a million new connections for every second of our lives.

Because it is lightning fast.
It enables the body to respond in milliseconds.

Because it is excitingly unique.
No two brains are alike.

These factors position the brain as the most complex and ever intriguing organ.

...AND EXCITED BY THE CHALLENGES POSED BY BRAIN-RELATED DISORDERS.

The accepted axiom is ... what can be measured, gets monitored... what can be monitored can be analysed. And hence cured.

Now, think about it.

For every other ailment, there is a monitoring system and hence a measure/unit. Be it diabetes, heart-related issues, respiratory issues, urology issues or cancer.

Not so long ago, brain-related disorders were dismissed as being 'MAD'. It's only recently that such disorders have been bucketed under various categories.

The interesting part comes now.

The function of most organs of the body remains largely the same throughout our lives. But the brain evolves every second of every day. This suggests that the progress or otherwise, of a brain-related ailment always remains a mystery.

And the final salvo.

The ailment ... for example... Dementia is not of equal intensity for two people of the same age ... because the brain of every individual is different. Hence, the response of every individual to the same ailment can be vastly different.

HENCE, BRAIN-RELATED AILMENTS ARE NO DOUBT MIND-BOGGLING.

TO MAKE THE DISCUSSION MORE RELATABLE, WE DROP IN SOME RENOWNED FILMS THAT SHOWCASE THE IMPACT OF **BRAIN-RELATED DISORDERS** ON THE PATIENT AND THEIR FAMILIES.

THE FATHER

The film "The Father" brings the issue of dementia to the forefront.

This is a story about how a man, played by Anthony Hopkins, who refuses all assistance from his daughter, played by Olivia Colman, as he begins to suffer from the overwhelming and unnerving symptoms of dementia.

As he tries to make sense of his ever-changing circumstances, he begins to doubt his loved ones, his mind and even the fabric of his reality.

Watching the film gives viewers a close-up experience of what it's like to be an Alzheimer's patient, as well as a caregiver.

> the film did "... a great job of portraying the chaos that someone can feel as they're going through the dementia stages, particularly the moderate stages of Alzheimer's disease, where they have some insight which causes them to feel uncomfortable and wants to cover it up."
>
> **Michael Rafii, MD, PhD**
> *Medical Director USC Alzheimer's Therapeutic Research Institute (ATRI)*

(Source: https://keck.usc.edu/what-the-film-the-father-tells-us-about-alzheimers-disease/)

RAIN MAN

The character Raymond Babbitt (played by Dustin Hoffman) was not fabricated by Hollywood scriptwriters but inspired by Kim Peek.

Born with macrocephaly and congenital brain abnormalities, he had social and other disabilities as a result of those abnormalities that were similar to autism –known as savant syndrome.

Savant syndrome is a story of the brain's extraordinary neuroplasticity and how that plasticity allows humans to compensate for their disabilities with wondrous and spectacular abilities.

> More has happened to understand savant syndrome in the 20 years since 'Rain Man' than in the 120 years since it was first described in 1887 by Dr. J. Langdon Down."
>
> **Dr. Darold Treffert**

(Source: https://journals.lww.com/neurotodayonline/Fulltext/2010/02040/Autistic_Savant_Made_Famous_by__Rain_Man__Dies___8.aspx)

A BEAUTIFUL MIND

A human drama inspired by events in the life of John Forbes Nash Jr., and in part based on the biography "A Beautiful Mind" by Sylvia Nasar.

From the heights of notoriety to the depths of depravity, John Forbes Nash Jr. experienced it all. A mathematical genius, he made an astonishing discovery early in his career and stood on the brink of international acclaim. He soon finds himself on a harrowing journey of self-discovery.

In a decades-spanning biopic, John Forbes Nash Jr. struggles with schizophrenia while making history in his field.

(Source: https://www.rottentomatoes.com/m/beautiful_mind & https://www.netflix.com/in/title/60021793)

The IRON LADY

The movie, The Iron Lady, about Margaret Thatcher, prime minister of Britain from 1979 to 1990, starring Meryl Streep, is worth watching for several reasons. One of the foremost among them is to experience from the inside what our loved ones with dementia and Alzheimer's Disease experience.

Forrest Gump

The film "Forrest Gump" portrays the facets of cognitive disorders of a man living around normal people.

The plot revolves around the decades-long life of Forrest Gump, played by Tom Hanks, a slow-witted and kind-hearted man from Alabama, who witnesses and unwittingly influences several defining historical events in the 20th century United States.

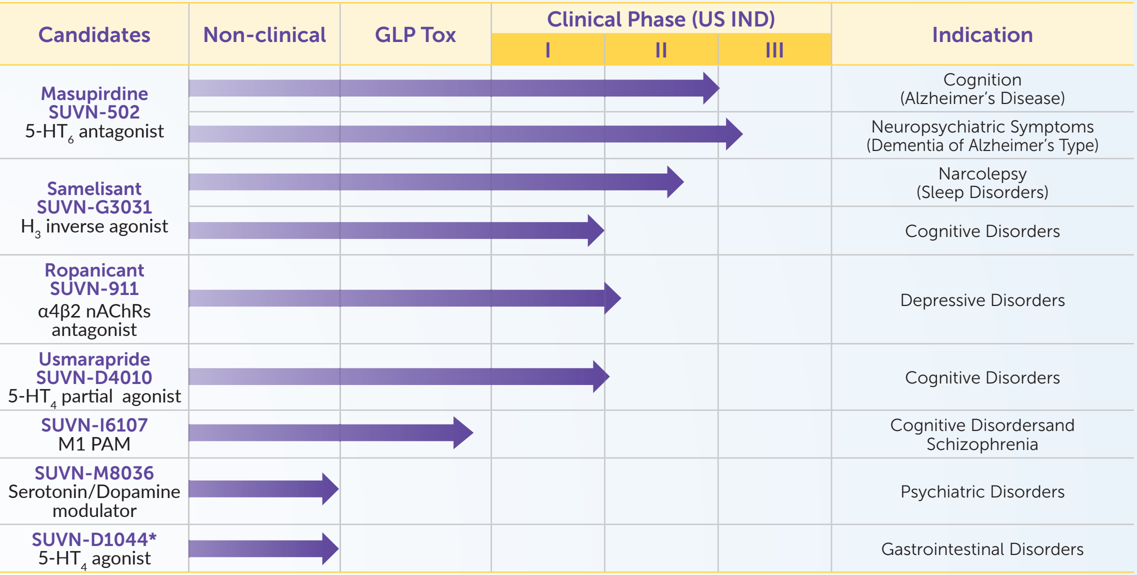
His journey through the many cross-sections of society makes it a treat to watch. Never has a film so excellently taken cognitive disorders to the centre stage as this cult movie, which normalised cognitive disorders. Watching the film gives the audience an exuberating experience of how people with cognitive disorders respond to the environment and how they can have a life among ordinary people.

NB: The name of these films is used only for educating the reader on brain-related disorders. The data is taken from public domains. All rights of these films remain with their creators.

At Suven Life Sciences, we come to work with the sole purpose of utilising our energy, experience and expertise to develop a robust pipeline of molecules that address neurodegenerative disorders such as for the treatment of cognitive impairment associated with Alzheimer's disease, Attention Deficient Hyperactivity Disorder (ADHD), Huntington's disease, Parkinson, Bipolar disorder and Schizophrenia and Major Depressive Disorders (MDD), pain and sleep disorders etc.

15 Molecules in the Research pipeline	**7** Molecules in the Development pipeline
	8 Molecules in the Research pipeline, of which
	5 Molecules in the Hit to Lead, Hit Optimization and Lead Optimisation pipeline

Our clinical pipeline



*Non brain penetrant

Our research pipeline

Program	Development Stage	Indication
M1 PAM*	Lead Optimization	Gastrointestinal Disorders
P2X7 Antagonist	Lead Optimization	Pain and Inflammation
5-HT$_{1A}$ Agonist	Lead Optimization	Treatment Resistant Depression
M4 PAM	Hit to Lead	Psychosis
Multimodal	Hit Optimization	Bipolar Disorders

*Non brain penetrant

WE HAVE INVESTED A LOT TO GET TO THIS POINT.

19 Years
of being at the research of NCEs

₹ **750** crores
worth of R&D spent

USD **54** million in Clinical Development through Suven Neurosciences, Inc.

132 Personnel
working on our molecule pipeline

OUR EFFORTS DID NOT MATERIALISE INTO A SUCCESS SINCE WE MISSED THE PRIMARY END POINT OF MASUPIRDINE (SUVN-502) PHASE 2 CLINICAL TRIAL FOR COGNITION IN ALZHEIMER'S DISEASE AND THAT DID NOT STOP US...

WE WILL CONTINUE.

From the Chairman's desk

"Medicine is the science of uncertainty and the art of probability, especially in our domain of work. **Given our unwavering Purpose and unrelenting spirit, we are confident of crossing the finishing line.**"

Venkateswarlu Jasti
Chairman & CEO

Dear Shareholders,

I trust you are safe and are continuing with the necessary precautions. For even as I share my thoughts with you, the number of covid positive cases have jumped sharply. We all need to come together once again to avoid another mayhem, of the likes we endured in the second wave.

FY22 has been a year of sustained effort in moving our molecules forward along the development journey.

Our lead molecules have progressed in their clinical journey. We have completed the Phase 2 study on Alzheimer's in the US for SUVN-502 (Masupirdine) but unfortunately it did not meet the primary end point but has a great safety profile. Based on the promising secondary end point and safety profile and with the discussion with US FDA we will move this compound into Phase 3 clinical trial targeting agitation and aggression in Alzheimer type dementia and are initiating this Phase 3 study in North America and Europe.

SUVN-G3031 (Samelisant) undergoing Phase-2 study on Narcolepsy in North America, gained momentum during the year under review after the temporary slowdown owing to the pandemic. So far 130 patients have been randomized, of which 98 completed

Our other two molecules are also ready for going through the Phase 2 PoC studies which should commence in the near future. Our hard work is germinating, nice and steady.

We have expended ₹106.37 Crores during FY 22 in development and clinical trials. We earned ₹11.84 Crores from Drug Discovery Services (assisting other innovators in their search for better medication). We reported consolidated Net Loss of ₹122 Crores.

Normally, a loss of this magnitude would lead entrepreneurs to rethink their strategy, realign their business model or maybe switch business spaces. Being discovery and development driven with high burning rate, the loss is bound to be there until we reach the stage of monetization/ commercialization after success in clinical development programs.

But for us, a loss is like our shadow. It can be at the very next step. But that does not prevent us from taking that step and many other such steps, which we have faithfully done over the last 19 years of our innovation journey.

Ours is a journey with a vision that is focused on providing solution to global unmet medical needs. We have set on a course that is seldom the mainstream, yet capable of breaking the glass ceiling of the pharma sector. We are in these spaces because when barriers are high, the thrill of journeying past them is even higher and the satisfaction of overcoming them is far more intense. It drives us.

What we do will leave an indelible mark in our world of pharmaceutical innovation. When we succeed, we will leave behind a legacy that will improve the quality of life for millions across the world. When we don't meet the primary endpoint, we leave behind loads of data for like-minded innovators like us – to better what we have done. Both ways it's a win-win.

What's overtly aspiring for us is to continue with our innovative struggle to achieve that EUREKA moment, which can emerge as a beacon of hope for patients and their caregivers who are stuck in the quagmire of hopelessness.

The future looks just like what we perceived, a lot of it is in an exciting stage. Standing at a crucial juncture with 7 molecules in the clinical phase of the development journey, funding our future journey is critical to consolidating the foothold of the Company. I have already funded ₹147 Crores but that itself is not enough. Hence, we are in the process of raising more funds through a rights issue which will help continue funding the development of our robust pipeline of molecules. Hopefully, our clinical molecules will generate sufficient global interest over the near to medium term.

We are committed to our innovation blueprint. We believe that progress is not a one-act play, it should be like a chain reaction - continuous and sustaining. This is the gospel of truth for us at Suven Life Sciences. Given our unwavering focus and unrelenting spirit, we are confident of crossing the finishing line.

I take this opportunity to express my sincere gratitude to my fellow Directors and employees for their commitment to strengthening our innovation ecosystem, ethical standards, and governance framework. I thank our esteemed shareholders, partners, and all stakeholders for believing in our vision and reaffirming confidence in our capability and brushing shoulders with us in our long but progressive journey.

Warm regards

Venkateswarlu Jasti
Chairman & CEO

Our progress

MASUPIRIDINE
(SUVN-502)

Masupirdine is a pure 5-HT6 antagonist. Our lead clinical candidate underwent Phase 2 study for Alzheimer's disease but unfortunately did not meet the primary endpoint.

But we continued to look for a way to move forward this molecules for other indications.

After a detailed analysis of the clinical data and extended discussion with experts and the US FDA ,we planned a Phase 3 Clinical Trial for the treatment of Agitation and aggression in Alzheimer type Dementia.

We will start enrolling patients from July/Aug 2022 for the Phase 3 study.

We expect to complete the study by the end of 2025.

Our progress

SAMELISANT
(SUVN-G3031)

Samelisant is an innovatively designed, best-in-class clinical candidate.

This is Suven's front-running molecule targeted against Narcolepsy (excessive daytime sleep disorder).

The product is undergoing a Phase 2, Double-blind, Placebo-controlled, Parallel-group, multi-centre study to evaluate its safety, tolerability, pharmacokinetics and efficacy in Narcolepsy (NCT04072380). Suven is also planning a second Phase 2 PoC study for the potential treatment of Cognitive Disorders.

The ongoing Phase 2 study on Narcolepsy in North America is expected to be completed during 2023.

The initial study was planned to be completed in 2022 but that was delayed as patient enrolment was hit owing to the pandemic

Out of the 130 patients enrolled, the study has been completed on 98 patients. The remaining should happen in the current year.

Our progress

USMARAPRIDE

(SUVN-D4010)

Usmarapride is a potent, selective, orally bio-available and brain penetrant 5-HT4 receptor partial agonist. It shows robust efficacy in diverse animal models of cognition and has disease-modifying potential. It has an excellent safety margin and potential for the treatment of cognitive disorders.

The molecule has been evaluated for its safety, tolerability, and pharmacokinetics under US-IND (NCT02575482) following single and multiple oral administration in healthy subjects.

It is safe and well tolerated in healthy subjects (adult male, female, and elderly). It has excellent human pharmacokinetics suitable for once-a-day oral treatment. Its steady-state concentrations were attained on the third day after once-a-day oral dosing. It has dose-proportional increase in exposure at a steady state

After the successful completion of the Phase 1 Clinical Trial. Suven is geared up for initiating the Phase 2 PoC study for the potential treatment of Cognitive Disorders in the near future.

Our progress

ROPANICANT

(SUVN-911)

Ropanicant is a potent and selective α4β2 nAChRs antagonist/partial agonist with excellent ADME and safety properties and robust efficacy in various animal models of depression.

It addresses major limitations of current depressive disorder therapeutics by offering rapid onset of action, no sexual dysfunction and pro-cognitive effects.

Ropanicant has been evaluated for its safety, tolerability, and pharmacokinetics under US-IND (NCT03155503) following single and multiple oral administration in healthy subjects.

It is safe and well tolerated in healthy adult male subjects with dose-dependent pharmacokinetics. The projected human efficacy concentrations were achieved in the Phase 1 study. Food, gender and age have no effect on pharmacokinetics. Ropanicant Phase 2 enabling rodent and non-rodent safety studies has been completed without any concern for further development.

The molecule has completed Phase 1 Clinical Trial. Suven is planning to initiate a Phase 2 PoC study for the treatment of depressive disorders in the near future.

MANAGEMENT

DISCUSSION AND ANALYSIS

Economic Overview

In the calendar year 2021, the overarching theme was an economic resurgence.

After the catastrophic humanitarian crisis owing to the pandemic, the world, in unison, worked toward a brighter tomorrow. Economic progress assumed center stage as nations across the globe offered fiscal stimulus to fuel economic activity. Besides, the unwavering thrust on vaccination also helped in taming the invisible enemy.

As a result, global GDP registered a 6.1% growth, the highest in four decades, against a GDP contraction in excess of 3% in 2020. Economic resurgence was driven by an increase in output, improved consumer spending, higher investments, and a sharp jump in the global trade of goods, surpassing pre-pandemic trade levels. The Manufacturing sector rose 9.4% globally in 2021, after the sharp drop of 4.2% during the outbreak. Data suggests production in developing & emerging economies increased more than the advanced economies.

However, the recovery was not even in every country and certainly not across all economic sectors. Advanced economies registered a better performance than the rest of the world.

By the end of 2021, emerging economies and developing nations also firmly placed their foot on the path to progress as vaccination accelerated in those geographies. India played a major role in manufacturing and delivering vaccines to the rest of the world.

Going forward, the IMF estimates the GDP to grow by 3.6% in 2022. This marked drop would be owing to the unwinding of the fiscal stimulus, and geopolitical issues prevailing across the world which is creating unprecedented inflationary pressure on economic growth across nations.

India too resurged smartly recording a GDP growth of 8.9% in FY22 against a contraction of 6.6% in FY21. Several government policies to stimulate industrial activity, monetary support to underprivileged farmers and efficient vaccination drives were the major reasons for the growth of the Indian economy in the same financial year.

All the segments of the economy – Agriculture, Industry and Services – reported strong growth over the previous year. The Industrial sector reported the most notable growth - for FY22, IIP grew 11.3% against an 8.4% contraction in FY21. This helped in a record GST collection increased by 30% to ₹14.8 Lakh Crores in FY22 from ₹11.4 Lakh Crores in FY21.

India was poised to accelerate its growth momentum in FY23. Akin to the rest of the world, its ambition is thwarted by the Russia-Ukraine crisis which has cast a shadow on its progress. In keeping with this reality, the RBI has estimated India's GDP growth at 7.2% in FY23. This number could vary owing to the length and intensity of the prevailing armed crisis. This positions India as the fastest-growing major economy in the world.

Pharmaceutical sector

Global pharmaceutical sector: The global pharmaceutical industry has seen substantial growth over the last two years owing to the COVID-19 pandemic due to an increase in spending on vaccines and therapeutics. The global pharmaceutical industry is currently valued at US$1.4 trillion and is further expected to grow at a CAGR of 3-6% and expand to US$1.8 trillion through 2026. The key driver for this growth will be technological advances.

Global medicine spending continues to increase, with most of the increase being driven by new medicines, increasing US$196 billion over the next five years compared to US$161 billion over the past five.

In the last five years, losses of exclusivity (LOE) resulted in US$111 billion in lower brand spending as relatively few of the largest-selling products faced LOE, in contrast to the next five years, which are expected to generate US$188 billion in lower brand spending including biosimilars.

Biggest contributors to growth in the next five years are oncologic, immunology, anti-diabetics and neurology — the growth being a result of a continuous influx of innovative products and offset by exclusivity losses.

R&D efforts: A total of 84 novel active substances (NAS) were launched worldwide in 2021 which is double the number of NASs launched in 2016. Out of which 72 NASs launched in USA, 44 were classified as 'first-class' by the US FDA – drugs that use a new & unique mechanism to treat a medical condition and 40 carried an orphan drug designation for the treatment of rare diseases.

More than 6,000 products are in active development globally, up 68% from the 2016 level.

2021 saw 5,500 clinical trial starts, 14% higher than 2020 and 19% more than 2019. In 2021, more than 2,000 deals worth US$45 billion took place the world over. The top 15 pharma majors invested US$133 billion in R&D in 2021 an increase of 45% since 2016.

For the past couple of years, venture capital deals and the flow of investments intensified. Over the last 5 years, deal activity increased to include companies from China, Korea and other APAC countries and very few European companies, but North American companies still lead the pack in terms of increase in the number of deal activities. However, emerging biopharma companies with R&D expenditure of less than US$200 million and yearly revenue of lower than US$500 million are making 65% of the molecules in the R&D pipeline.

The CNS space

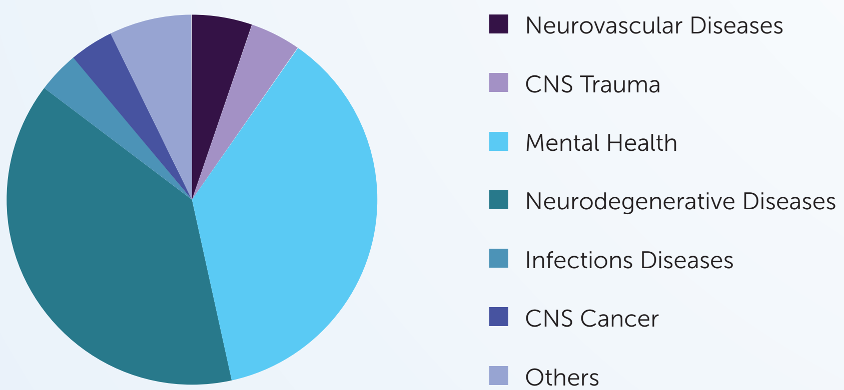
Central Nervous System (CNS) diseases cover a wide range of conditions from neurodegeneration to mood disorders, pain, addiction, etc. These disorders are generally categorised into two different types namely, neurological and psychiatric disorders.

While neurological disorders are a physical disease of the nervous system, psychiatric disorders are abnormalities of thought, feeling, or behavior. For most of these diseases, the pharmacological targets reside in the CNS, which presents a unique obstacle to drug development because it is extremely problematic to deliver the dosage in that part of the brain across the blood-brain barrier and it is difficult to measure the drug concentration level in CNS.

The CNS segment saw an extensive amount of R&D in last decade which produced novel drug delivery systems and increased the number of novel therapies to treat CNS diseases. The demand for a new and unique drug delivery system is primarily for the reason of ease of delivery and availability of multiple dosage forms. However, the stark reality is that as the number of people with these diseases increases, clinical advances are not keeping pace with the growing numbers.

Advancements in therapeutics and diagnostics in CNS diseases are expected to rise in treatments globally and naturally, the prevalence of such medications is going to boost the market demand in coming years. According to a WHO report, CNS diseases like Epilepsy, Alzheimer's, Multiple Sclerosis, Parkinson's and stroke, etc. are going to affect more than 1 billion people worldwide. This huge unmet medical demand encouraged big pharma companies to join the bandwagon and invest and develop medicines for CNS diseases. Along with that, growing awareness and government & non-government organisations' campaigns about these diseases will grow the CNS marketplace worldwide.

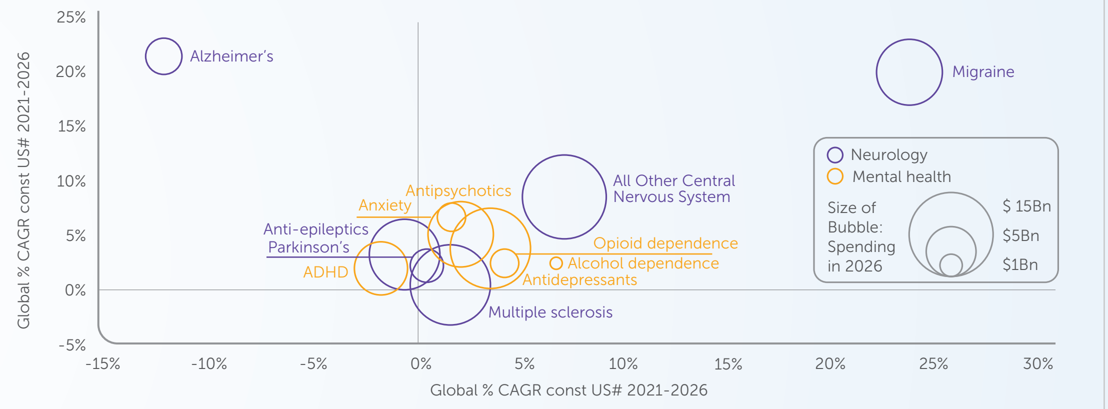
Global CNS therapeutic market share, by disease, 2020 (%)



Source: www.grandviewresearch.com

New therapies in rare neurological disorders, Alzheimer's, and migraine are expected to drive spending growth in neurology

Exhibit 49: Leading CNS disorders global market growth dynamics



Source: IQVIA Institute, Nov 2021

In the last five years, a new wave of rare disease neurological treatments, including dozens with orphan designations, have been approved. Other diseases with larger populations such as migraine, depression and anxiety have also seen a range of new treatments approved and launched. The historic lack of disease-modifying treatments for Alzheimer's and Parkinson's may begin to be addressed with new approvals, including aducanumab (Aduhelm), which was launched in 2021.

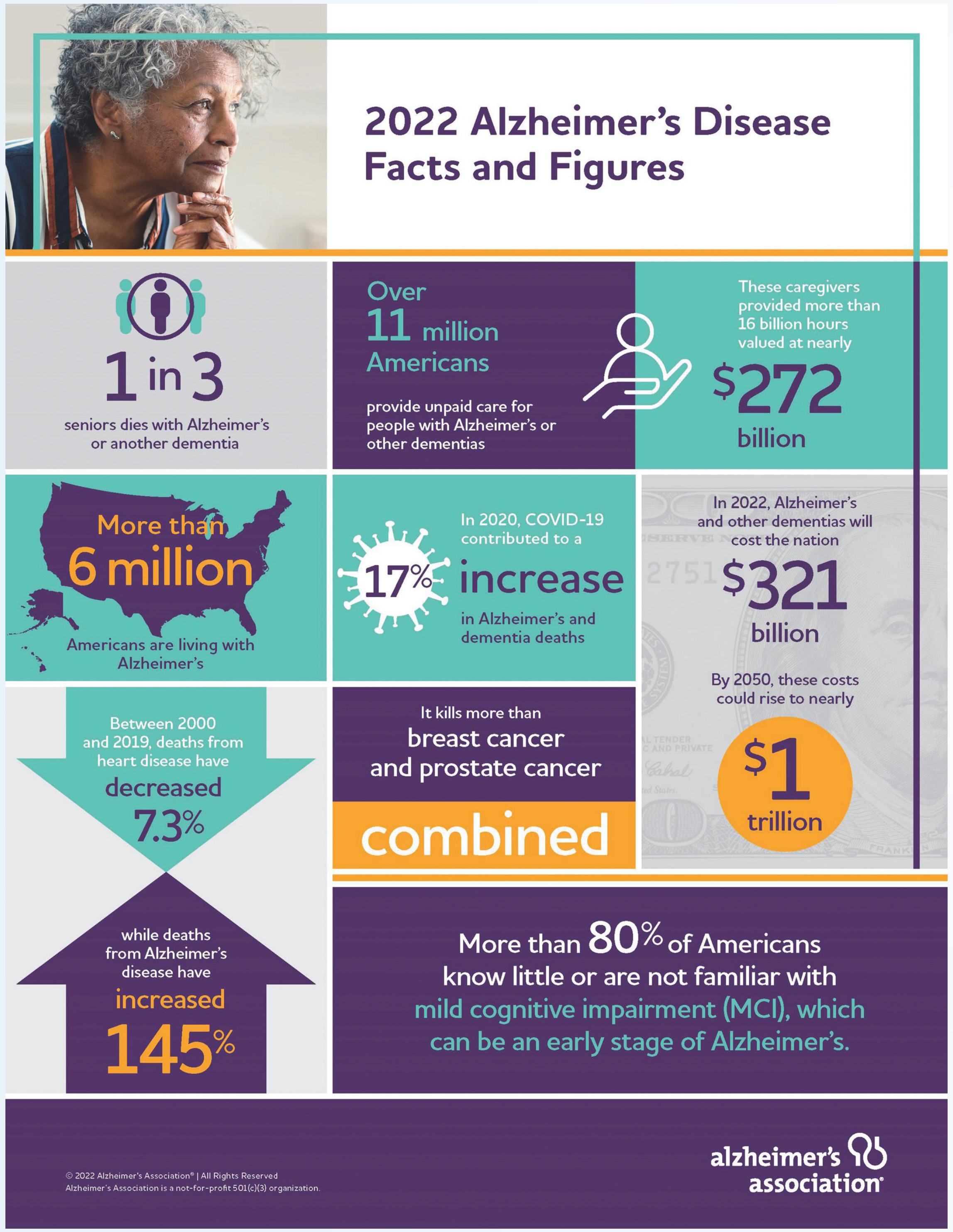
Dementia – a debilitating ailment

Dementia is a syndrome that impairs the memory, thinking, reasoning and judgment of a person. According to WHO estimates, close to 50 million people have dementia worldwide, with 10 million new diagnoses every year.

A study published in "The LANCET Public Health" says that the global dementia cases are expected to triple by 2050 and in India, the cases will go up by 197%. In 2019, there were an estimated 57·4 million individuals living with dementia globally.

The study estimates that this number would increase to 83·2 million individuals in 2030, 116 million individuals in 2040, and 152·8 million individuals living with dementia in 20501.

1https://timesofindia.indiatimes.com/life-style/health-fitness/health-news/dementia-cases-in-india-will-increase-by-197-by-2050-heres-what-you-can-do-to-cut-down-your-chances/photostory/88804813.cms?picid=88804910



About the Company

Headquartered in Hyderabad, Suven Life Sciences is one of the very few companies that singularly focuses on research and development of NCE molecules in the CNS space. The unwavering focus of the leadership team and the untiring efforts of the 130+ team of skilled professional has resulted in the creation of a strong pipeline of 15 products which is under various stages of development.

Financial performance

Total Revenue stood at ₹17.16 Crores against ₹21.23 Crores in FY21. The technical services contributed about ₹11.84 Crores to the revenue pool against ₹13.48 Crores in the previous year.

R&D expenses stood at ₹106.37 Crores against ₹71.03 Crores in FY21. Consolidated Net Loss for the year was at ₹122.15 Crores against ₹72.46 Crores in FY21.

The cash and liquid assets as of March 31, 2022, were ₹51.74 Crores against ₹89.56 Crores as on March 31, 2021. These funds are expected to fund business activities for the next 12 months.

Internal control and its adequacy

At Suven Life Sciences, the internal control procedures include internal financial controls, ensuring compliance with various policies, practices and statutes considering the organisation's growth and complexity of operations.

The framework constantly monitors and assesses all aspects of risks associated with current activities and corporate profile, including scientific and developmental risks, partner interest risks, commercial and financial risks.

In addition, the Company has management reporting and internal control systems in place, that enables it to monitor performance, strategy, operations, business environment, organisation, procedures, funding, risk and internal control.

The internal auditors carry out extensive audits throughout the year across all locations and all functional areas and submit their reports to the Audit Committee.

Key financial ratios

In accordance with the amendments notified in the Regulation 17 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015, on 9th May 2018, the details of significant changes in the key financial ratios as compared to the immediately previous financial year are reported hereunder:

Particulars	As at March 31, 2022	As at March 31, 2021	Change	Reason for Change
Debtors turnover	40.00	47.71	(16%)	-
Interest coverage ratio	(59.09)	(46.79)	-	As the Interest is negligible to EBIT, this ratio is negligible
Current ratio	9.44	10.25	(8%)	-
Debt-equity ratio	0.10%	0.37%	-	As the debt is very negligible to total equity, this ratio is negligible
Operating profit margin (%)	-307.31%	-170.19%	81%	A decline in revenue
Return on Net Worth (%)	-7.65%	-6.29%	22%	-

Human Resource

The Suven team is a group of mavericks who have chosen to push against all odds in the hope of using their science to enhance the quality of life of millions across the globe – especially at a delicate phase of their life.

The team of research professionals with decades of experience and expertise in diverse and complex chemistries works every day with the burning desire of imprinting a mark that the world will be proud of. Each year, the team perseveres to move its molecules higher in the R&D pipeline... closer to its ultimate goal.

Risk management

Risk management is an integral part of Suven Life Science's DNA owing to its high-risk, high-return business model. Moving forward is a challenge as one is endeavouring to create a path that hitherto did not exist.

In such a scenario, three most critical risks need to be addressed. They are discussed in detail below.

Finance Risk

The Company could run out of financial resources.

Mitigation: Akin to any other research-focused enterprise, there is no continuous flow of revenue. Revenue for such firms is lumpy and earned only when the asset (novel molecule) is monetised. The day-to-day expenses are usually covered by its existing fund. It has a liquid current asset of ₹51.74 Crores at the end of FY22.

People Risk

Expert professionals may leave the Company with a lot of product and company knowledge.

Mitigation: For people who work with Suven Life Sciences, it's not just a job for them, they are passionate about their work, and it's an extension of what they believe in life. These attitudes are encouraged by the Company, and it reflects in their work. In addition to that, the Company takes very good care of all the people who work for them, financially, physically and mentally. That's why 95% of the R&D team is with the Company for a very long time.

Failure Risk

What if the molecule fails to get regulatory approval?

Mitigation: For every pharma innovator, this is an inevitable reality. At some point or other every such company fails to secure the regulator's stamp of approval, but that does not deter them from moving ahead with their research. Suven Life Sciences is no different.

In the innovation journey, Suven Life Sciences ensures that every molecule being developed is equally safe as it is efficacious. This is critically important in the CNS space in which the Company operates. Moreover, it maintains strict checks and balances at every step and continues to seek expert opinion all along the development journey. Despite this, there is a possibility of failure. But for Suven failure is a stepping stone to inevitable success.

STATUTORY & FINANCIAL SECTION

BOARD'S REPORT

To the Members of

Suven Life Sciences Limited

Your Company's Board of Directors has pleasure in presenting this 33rd Annual Report together with Ind AS compliant Audited Financial Statements of the Company for the financial year ended 31st March, 2022.

Financial Performance

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	1184	1348	1184	1348
Other income	532	775	532	775
Total Income	**1716**	**2123**	**1716**	**2123**
Less: R & D Expenses	2453	2517	10637	7102
Less: Other Expenses	2396	1885	2787	2252
Profit/(Loss) before Interest, Depreciation & Tax	**(3133)**	**(2280)**	**(11708)**	**(7231)**
Less: Depreciation and amortization	439	434	439	434
Less: Finance cost	53	82	53	82
Net Profit/(Loss) before taxation	**(3625)**	**(2795)**	**(12200)**	**(7747)**
Tax Expense	-	(532)	-	(532)
Profit/(Loss) for the year	**(3625)**	**(2263)**	**(12200)**	**(7215)**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss	(15)	(47)	(15)	(47)
Income tax relating to items that will not be reclassified to profit or loss	-	16	-	16
Total Other Comprehensive Income	(15)	(31)	(15)	(31)
Total Comprehensive Income	(3640)	(2294)	(12215)	(7246)
Retained earnings - opening balance	19783	22077	(9451)	(2205)
Add: Profit/(Loss) for the year	(3640)	(2294)	(12215)	(7246)
Retained earnings - closing balance	**16143**	**19783**	**(21,665)**	**(9451)**

Review of Operations

During the year under review, your Company continued to advance its innovation efforts on drug discovery molecules which are in the development phase & clinical trial. Your Company announced Phase 3 Clinical Trial of SUVN-502 (Masupirdine), a 5-HT6 antagonist for treatment of Agitation and aggression in Alzheimer's type dementias, which is a significant achievement in enhancing our clinical pipeline. Also Phase 2 Clinical Trial of SUVN-G3031 (Samelisant), a H3 inverse agonist for treatment of Narcolepsy (excessive day time sleep disorder) has crossed 50% patient enrolment.

During the year under review, your company has spent ₹2453 Lakhs on Research & Development of drug discovery molecules and will continue to spend on the Discovery R&D in the years to come. Your Company reported a loss of ₹3625 Lakh for the financial year 2021-22. The Earnings per Share (EPS) of your Company has come down to ₹(2.84) per share in fiscal 2021-22 from the previous year EPS of ₹(1.78) per share in fiscal 2020-21.

Your Company's standalone revenue from operations for the Financial Year 2021-22 is ₹1184 Lakhs. The consolidated revenue from operations for the Financial Year 2021-22 remained the same as that of standalone revenue. The consolidated loss incurred ₹12,200 Lakhs are mainly due to clinical development expenditure incurred by Suven Neurosciences, Inc., (formerly Suven Inc.,) on various molecules in the clinical development programs.

The consolidated financial statements of the Company prepared in accordance with Indian Accounting Standards as specified in the Companies (Indian Accounting Standards) Rules, 2015, form part of the Annual Report.

Research and Development

During the year your company has spent ₹2453 Lakhs on innovative R&D in CNS therapies. Suven is a R&D company focused on discovering, developing the new chemical entities for unmet global medical needs to treat neurodegenerative diseases in CNS therapeutic segment. Suven has 4 clinical stage compounds, a phase 3 initiated Masupirdine (SUVN-502) on Agitation in Alzheimer's type patients, a Phase 2 ongoing Samelisant (SUVN-G3031) on Narcolepsy (excessive day time sleep disorder), Phase 2 ready Usmapride (SUVN-D4010) and Ropanicant (SUVN-911).

In addition to these clinical compounds the Company has eleven (11) internally-discovered therapeutic drug candidates currently in various stages of pre-clinical development targeting conditions such as ADHD, agitation, dementia, bipolar disorders, psychosis, treatment resistant depression, Gastrointestinal disorders and pain and inflammation.

The Company also regularly secures various product patents across the world as part of Research & Development of the Company to secure its discovery related innovation. The details on patent updates could be accessed at Company's website http://www.suven.com/Patentupdates.aspx.

Impact of the COVID-19 pandemic

The COVID-19 pandemic & global inflation affected the global economy in the recent past. We at SUVEN remain committed to the health and safety of our employees and their families, as well as, business continuity to safeguard the interests of our patients, partners, customers and other stakeholders. However, COVID-19 has impacted the ongoing phase 2 clinical studies conducted in our subsidiary, Suven Neurosciences Inc., USA leading to increased timeframe and cost.

Dividend

In view of the losses, the Board of Directors has not recommended any dividend for the year under review.

Transfer to Reserves

The Company has not transferred any amount to the general reserve during the current financial year.

Share Capital

The paid up Equity Share Capital of the Company as on 31st March, 2022 was ₹1453.82 Lakhs.

During the year under review, the Company issued the 1,81,00,000 fully convertible warrants to its promoter group at a price of ₹81.57/- per warrant, each convertible into 1 (One) Equity Share of face value of ₹1/- (Rupees One Only) each of the Company on preferential basis, in accordance with the provisions of Chapter V of SEBI ICDR Regulations. The Company allotted 1,81,00,000 fully convertible warrants to its promoter group on 02nd April, 2021 upon receipt of upfront payment of 25% of the warrant issue price from the warrant holder and upon receipt of the balance 75%, the Board of Directors in its meeting held on 28th March, 2022, allotted 1,81,00,000 equity shares on conversion of equal number of warrants to promoter/promoter group of the Company on preferential basis. Consequently, the paid up equity shares capital of the Company stands increased to ₹1453.82 Lakhs from ₹1272.82 Lakhs.

During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options or sweat equity shares.

Annual Return

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the Annual Return as at 31st March, 2022 can be accessed at Company's website http://www.suven.com/annualreports.aspx .

Number of Meetings of the Board and Audit Committee

During the year under review Six Board Meetings were convened and held and four Audit Committee Meetings were convened and held. The details of Board meetings and Audit Committee meetings are presented in the Corporate Governance report, which forms part of this Annual Report.

The Audit Committee composed of all independent directors. Shri Santanu Mukherjee is the Chairperson of the Audit Committee and Shri M. Gopalakrishna, Smt. J.A.S. Padmaja are members of the Audit Committee. The time gap between the said meetings was within the period prescribed under the provisions of the Companies Act, 2013 and the SEBI guidelines thereof.

Directors Responsibility Statement

Your Directors state that:

a) The applicable accounting standards have been followed in the preparation of the Annual Accounts.

b) Such accounting policies have been selected and applied consistently and judgments and estimates made when required that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Directors have prepared the Annual Accounts on a going concern basis.

e) Proper internal financial controls were in place to be followed by the Company and that the financial controls were adequate and were operating effectively.

f) Proper systems devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Policy on Nomination & Remuneration

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration, specifying criteria for evaluation of performance and process. The Remuneration Policy is stated in the Corporate Governance Report and also available at Company website http://www.suven.com/policiesdocuments.aspx.

Dividend Distribution Policy

The Board has adopted a suitable Policy for Dividend Distribution as per the requirements of SEBI Guidelines. The policy is stated in the Annual Report and has been uploaded on the Company's website and can be accessed at http://www.suven.com/policiesdocuments.aspx.

Particulars of Loans, Guarantees or Investments

Details of loan given, investments made, guarantees given and securities provided are furnished in the Standalone Financial Statement which can be referred at Note No. 6 and 30 of the Standalone Financial Statement.

Apart from this, the Company did not give any Loans, or provided Guarantees or any security during the year under the provisions of Section 186 of the Companies Act, 2013.

Subsidiary companies

Your Company has one international wholly owned subsidiary company i.e. Suven Neurosciences Inc., as on 31st March, 2022. The consolidated financial statements of the Company prepared in accordance with Indian Accounting Standards as specified in the Companies (Indian Accounting Standards) Rules, 2015, form part of the annual report.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiary in Form No. AOC-1 is attached to the financial statements of the Company. Further, pursuant to the provisions of Section 136 of the Act, the separate audited financial statements in respect of the subsidiary company shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same or it can be also accessed on the website of your Company at http://www.suven.com/subsidiaryaccounts.aspx.

Related Party Transactions

The Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed Form AOC-2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, forms part of this report as **"Annexure-A".**

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.:
http://www.suven.com/policiesdocuments.aspx.

Material Changes and Commitments Affecting Financial Position of the Company

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company and date of this Report i.e. 07th May, 2022. There has been no change in the nature of business of the Company.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, forms part of this report as **"Annexure-B".**

Risk Management Policy

Business risks are inevitable for any business enterprise. Suven is an IP creating and protecting company, strictly adheres to and harmonize with the global patent regime. The Company through its Risk Management policy identifies the various risks and challenges, internally as well as externally and takes appropriate measures with timely actions to mitigate risk. Risk management committee oversee and advise on current risk exposures of the company and future risk strategies and also recommend the Board about risk assessment and minimization procedures. The risk management procedure is reviewed by the Risk Management Committee and Board of Directors periodically. Risk Management committee also reviewed the Enterprise Risk Management Framework of the Company which is developed based on the Risk Management policy of the Company. The audit committee has additional oversight in the area of financial risks and controls. To ensure the mitigation of risk the Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

Corporate Social Responsibility

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee composed of Shri M. Gopalakrishna as Chairperson, Prof. Seyed E. Hasnain, Shri Venkateswarlu Jasti, Smt. Sudharani Jasti and Smt. J.A.S. Padmaja as members. The company ceases to be covered under subsection (1) of 135 of Companies Act, 2013 as post demerger the Company continue to incur losses and could not satisfy the other parameters as well to make CSR contributions in terms of the provision of the Act. Hence, the Statement on CSR activities is not applicable. However, the CSR Committee reviewed the other compliance requirements viz. formulating & monitoring the CSR policy, etc. in accordance with the provisions of the law.

CSR policy of the Company can be accessed on the Company's website at the link: http://www.suven.com/corporatesocialresponsibility.aspx

Directors and Key Managerial Personnel

The Company did not appoint any Director or Key Managerial Personnel during the year under review. None of the Director or Key Managerial Personnel has resigned during the year under review.

Declaration by Independent Directors:

All independent directors of the Company have given declarations under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI Listing Regulations and also affirmed compliance with Code of conduct as required under Regulation 26(3) of the Listing Regulations.

Directors Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013, Smt. Sudharani Jasti, Whole time Director (DIN: 00277998) of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

The brief profile(s) of the director(s) seeking appointment/re-appointment at the ensuing Annual General Meeting are presented in the Annual Report.

Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and as per the SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The Independent

Directors separately carried out evaluation of Chairperson, Non Independent Directors and Board as a whole. The performance of each Committee was evaluated by the Board, based on views received from respective Committee Members. The overall performance evaluation of the Individual Director was reviewed by the Chairperson of the Board and feedback was given to Directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Deposits

During FY 2021-22, the Company has not accepted any fixed deposits, and, as such, no amount on account of principal or interest on deposits was outstanding as on the date of the balance sheet.

Internal Financial Control Systems and their Adequacy

The Company has a comprehensive system of Internal Controls for effective conduct of business and ensure reliability of financial reporting. Your Company has laid down set of standards which enables to implement internal financial control across the organization and ensure that the same are adequate and operating effectively (1) to provide reasonable assurances that: transactions are executed in conformity with generally accepted accounting principles/standards or any other criteria applicable to such statements, (2) to maintain accountability for assets; access to assets is permitted only in accordance with management's general or specific authorization and the maintenance of records that are in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets that could have a material effect on the financial statements. The Audit Committee of the Board reviews reports submitted by the independent internal auditors and monitors the functioning of the system.

Vigil Mechanism

The Company promotes ethical behavior in all its business activities. Towards this, the Company has adopted a policy on Vigil Mechanism and Whistle Blower to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company http://www.suven.com/policiesdocuments.aspx.

Particulars of Employees and Remuneration

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report as **"Annexure-C".**

Corporate Governance

A detailed Report on Corporate Governance prepared in substantial compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges together with the Auditors' Certificate regarding the compliance of conditions of corporate governance, is presented in a separate section forming part of the Annual Report.

Management's Discussion and Analysis

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

Auditors

Statutory Auditors

The tenure of M/s. TUKARAM & Co LLP, Chartered Accountants (Firm Registration No. 004436S), as the statutory auditors of the Company, will expire at the conclusion of ensuing 33rd Annual General Meeting of the Company.

Hence, audit committee in its meeting held on 07th May, 2022 considered and recommended to Board the appointment of M/s. KARVY & Co, Chartered Accountants (Firm Registration No. 001757S) as the statutory auditors of the Company for a term of five consecutive years, from the conclusion of the ensuing 33rd Annual General Meeting of the Company till the conclusion of 38th Annual General Meeting to be held in the year 2027, subject to the approval of the Members of the Company.

Auditors' Report: The Auditors' Report for the year under review does not contain any qualification, reservation or adverse remark.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. DVM & Associates LLP, Company Secretaries in Practice, Hyderabad to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report forms part of this report as **"Annexure-D".** The Secretarial Audit Report does not contain any qualifications, reservation or adverse remark.

Cost records & Audit

During the year under review in terms of Cost (Records and Audit) Amendment Rules, 2014 dated 31st December 2014 issued by the Central Government, the requirement of Cost Audit is not applicable to the Company.

The Company is maintaining such accounts and record as specified by the Central Government and as applicable to the Company under sub-section (1) of section 148 of the Companies Act, 2013.

Business Responsibility Report

Pursuant to the SEBI Listing Regulations, a detailed Business Responsibility Report (BRR) is prepared. As a green initiative the BRR is placed on website of your company and can be accessed at web link at http://www.suven.com/annualreports.aspx

Employees Stock Option Scheme

The Company may grant share-based benefits to eligible employees with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company objectives, and promoting increased participation by them in the growth of the Company.

Suven Life Employee Stock Option Scheme 2020 ("SLSL ESOP 2020")

On 17th September, 2020, pursuant to approval by the shareholders in the AGM, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the SLSL ESOP 2020 scheme. In terms of the scheme the total number of options to be granted are 10,00,000 of face value of ₹1/- each.

The nomination and remuneration committee (NRC) has not granted any options under the SLSL ESOP 2020 scheme during the year ended 31st March, 2022. Upon the granting of the options it shall vest in one or more tranches based on the achievement of defined annual performance parameters as determined by the administrator (the NRC).

The total number of equity shares to be allotted to the employees of the Company and its subsidiaries under the SLSL ESOP 2020 does not cumulatively exceed 1% of the issued capital.

The SLSL ESOP 2020 in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and there has been no material change to the plans during the fiscal.

The details of the SLSL ESOP 2020 including terms of reference and the requirement specified under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014, are available on the Company's website, at www.suven.com.

As the Company not yet granted any options during the year ended 31st March, 2022, the details of the options granted, vested and exercised as per SLSL ESOP 2020 is not available in the Notes to accounts of the financial statements in this Annual Report.

Transfer of Unpaid & Unclaimed Dividend and underlying equity shares to Investor Education and Protection Fund (IEPF)

During the FY 2021-22, the Company has transferred ₹11,98,169 to Investor Education and Protection Fund (IEPF) in accordance with the provisions of Section 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

In accordance with the aforesaid provisions, the company has transferred 12,090 equity shares held by 43 Shareholders whose dividends were remaining unpaid/ unclaimed for seven consecutive years i.e. from FY 2013-14 to IEPF Authority. Any shareholder whose shares are transferred to IEPF Authority can claim the shares by making an online application in Form IEPF-5 (available on www.iepf.gov.in) with a copy to the Company.

Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee as specified under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

General

There are no Companies have become or ceased to be your Company's subsidiaries, joint ventures or associate Companies during the year.

The Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India during the year under review.

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

I. Details of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government.

II. a statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year".

III. the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

IV. the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

V. There are no significant material orders passed by the Regulators/ Courts, which would impact the going concern status of the Company and its future operations.

VI. Acknowledgements

Your Directors wish to place on record their gratitude to Shareholders for the confidence reposed by them and thank all the shareholders, customers, dealers, suppliers and other business associates for their contribution to your Company's activities. The Directors also wish to place on record their appreciation of the valuable services rendered by the executives, staff and workers of the Company.

Your Directors also thank the Central Government and State Government, the Financial Institutions and Banks for their support during the year and we look forward to its continuance.

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 7th May, 2022

Annexure –A to the Board's Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. There are no contracts/arrangements/transactions entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis- Nil.

2. The following are the contracts/arrangements/transactions entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Suven Pharmaceuticals Limited; Entity under common control	Lease Agreement	5 Years	Rent Paid ₹109.78 Lakhs for Discovery Lab facilities and registered office.	13th February, 2020	Nil
Suven Pharmaceuticals Limited; Entity under common control	Rendering of Analytical, Toxicology services, sourcing of manufactured materials	Continuous basis	Aggregate value of transactions shall be not exceeding ₹25 Crores in each financial year.	05th June, 2020	Nil

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 7th May, 2022

Annexure –B to the Board's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

CONSERVATION OF ENERGY

i) the steps taken or impact on conservation of energy;

Suven Life Sciences is R&D company in discovering and developing drugs for unmet medical needs in Central Nervous System (CNS) arena and requires very nominal energy requirement for the upkeep of the facilities and equipment.

ii) the steps taken by the company for utilizing alternate sources of energy;

Source the energy requirement partially from renewable energy sources.

iii) the capital investment on energy conservation equipment's; Nil

TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption;

Suven Life Sciences being a drug discovery and development company for unmet medical needs in CNS arena uses many technologies relevant in the chosen field for the creation of Intellectual Property.

ii) Benefits derived like product improvement, cost reduction, product development, import substitution;

The efforts in drug discovery lead to the grant of 201 product patents globally which will enable us for clinical development of prioritized compounds with patent protection in CNS arena.

iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year).

a)	Technology imported	NIL
b)	Year of import	NA
c)	Whether the technology been fully absorbed	NA
d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	NA

iv) **R & D Expenditure:** (₹ in Lakhs)

	Expenditure on R&D	FY 2021-22	
		Standalone	Consolidated
(a)	Capital	2108	2108
(b)	Recurring	4302	12485
(c)	Total R&D expenditure	6410	14593

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the Foreign Exchange earned in terms of actual inflows and outflow is **₹529.51 Lakhs** and **₹11058.00 Lakhs** respectively.

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 7th May, 2022

Annexure –C to the Board's Report

Information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

Sl. No.	Name of the Director	ratio of the remuneration to the median remuneration of the employees
1.	Shri Venkateswarlu Jasti – Chairman &CEO	-
2.	Smt. Sudharani Jasti – Whole-time Director	13:1

Shri M. Gopalakrishna, Shri Santanu Mukherjee, Smt. J.A.S. Padmaja, Independent Directors and Prof Seyed E. Hasnain, Non-executive Director were paid only sitting fees for attending the Board/Committee Meetings.

ii) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

Sl. No.	Particulars	Percentage increase in remuneration
1.	Chairman & CEO	NIL
2.	Whole-time Director	NIL
3.	Chief Financial Officer	17.60
4.	Company Secretary	9.00

Shri M. Gopalakrishna, Shri Santanu Mukherjee, Smt. J.A.S. Padmaja, Independent Directors and Prof. Seyed E. Hasnain, Non-executive Director were paid only sitting fees for attending the Board/Committee Meetings.

iii) **The percentage increase in the median remuneration of employees in the financial year:** 12.50

iv) **the number of permanent employees on the rolls of company;**

There were 117 permanent employees as on 31st March 2022

v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 12.50%. Whereas the remuneration of managerial personnel worked out 13.30% for the same financial year.

vi) **Affirmation that the remuneration is as per the remuneration policy of the company.** Yes

Statement of particulars of employees pursuant to the provision of Sec 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended. List of top ten employees in terms of remuneration drawn will be provided upon request by any Member of the Company interested in obtaining the same.

Name of the employee	The age of employee	Designation of the employee	Gross remuneration received (₹ in Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications of the employee	experience of the employee	date of commencement of employment	the last employment held by such employee before joining the company
Smt. Sudharani Jasti	68 years	Whole-time Director	227.88	Regular	B. Sc.	41 years	09-03-1989	Business in USA
Dr. NVS Ramakrishna	60 years	Vice President (Discovery Research)	232.58	Regular	M. Sc., Ph. D	33 years	04-03-2002	Zydus Cadila

Dr. NVS Ramakrishna is holding 0.22 percentage of the total Equity Shares of the Company.

None of the employee is related to the Directors except Shri Venkateswarlu Jasti who is spouse of Smt. Sudharani Jasti.

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 7th May, 2022

Annexure –D to the Board's Report

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2022

FORM NO. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Suven Life Sciences Limited
Hyderabad.

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable statutory provisions and the adherence to good corporate practices by **Suven Life Sciences Limited** (hereinafter called as the **"Company"**). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms, returns filed and other records as maintained by the Company and also the information and according to the examinations carried out by us and explanations and information furnished and representations made to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended 31st March, 2022 ("Audit Period") and we report that during the period under review the Company has complied with the provisions of the following Acts, Rules, Regulations, Guidelines and Standards:

    1.1. The Companies Act, 2013 (the Act) and the Rules made thereunder;

    1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

    1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

    1.4. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment;

    1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

        1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

        1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

1.5.3. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

1.5.4. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

1.5.5. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

1.5.6. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1.6. The Secretarial Standards on the Meetings of the Board of Directors and the General Meetings issued by the Institute of Company Secretaries of India ('ICSI').

2. The Company is engaged in the Drug Discovery and Development of New Chemical Entities (NCEs) in Central Nervous System (CNS) disorders targeting global unmet medical needs. In view of the Management and on the basis of the Guidance Note issued by the ICSI, the following Industry Specific Acts are applicable to the Company:

2.1. Drugs and Cosmetics Act, 1940 read with the Drugs and Cosmetics Rules, 1945;

2.2. Narcotic Drugs and Psychotropic Substances Act, 1985 read with the Narcotic Drugs and Psychotropic Substances Rules, 1985;

Based on our verification and in reliance of the Compliance Certificates given by the respective Functional Heads, the Company has complied with the said Industry Specific Acts.

3. We report that:

3.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. Further during the Audit Period there was no change in the composition of the Board of Directors, except for reappointment of Director retiring by rotation.

3.2. Adequate Notice along with agenda and detailed notes on agenda is given to all the Directors electronically to schedule the Board Meetings.

3.3. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

3.4. The Company has authorized Company Secretary of the Company to approve the transfer of shares, if any and to instruct/ advise the Share Transfer Agent and attend Shareholders Grievances, from time to time and the Board has been taking note of the same.

3.5. Decisions at the meetings of the Board of Directors and the Committees of the Board of the Company were taken unanimously.

3.6. During the Audit Period, the Company allotted 1,81,00,000 warrants convertible into Equity Shares to a promoter group entity and received 25% consideration upfront. The promoter group entity exercised the option of conversion in the same financial year. Thereupon allotted equal number of Equity Shares upon receipt of balance 75% of consideration, in trenches.

3.7. It is to be noted that for the Audit Period the following Acts are not applicable:

3.7.1. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

3.7.2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

3.7.3. The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018;

3.8. There exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4. We further report that during the audit period, there were no specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as provided in Auditor's Report.

For **M/s. DVM & Associates LLP**
Company Secretaries

DVM Gopal
Partner
M No: F 6280
CP No: 6798
ICSI Peer Review UIN: L2017KR002100
UDIN: F006280D000285011

Place: Hyderabad
Date: 7th May, 2022

Note: This letter is to be read with our letter of even date, which is annexed, and form an integral part of this report.

ANNEXURE

To
The Members
Suven Life Sciences Limited
Hyderabad.

Our Report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on a random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M/s. DVM & Associates LLP**
Company Secretaries

DVM Gopal
Partner
M No: F 6280
CP No: 6798
ICSI Peer Review UIN: L2017KR002100
UDIN: F006280D000285011

Place: Hyderabad
Date: 7th May, 2022

POLICY FOR DIVIDEND DISTRIBUTION

POLICY IN BRIEF:

Your Company's Board follows the provisions of the Companies Act, 2013 and other applicable Regulations of SEBI LODR with regard to payment of dividends at its discretion during the fiscal year and may recommend the interim/special dividends paid as final dividends. Your Company observed all the parameters prescribed by SEBI in relation to the following key aspects for considering payment of dividend for any year.

a) The circumstances under which the shareholders of the company may or may not expect dividend

b) The financial parameters that shall be considered while declaring dividend

c) Internal and external factors that shall be considered for declaration of dividend

d) How the retained earnings shall be utilized

e) Parameters that shall be adopted with regard to various classes of shares

For detailed policy please visit website of your Company at the web link:
http://www.suven.com/pdf/Policy-for-Dividend-Distribution.pdf

REPORT ON CORPORATE GOVERNANCE

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company firmly believes that good corporate governance practices are ingredients for the balanced development of an organization which would not only maximize the shareholder's value but also contributed to sustained and long lasting development of the organization. The Board of Directors believes in ethical values and high moral standards in achieving the highest standards of corporate governance. All the **SUVEN** activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices.

2. BOARD OF DIRECTORS

Composition of Board

The Board represents an optimum mix of professionalism, knowledge and experience. As on 31st March, 2022, your company had a total strength of six (6) Directors on the Board, comprising of: two (2) Executive Directors (i.e. 33%), one (1) Non-executive Director (i.e. 17%) and three (3) Independent Directors (i.e. 50%). The Company immensely benefits from the professional expertise of the Independent Directors. The Board has an adequate combination of Executive Directors, Non-Executive and Independent Directors and composition is in compliance with the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), requiring not less than half the Board to be Independent.

All Directors have made necessary disclosures regarding Committee positions and Directorships held by them in other companies. None of the Directors on the Board is Member of more than ten Committees or Chairman of more than five Committees (Audit Committee and Stakeholders' Relationship Committee) across all the public companies in which they are Directors. None of the Company's Independent Directors served as Independent Director in more than seven listed companies.

Key information pertaining to Directors as on 31st March, 2022

Name of the Director	Category	No. of Board Meetings		Attendance at the last AGM held on August 06, 2021	Directorship in other Public Companies	No. of Committee positions held in all companies	
		Held	Attended			Chairman	Member #
Shri Venkateswarlu Jasti	Chairman & CEO Promoter	6	6	Yes	1	-	-
Smt. Sudharani Jasti	Whole-time Director Promoter	6	5	Yes	-	-	1
Prof Seyed E. Hasnain	Non-Executive Director	6	6	Yes	1	-	-
Shri M Gopalakrishna	Independent Non-Executive Director	6	6	Yes	6	2	7
Shri Santanu Mukherjee	Independent Non-Executive Director	6	6	Yes	4	1	4
Smt. J.A.S. Padmaja	Independent Non-Executive Director	6	5	No	-	-	2

Committee membership includes chairperson position

Name of the other listed companies where the person is a director and the category of directorship

Name of the Director	Name of the other listed companies	Category
Shri Venkateswarlu Jasti	Suven Pharmaceuticals Limited	Chairman &Managing Director
Smt. Sudharani Jasti	Nil	-
Prof Seyed E. Hasnain	Nil	-
Shri M Gopalakrishna	1. The Andhra Petrochemicals Limited	Independent director
	2. Pitti Engineering Limited	Independent director
	3. BGR Energy Systems Limited	Independent director
	4. Olectra Greentech Limited	Independent director
Shri Santanu Mukherjee	1. Bandhan Bank Limited	In Independent director
	2. Sumedha Fiscal Services Ltd	Independent director
Smt. J.A.S. Padmaja	Nil	-

Meetings of the Board

Sl. No.	Date of the meeting	Total No. of directors associated on the date of board meeting	No. of Directors attended
1	2nd April 2021	6	5
2	4th May 2021	6	6
3	9th August 2021	6	5
4	25th October 2021	6	6
5	31st January 2022	6	6
6	28th March 2022	6	6

The time gap between any two meetings did not exceed one hundred and twenty days as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the required information was suitably placed before the board meetings. The details relating to financial and commercial transactions where directors may have a potential interest, if any, were provided to the Board and interested directors abstained from the meetings.

Disclosure of relationships between directors inter-se

None of the Directors is related to other Directors, except Shri Venkateswarlu Jasti who is spouse of Smt. Sudharani Jasti.

No. of shares held by Non-Executive Directors

Sl. No.	Name of Director	No. of equity shares held as on 31st March 2022
1.	Prof Seyed E. Hasnain	NIL
2.	Shri M Gopalakrishna	NIL
3.	Shri Santanu Mukherjee	NIL
4.	Smt. J.A.S. Padmaja	NIL

There were no convertible instruments held by non-executive directors

Familiarization programmes imparted to the independent directors

Your Company endeavours to organize necessary familiarization programmes as and when required. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company. The information on the familiarization programmes can be accessed from our Company's website at Web link: http://www.suven.com/pdf/familiarization-program-for-independent-directors.pdf

A Chart or a Matrix setting out the skills/expertise/competence of the board of directors

Your Company's Board identified certain multi-dimensional core skills/expertise/competencies as detailed below and available with the Board:

Sr. No	Name & Category of Directors	Skills / Expertise / Competencies
1	Shri Venkateswarlu Jasti Executive Director	Leadership and Management skills, industry/ R&D operational experience, Strategy development, risk expertise
2	Smt. Sudharani Jasti Executive Director	Decision making skills, industry experience, sustainability & governance
3	Prof Seyed E. Hasnain Non-Executive Director	Knowledge in sector and governance
4	Shri M Gopalakrishna Independent Director	Financial skills, Public policy/ legal, member & stakeholder engagement
5	Shri Santanu Mukherjee Independent Director	Financial Skills, risk management and internal control expertise and decision making professional skills
6	Smt. J.A.S. Padmaja Independent Director	Human Resource, stakeholder engagement, control skills and financial skills

Confirmation from the Board

The Board of Directors verified the veracity of declarations given by the Independent Directors and in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

Resignation of Independent Director from the Board of the Company

During the year under review, none of the independent directors has resigned from the directorship of the company before the expiry of their tenure of appointment.

Committees of the Board

The Board constituted various committees. The Role of Committees induced with necessary terms of references under the regulatory framework to function as per the Corporate Governance norms. Shrenik Soni, Company Secretary and Compliance Officer, is the secretary of all the Committees constituted by the Board.

3. AUDIT COMMITTEE

Composition & terms of reference

Committee is constituted in compliance with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The present Audit Committee comprises of all Independent Directors. All of whom possess accounting and financial management expertise/ exposure.

The terms of reference to the Audit committee given by the Board shall be as per the provisions of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and brief terms of reference are as viz. i) Oversight of financial reporting process, ii) Reviewing with the management, the quarterly & annual financial statements and auditors' report thereon before submission to the Board for approval, iii) Evaluation of internal financial controls and risk management systems, iv) reviewing the adequacy of internal audit functions v) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company and effectiveness of the audit process, vi) Scrutiny of inter-corporate loans and investments. The Committee periodically reviews the information as specified under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

The composition of the Audit Committee is as follows

Name of Director & Designation	Category of Director	No. of Meetings	
		Held	Attended
Shri Santanu Mukherjee – Chairman	Independent & Non-Executive Director	4	4
Shri M Gopalakrishna – Member	Independent & Non-Executive Director	4	4
Smt. J.A.S. Padmaja – Member	Independent & Non-Executive Director	4	3

In addition to the members of the audit committee, these meetings are attended by the Heads of Accounts & Finance, Internal Auditors and Statutory Auditors of the Company and the Company Secretary acts as the Secretary of the Audit Committee. The Chairman of the Audit Committee Shri Santanu Mukherjee attended the Annual General Meeting (AGM) held on 06th August, 2021.

Meetings and attendance during the year

During the year Audit Committee met four times on 04th May, 2021, 09th August, 2021, 25th October, 2021 and 31st January, 2022. The attendance of the Committee Members was presented in the above table.

4. NOMINATION AND REMUNERATION COMMITTEE

Composition & terms of reference

The Nomination and Remuneration Committee (NRC) comprises of Independent, Non-executive and Executive Director. During the year under review, the Board reconstituted the Nomination and Remuneration Committee with the addition Smt. Padmaja JAS, Independent Director as member of the committee in terms of amended Regulation 19 of SEBI LODR Regulations 2015. The terms of reference of the NRC given by the Board covers all aspects specified under the provisions of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. Brief terms of reference are viz. criteria for determining qualifications, independence of Directors, recommend to the Board policy relating to remuneration of the Directors/KMPs, formulation of criteria for evaluation of performance of Board of Directors and independent Directors etc.

The composition of the Nomination and Remuneration Committee is as follows

Name of Directors & Designation	Category of Director	No. of Meetings	
		Held	Attended
Shri Santanu Mukherjee – Chairman	Independent & Non-executive Director	1	1
Shri M. Gopalakrishna – Member	Independent & Non-executive Director	1	1
Prof Seyed E. Hasnain – Member	Non-Executive Director	1	1
Smt. J.A.S. Padmaja – Member*	Independent & Non-executive Director	1	-
Shri Venkateswarlu Jasti – Member #	Executive Director	1	1

** Smt. J.A.S. Padmaja was admitted as member of the NRC w.e.f. 01st January, 2022*
 # Shri Venkateswarlu Jasti was ceased to be member of the NRC w.e.f. 01st April, 2022

Meetings and attendance during the year

During the year Nomination and Remuneration Committee met once on 25th October, 2021. The attendance of the Committee Members was presented in the above table.

The Chairman of the Nomination and Remuneration Committee Shri Santanu Mukherjee attended the Annual General Meeting (AGM) held on 6th August, 2021.

Performance evaluation Criteria for Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance in absence of Director being evaluated, its committees and of the independent directors on parameters such as level of engagement, contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process as well as the evaluation of the working of its Committees, information needs of the Board, execution and performance of specific duties, obligations and governance.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The committee reviews Initiatives taken with respect to payment of dividends and review of other services related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

The composition of Stakeholders' Relationship Committee is as follows:

Name of the Director	Category of Director	No. of Meetings	
		Held	Attended
Shri M Gopalakrishna – Chairman	Independent & Non-executive Director	1	1
Smt. J.A.S. Padmaja – Member	Independent & Non-executive Director	1	1
Smt. Sudharani Jasti – Member	Executive Director	1	1

During the year Stakeholders' Relationship Committee met on 24th January, 2022. The attendance of the committee members was presented in the above table. Shri M. Gopalakrishna, Chairman of the Committee attended the Annual General Meeting (AGM) held on 06th August, 2021.

Name and Designation of Compliance Officer

CS SHRENIK SONI
Company Secretary & Compliance Officer
Suven Life Sciences Limited
SDE Serene Chambers, 6th Floor, Road No. 5
Avenue 7, Banjara Hills, Hyderabad–500 034
CIN: L24110TG1989PLC009713
Tel: +91 40-2354 1142/ 3311, Fax: +91 40-2354 1152

Details of complaints/requests received and redressed

During the year 2021-22, number of shareholders' complaints received: 59; number not solved to the satisfaction of shareholders: 0; and number of pending complaints: 0; pertaining to the dividends, annual reports, change of bank/ address details and split shares etc. from shareholders and the complaints have been resolved to the satisfaction of the Complainants.

6. RISK MANAGEMENT COMMITTEE

Composition & terms of reference

The Risk Management Committee (RMC) comprises of Independent, Executive Directors and senior executive. The terms of reference of the RMC given by the Board covers all aspects specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. Brief terms of reference are viz. to formulate, monitor and review risk management policy and plan, inter alia, management of business risks, financial risks, foreign exchange risks, cyber security risks, and data privacy risks, etc. The senior management has developed internally the risk management framework to work on mitigation process on various risks identified and necessary reporting will be done to the Committee for its review and recommendations to the Board.

The composition of the Risk Management Committee is as follows

Name of Directors	Category of Director	No. of Meetings	
		Held	Attended
Shri Venkateswarlu Jasti - Chairman	Executive Director	2	2
Shri Santanu Mukherjee - Member	Independent & Non-executive Director	2	2
Shri M. Gopalakrishna - Member	Independent & Non-executive Director	2	2
Shri M. Mohan Kumar - Member	Chief Financial Officer	2	2

Meetings and attendance during the year

During the year the Risk Management Committee met on 25th October, 2021 and 24th January, 2022. The attendance of the committee members was presented in the above table.

7. REMUNERATION OF DIRECTORS

Remuneration Policy for selection and appointment of directors/ senior management and their remuneration

The Nomination and Remuneration (N&R) Committee has adopted a policy which, inter alia, deals with the manner of selection of all Directors and Senior management personnel and their remuneration as under, also covers the succession planning for appointment to the Board and policy on diversity of Board. Policy enables the management to engage HR consultants whenever external advise needed in this behalf.

Criteria of selection of all categories of Directors and Senior Management Personnel

- The incumbent must be a graduate or above with ability to understand the Board procedures and having rudimentary knowledge over financial statements.
- Must possess reasonable experience at the Board/senior management level.
- Must have ethical behaviour and willingness to comply with all applicable statutory requirements like declaring their interests in the companies/ entities, following the requirements of Board procedures, attending Board/ Committee meetings and active participation in all matters placed before the Board.
- Must be able to exercise independent judgment over the matters reported to the Board.
- Where necessary recommend to the Board for an increase in the remuneration of non-executive directors subject to provisions of Companies Act, 2013.
- The Committee may review and give a guidance note on all salary increases and bonus payments for all direct reports to the CEO in line with the industry standards. The Committee may review and give a general guidance note on the quantum of salary increases and bonus payments for all other staff in line with the industry standards.
- For criteria of making payments to non-executive directors please refer to web link at: http://www.suven.com/pdf/CompositionofVariousCommitteesofBoardofDirectors.pdf

Remuneration paid to the Executive Directors and sitting fees paid to Non-Executive Directors during FY 2021-22 is as under:

Executive Directors (₹ In Lakhs)

Name of the Director	Salary & Allowances	Contribution to Provident Fund	Perquisites	Total
Smt. Sudharani Jasti Whole-time Director	181.02	21.72	25.14	227.88
Shri Venkateswarlu Jasti Chairman & CEO	Nil	-	-	Nil

For details of other elements of remuneration please refer to Annual Return of the Company as placed on the website www.suven.com. The services of Chairman & CEO and Whole-time Director are governed by the resolutions as approved by the shareholders in the general meeting. Shri Venkateswarlu Jasti, Chairman & CEO opted not to draw any remuneration from the Company. There is no separate provision for payment of severance fee and notice period for termination of services.

Non-Executive Directors

Name of the Director	Sitting fee (₹ in Lakhs) #
Prof Seyed E. Hasnain	2.60
Shri M Gopalakrishna	3.30
Shri Santanu Mukherjee	3.10
Smt. J.A.S. Padmaja	2.50

Net of taxes

Except the above remuneration paid to Directors there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company. The Company has not granted any stock options to its Non-Executive Directors.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

To review the existing CSR Policy and to monitor progress of CSR activities undertaken if any, on priority basis by the Suven Trust as notified by CSR Committee of the Board from time to time.

The composition of the Corporate Social Responsibility Committee and the details of Members' participation at the Meeting of the Committee held on 4th May, 2021 are as under:

Name of the Director	Category of Director	No. of Meetings	
		Held	Attended
Shri M Gopalakrishna – Chairman	Independent & Non-executive Director	1	1
Prof Seyed E. Hasnain – Member	Non-executive Director	1	1
Shri Venkateswarlu Jasti – Member	Executive Director	1	1
Smt. Sudharani Jasti – Member	Executive Director	1	1
Smt. J.A.S. Padmaja – Member	Independent & Non-executive Director	1	1

9. MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 24th January, 2022, carried out inter alia, the following process:

Evaluation of performance of Non Independent Directors and the Board of Directors as a whole; evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors and evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All Independent Directors were present at the aforesaid meeting.

10. GENERAL BODY MEETINGS

Annual General Meeting: Location, date and time of last three Annual General Meetings (AGMs) and Special Resolutions passed there at:

For FY	Venue	Date and Time	No. of Special Resolutions passed
2020-21	Through Video Conferencing ("VC") / other Audio Visual Means ("OAVM"). The deemed venue for the AGM shall be the Registered Office of the Company.	06/08/2021 11:30 AM	0
2019-20	Through Video Conferencing ("VC") / other Audio Visual Means ("OAVM"). The deemed venue for the AGM shall be the Registered Office of the Company.	17/09/2020 11:30 AM	3
2018-19	KLN Prasad Auditorium, The Federation of Andhra Pradesh Chambers of Commerce & Industry [FAPCCI], 11-6-841, Red Hills, Hyderabad –500 004	14/08/2019 03:00 PM	1

Extra-ordinary General Meeting:

Financial Year	Venue	Date and Time	No. of Special Resolutions passed
2020-21	Through Video Conferencing ("VC") / other Audio Visual Means ("OAVM"). The deemed venue for the EGM shall be the Registered Office of the Company.	20/03/2021 11:30 AM	1

Postal Ballot:

i) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

No postal ballot was conducted during the FY 2021-22

ii) Details of special resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

11. MEANS OF COMMUNICATION

Financial Results, Press Releases, Presentations and Publications:

Annual Reports, notice of the meetings and other communications to the Members are sent through e-mail, post or courier. However, this year as per the directions given in the circulars issued by Ministry Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") companies are allowed to send Annual Report by e-mail to all the Members of the company. Therefore, the Annual Report for FY 2021-22 and Notice of 33rd AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars. However, the company will arrange hard copy of Annual Report to those shareholders who request for the same.

The quarterly results/ half yearly/Annual Audited Financial Results are generally published in widely circulated national newspapers the Business Standard and in one vernacular Language newspaper Nava Telangana/ Andhra Prabha (Telugu Daily). The Financial Results, official news releases, presentations made to the institutional investors/ analysts if any are also displayed on the Company's website www.suven.com.

The financial results, press releases and other reports/ intimations required under the SEBI (LODR) Regulations are filed electronically with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and also uploaded on the Company's website www.suven.com which may be accessed by the shareholders.

Management Discussion and Analysis detailed report is forming part of this Annual Report.

12. GENERAL SHAREHOLDERS INFORMATION

i) Annual General Meeting:

Financial Year	:	2021 – 2022
Day and Date	:	Thursday, 4th August 2022
Time	:	11:30 A.M.
Venue	:	The Company is conducting meeting through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. For details please refer to the Notice of this AGM.

ii. Financial Calendar (tentative)

Financial Year April 1, 2022 to 31st March, 2023	
Quarter Ending	**Release of Results**
June 30, 2022	latest by August 14, 2022
September 30, 2022	latest by November 14, 2022
December 31, 2022	latest by February 14, 2023
31st March, 2023	May 15, 2023*

*instead of publishing quarterly un-audited results, the Company may opt to publish Audited Annual results within 60 days from the end of the financial year as per SEBI Regulations.

iii) Dates of Book Closure: 2nd August, 2022 to 4th August 2022 both days inclusive.

iv) Dividend Disclosure: The Board of Directors did not recommend any dividend for FY 2021-22.

v) Listing on Stock Exchanges

The shares of the Company are listed on

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

The Company confirms that it has paid annual listing fees due to the stock exchanges for the financial year 2021-2022.

vi) Stock Code

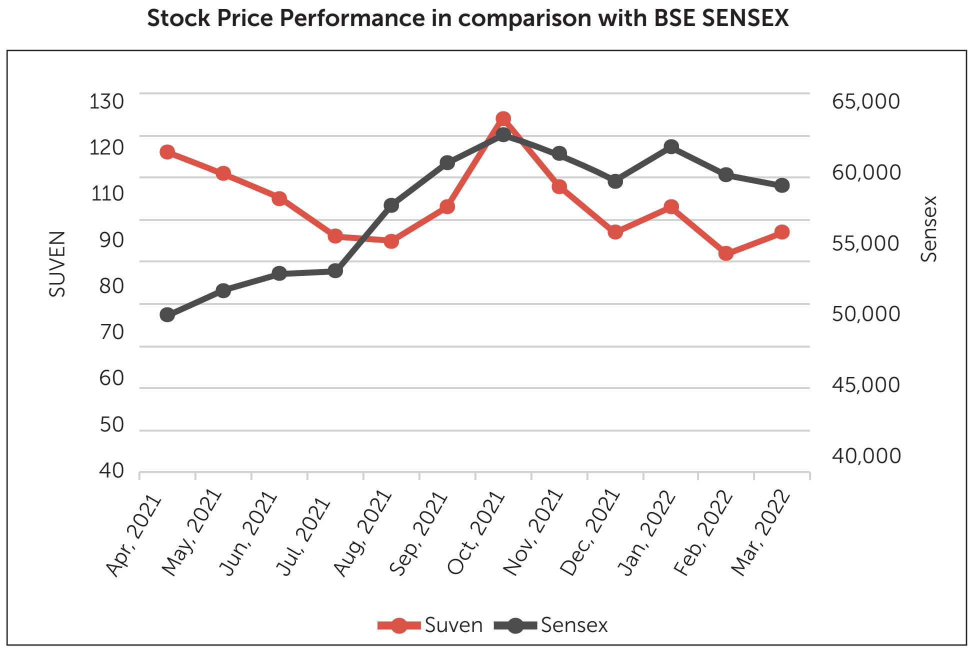
Stock Exchanges	Scrip Code	Scrip ID
BSE Limited	530239	SUVEN
National Stock Exchange of India Limited	SUVEN	SUVEN

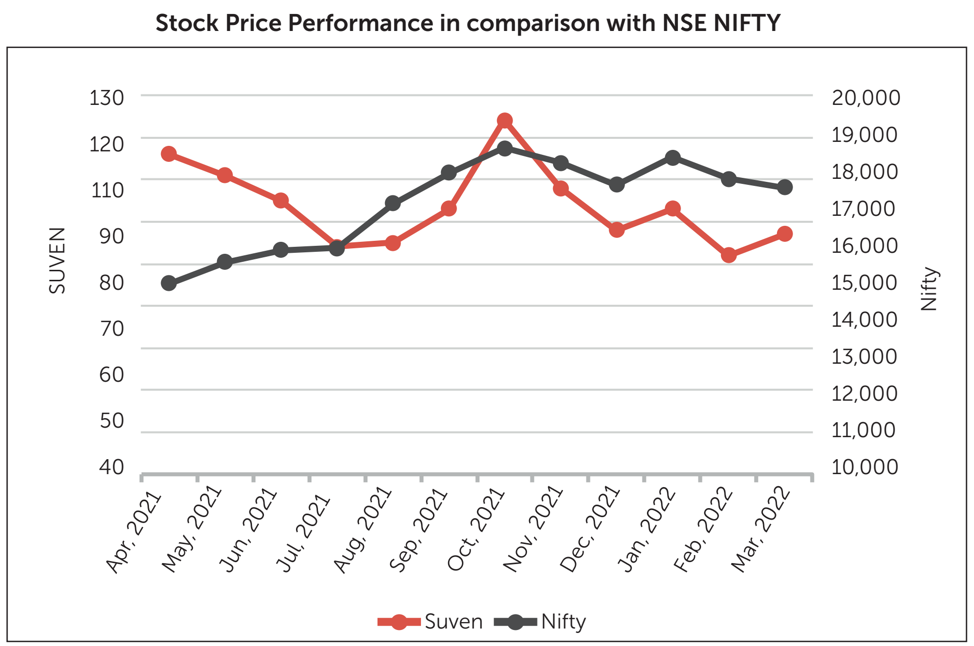
Depository for Equity Shares : NSDL and CDSL

Demat ISIN Number : INE495B01038

vii) Stock Market Price Data BSE and NSE

Year	Month	BSE Limited (BSE)			National Stock Exchange (NSE)		
		High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
2021	April	115.80	70.45	19,80,088	116.00	70.65	3,88,71,135
	May	110.70	91.25	10,07,437	110.80	91.10	1,78,71,222
	June	104.55	87.55	9,87,963	104.70	87.50	1,59,21,794
	July	96.00	82.15	5,48,950	94.05	82.00	76,20,127
	August	95.25	73.05	8,94,796	95.35	73.00	1,62,44,954
	September	102.90	81.60	10,88,959	103.00	82.95	1,96,61,145
	October	124.40	89.55	13,98,094	124.45	89.60	3,85,78,268
	November	108	86.65	4,85,141	107.80	86.50	77,51,141
	December	97.35	85.00	3,21,234	97.60	85.00	56,26,789
2022	January	102.60	85.50	7,98,359	102.55	85.60	1,38,75,440
	February	91.60	75.05	4,61,455	92.00	75.00	42,67,902
	March	96.50	72.00	6,41,203	96.60	71.80	1,56,05,318





viii) In case the securities are suspended from trading, the directors report shall explain the reason thereof

During the year under review there was no suspension of trading in the securities of the company.

ix) Registrar and Share Transfer Agents: (RTA)

KFin Technologies Limited
(formerly known as KFin Technologies Private Limited)
Unit: Suven Life Sciences Limited
Selenium, Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032
Ph.: 1800 309 4001/ 040-6716 1565
Email: einward.ris@kfintech.com
Website: https://www.kfintech.com

x) Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1 ,2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialized mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialized form. Transfers of equity shares in electronic form are effected through the depositories only.

The Board of Directors authorized the Company Secretary of the Company to monitor the Memorandum of Share Transfers (MOT) as and when reported by RTA (Kfin Technologies Limited) and to approve the Share transfers, if any. Company Secretary submits a comprehensive report to the Board every quarter covering various activities relating to investor services including share transfer/ transmission, etc. if any. **Members holding shares in physical form are requested to convert their holdings to dematerialized form and update their bank accounts and email IDs with the respective depository participants to enable us to provide better service.**

The Company has obtained and filed with the Stock Exchange(s), the annual certificates from Company secretary in practice for due Compliance with the share transfer formalities as required under regulation 40(9) & (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

xi) Distribution Shareholding Pattern as on 31st March 2022

Category (Amount)	Shareholders		Share Amount	
	Number	% to total	Amount	% to total
1 - 5000	79839	98.52	24621154.00	16.94
5001 - 10000	655	0.81	4821694.00	3.32
10001 - 20000	319	0.39	4584109.00	3.15
20001 - 30000	94	0.12	2321988.00	1.60
30001 - 40000	28	0.03	978738.00	0.67
40001 - 50000	20	0.02	941208.00	0.65
50001 - 100000	54	0.07	3850225.00	2.65
100001 & above	30	0.04	103263362.00	71.03
TOTAL	**81039**	**100.00**	**145382478.00**	**100.00**

xii) Categories of shareholders as on 31st March 2022

Sl. No	Category	Cases	Holding	%To Equity
1	Promoters	6	94470000	64.98
2	Resident Individuals	77817	40082898	27.57
3	Non Resident Indians	1306	3637186	2.51
4	Corporate Bodies	329	3472373	2.39
5	Others	1570	3044150	2.08
6	Foreign Portfolio Investors	10	657871	0.45
7	Mutual Funds	1	18000	0.01
	TOTAL	**81039**	**14,53,82,478**	**100.00**

xiii) Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE.

As on 31st March, 2022, 87.30%* of the paid up equity capital of the Company has been dematerialized and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialization.

*Board of Directors of Company allotted 1,81,00,000 equity shares to promoter group entity on preferential basis in its meeting held on 28/03/2022. Post allotment Company received final trading approval from Stock Exchanges on 19/04/2022. Therefore, as on 31/03/2022 newly allotted 1,81,00,000 shares (12.44%) were reflected in shareholding pattern but not in the demat form.

xiv) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

The company has issued 1,81,00,000 convertible warrants on preferential basis in the previous year and subsequently allottee to the issue exercised the option to convert 1,81,00,000 warrants into equity shares. Accordingly, Board of Directors in its meeting held on 28th March 2022, considered and approved conversion of warrants into equity shares and allotted 1,81,00,000 equity shares on preferential basis. Hence, there were no outstanding convertible warrants as on 31st March, 2022.

Except the above, Company has not issued any GDRs/ ADRs or any other Convertible instruments in the past and hence as on 31st March, 2022 the Company does not have any outstanding GDRs/ ADRs or any other convertible instruments.

xv) Commodity price risk or foreign exchange risk and hedging activities

Our Company is primarily engaged in Discovery R&D. The export receipts are being utilised towards immediate requirements for payment of imports. Hence, there is negligible foreign exchange risk and does not undertake any hedging activities.

xvi) Research and Development Centre(s)

Research Centre – I	Research Centre – II
Plot No.18, Phase III, IDA Jeedimetla Hyderabad – 500 055 Telangana	Plot No(s). 267- 268, IDA Pashamylaram Sanga Reddy Dist. Telangana – 502 307

xvii) Address for Correspondence

Regd. Office: # 8-2-334, SDE Serene Chambers,
6th Floor, Road No. 5, Avenue 7,
Banjara Hills, Hyderabad – 500 034 Telangana
CIN: L24110TG1989PLC009713
Tel: +91 40-2354 3311 / 2354 1142, Fax: +91 40-2354 1152
E-mail: info@suven.com, investorservices@suven.com;
Website: www.suven.com

xviii) Credit Ratings

Since there are no subsisting loans against the Company the credit rating is not applicable.

xix) Unpaid / Unclaimed Dividend

Pursuant to the provisions of Section 123 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven consecutive years from the date of its transfer to unpaid dividend account, is required to be transferred by Company to the Investor Education and Protection Fund, established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. Pursuant to Section 124 of the Companies Act, 2013 the shares forming part of unclaimed dividends of the shareholders were transferred to IEPF Authority as per IEPF Rules.

In the interest of the shareholders, the Company sends periodical reminder to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website: http://www.suven.com/unpaiddividend.aspx.

Shareholders of the Company who have either not received or have not en-cashed their dividend warrants, for the financial years 2014-15, 2015-16, 2016-17 and 2017-18 are requested to claim the unpaid/ unclaimed dividend from the Company before transfer to the fund.

xx) Reconciliation of Share Capital Audit Report

A qualified practicing Company Secretary carried out a quarterly share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

13. OTHER DISCLOSURES

i) Related Party Transactions

All related party transactions with related parties during the financial year were done in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, there were no materially significant transactions with related parties which were in conflict with the interest of the Company. None of the Non-Executive Directors has any pecuniary material relationship or material transactions with the Company for the year ended 31st March, 2022. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at Web link http://www.suven.com/policiesdocuments.aspx

ii) **Legal Compliance**

There were no instances of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

iii) **Vigil mechanism/ Whistle Blower Policy**

The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, anyone can approach directly Chairman of the Audit Committee or through Company Secretary to report any suspected or confirmed incident of fraud/ misconduct it is affirmed that no personnel has been denied access to the audit committee and can be accessed at Web link http://www.suven.com/policiesdocuments.aspx.

iv) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

Mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is being reviewed from time to time.

Non-mandatory requirements

1. **The Board:**

   Office for non-executive Chairman at Company's expense: Not Applicable

2. **Shareholder Rights:**

   Half-yearly declaration of financial performance to each household of shareholders: Not complied

3. **Audit qualifications:**

   Complied as there are no audit qualifications

4. **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:**

   Not Complied

5. **Reporting of Internal Auditor:**

   The Internal auditors report directly to Audit Committee: Complied

v) **Web link policy for determining 'material' subsidiaries**

The Board has approved a policy for determining 'material' subsidiaries which has been uploaded on the Company's website and it can be accessed at Web link:
http://www.suven.com/policiesdocuments.aspx.

vi) **Disclosure of commodity price risks and commodity hedging activities:**

The Company did not undertake any commodity hedging activities during the year hence there were no commodity price risks involved.

vii) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

During the year under review the Company has allotted 1,81,00,000 convertible warrants to the promoter/ promoter group of the Company on preferential basis and subsequently upon the receipt of the total consideration amount of the preferential issue the option to convert warrants was exercised by allottee and accordingly 1,81,00,000 equity shares were allotted by the Board of Directors in its meeting held 28th March, 2022.

Out of the total fund of ₹14764.17 Lakhs raised by Company through the issue of convertible warrants on preferential basis, ₹9978.44 Lakhs have been utilized for undertaking Research & Development activities, general corporate purposes and working capital requirements of the Company. The balance amount of ₹4785.73 Lakhs was yet to be utilized as on 31st March, 2022.

Except the aforesaid allotment there were no other fund raising action as specified under Regulation 32 (7A) during the financial year 2021-22.

viii) **Certificate from a Company Secretary in Practice:**

The Company has obtained a certificate from D. Renuka, Company Secretary in Practice that none of the Directors on the Board of the Company, have been disbarred or disqualified from being appointed or continuing as Directors of Companies by Board/Ministry of Corporate Affairs or any such statutory authority. The said certificate is attached to this report as **Annexure-A.**

ix) **Instances of not accepted any recommendation of any committee of the Board**

There is no such instance where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

x) **Details of the fees paid to Statutory Auditors:**

The details of the total fees for all services paid by the company, on a consolidated basis, to the statutory auditor for the financial year.

(₹ In Lakhs)

Sr. No.	Particulars	Remuneration for FY 2021-22
1.	Statutory Audit fee	7.00
2.	Other permissible services (Certification fee)	3.00
3.	Re-imbursement of out of pocket expenses	0.19
	Total	**10.19**

xi) **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

a.	number of complaints filed during the financial year	Nil
b.	number of complaints disposed of during the financial year	N.A.
c.	number of complaints pending as on end of the financial year.	N.A.

xii) Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested:

During the year under review, the Company and its subsidiaries did not give any Loans and advances to firms/companies in which directors are interested.

14. Non-compliance of any requirement of corporate governance report

Our company has complied with all requirements of corporate governance report for the FY 2021-22.

15. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report

Our Company has complied with all the provisions of the above said Regulations of SEBI (LODR) Regulations for the FY 2021-22.

16. Disclosures with respect to demat suspense account/unclaimed suspense account

The Company does not have any Demat Suspense account/unclaimed suspense account.

17. Certificate of compliance on corporate governance

The certificate of compliance on corporate governance is provided as **"Annexure-B"** to this corporate governance report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To
The Members of
Suven Life Sciences Limited

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2022.

For Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 7th May, 2022

Annexure-A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of Suven Life Sciences Limited
Registered Office: # 8-2-334, SDE Serene Chambers,
6th Floor, Road No. 5, Banjara Hills, Hyderabad-500034

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Suven Life Sciences Limited having CIN L24110TG1989PLC009713 and having registered office at 8-2-334, SDE Serene Chambers, 6th Floor, Road No. 5, Banjara Hills, Hyderabad - 500034 Telangana (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of Appointment in Company
1	VENKATESWARLU JASTI	00278028	09/03/1989
2	SUDHARANI JASTI	00277998	09/03/1989
3	SEYED EHTESHAM HASNAIN	02205199	30/04/2010
4	GOPALAKRISHNA MUDDUSETTY	00088454	14/11/2012
5	SANTANU MUKHERJEE	07716452	15/05/2018
6	ANANTHASAI PADMAJA JASTHI	07484630	14/11/2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

D. RENUKA
CP No.: 3460, ACS 11963
ICSI PEER Review UIN: L2000TL172900
UDIN: A011963D000283421

Place: Hyderabad
Date : 07/05/2022

Annexure B

CERTIFICATE OF COMPLIANCE ON CORPORATE GOVERNANCE

To,
The Members of Suven Life Sciences Limited
Registered Office: # 8-2-334, SDE Serene Chambers,
6th Floor, Road No. 5, Banjara Hills, Hyderabad-500034.

I, **D. Renuka**, Practicing Company Secretary have examined the compliance of conditions of Corporate Governance by M/s. Suven Life Sciences Limited, ('the Company'), for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (" SEBI Listing Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination has been limited to review of the procedure and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, as applicable, for the year ended on March 31, 2022.

I further state that such compliance is neither an assurance as to the further viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

D. Renuka
Company Secretary in Practice
C P No.3460, ACS 11963
ICSI PEER Review UIN: L2000TL172900
UDIN: A011963D000283399

Place: Hyderabad
Date: 07/05/2022

INDEPENDENT AUDITOR'S REPORT

To the Members of
Suven Life Sciences Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of Suven Life Sciences Limited ('the Company') which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended 31st March 2022. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No	Key Audit Matters	Auditor's Response
1	**Investment in Subsidiary:** The carrying value of investment in the subsidiary as at 31st March, 2022 is ₹38,069.16 Lakhs. This investment is reviewed at the end of each reporting period to determine whether there is any indication of impairment. If such evidence exists, impairment loss is determined and recognised in accordance with Note 2(p) of accounting policies to the Standalone Ind AS financial statements. We have identified the assessment of impairment indicators and resultant provision, if any, in respect of investment in subsidiary as a key audit matter because of: • The significance of the amount of this investment in the Standalone Balance Sheet. • Performance and net worth of these entities and • The degree of management judgement involved in determining the recoverable amount of these investments including: – Valuation assumptions, such as discount rates. – Business assumptions used by management, such as sales growth and costs and the resultant cash flows projected to be generated from these investments.	Our audit procedures in respect of impairment of investment in subsidiary included the following: – Testing design, implementation and operating effectiveness of key controls over the impairment review process including the review and approval of forecasts and review of valuation models; – Assessing the valuation methodology used by management and management review control is around making the assessment and testing the mathematical accuracy of the impairment models; – Evaluating the reasonableness of the valuation assumptions, such as discount rates, used by management through reference to external market data; – Challenging the appropriateness of the business assumptions used by management, such as sales growth, cost and the probability of success of new products; – Evaluating past performances where relevant and assessed historical accuracy of the forecast produced by management; – Enquiring and challenging management on the commercial strategy associated with the products to ensure that it was consistent with the assumptions used in estimating future cash flows; – Considering whether events or transactions that occurred after the balance sheet date but before the reporting date affect the conclusions reached and the associated disclosures; and – Performing sensitivity analysis of key assumptions, including future revenue growth rates, costs and the discount rates applied in the valuation models.

Sl. No	Key Audit Matters	Auditor's Response
2.	**Identification and disclosures of Related Parties:** (as described in Note-30 of the Standalone Ind AS financial statements) - The Company has related party transactions which include, amongst others, sale and purchase of goods/services to its subsidiaries, associates, joint ventures and other related parties and lending and borrowing to its subsidiaries, associates and joint ventures and other related parties. - We focused on identification and disclosure of related parties in accordance with relevant accounting standards as a key audit matter.	Our audit procedures amongst others included the following: - Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. - Obtained a list of related parties from the Company's Management and traced the related parties to declarations given by directors, where applicable, and to Note 30 of the Standalone Ind AS financial statements. - Read minutes of the meetings of the Board of Directors and Audit Committee - Tested material creditors/debtors, loan outstanding/loans taken to evaluate existence of any related party relationships; tested transactions based on declarations of related party transactions given to the Board of Directors and Audit Committee. - Evaluated the disclosures in the Standalone Ind AS financial statements for compliance with Ind AS 24.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements, Standalone Ind AS financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Ind AS Financial Statements

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

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

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

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the Standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 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.

As required by section 143 (3) of the Act, based on our audit we report that:

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

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

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31st March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure-B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

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

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements- Refer Note 31 to the financial statements

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

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

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

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that were 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 (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

For **TUKARAM & CO LLP.**
Chartered Accountants
ICAI Firm Regn. No.004436S

Rajender Reddy K
Partner
Membership No.231834
UDIN:22231834AKDEQB5169

Place: Hyderabad
Date: May 07, 2022

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone Ind AS financial statements for the year ended 31st March, 2022, we report that:

Re: Suven Life Sciences Limited ('the Company')

i. In respect of the Company's Property, Plant and Equipment, intangible assets and Right-of-use assets;

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

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

(b) As explained to us, the management has physically verified a substantial portion of the Property, Plant and Equipment and right-of-use assets during the year and in our opinion frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification of Property, Plant and Equipment and right-of-use assets as compared to the books of account were not material and have been properly dealt with in the books of accounts.

(c) In our opinion and according to the information and explanations given to us, all the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement. On account of demerger, the following immovable property transferred to Suven Pharmaceuticals Limited (Resultant Company) are still in the name of Suven Life Sciences Limited.

S. No	Particulars	Amount '₹'
1	Land	1,504.64 Lakhs

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

ii. (a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of inventory compared to the books of account were not material and have been properly dealt with in the books of accounts.

(b) The Company has not been sanctioned working capital limits in excess of ₹500.00 lacs, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The Company has made investments in its wholly owned subsidiary company which in our opinion is, prima facie, not prejudicial to the Company's interest. The Company has not granted any loans or advances in the nature of loans during the year, however, the outstanding balance of loan and interest thereon given to a company in the prior years has been squared off in the current year.

The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable.

iv. There are no loans, guarantees and security in respect of which provisions of sections 185 of the Act is applicable. Investments in respect of which provisions of section 186 of the Act are applicable, have been complied with by the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of Statutory dues:

(a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods & Service Tax, duty of customs, duty of excise, cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us by management, there are no dues outstanding of provident fund, employees' state insurance income-tax, Goods & service tax, duty of customs, duty of excise, cess and other material statutory dues applicable to it that have not been deposited on account of any dispute.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of loan or interest thereon to the government. There are no dues to banks or financial institutions.

(b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and the outstanding term loans at the end of the year were applied for the purpose for which they were taken.

(d) On an overall examination of the financial statements of the Company, there are no funds which have been raised on a short-term basis. Hence reporting on clause 3(ix)(d) of the Order is not applicable.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any associate or joint venture.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary company. Hence reporting on clause 3(ix)(f) of the Order is not applicable

x. (a) Based on the information and explanations given to us by the management, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting on clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given by the management and audit procedures performed by us, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised. Further, according to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year.

xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) Since there is no fraud by the Company or on the Company that has been noticed or reported during the year, no report under sub-section (12) of section 143 of the Companies Act is required to be filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) No whistle blower complaints have been received during the year by the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Hence reporting under clause 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of the audit report, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has incurred a cash loss amounting to ₹3,142.62 lacs during the financial year covered by our audit and a cash loss amounting to ₹2,315.87 lacs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios disclosed in note 38 to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Ind AS financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. Since the Company has incurred losses in the past three financial years, there is no requirement for spending any amount towards Corporate Social Responsibility (CSR) as per the Act. Hence, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

For **TUKARAM & CO LLP.**
Chartered Accountants
ICAI Firm Regn. No.004436S

Rajender Reddy K
Partner
Membership No.231834
UDIN:22231834AKDEQB5169

Place: Hyderabad
Date: May 07, 2022

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Suven Life Sciences Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **TUKARAM & CO LLP.**
Chartered Accountants
ICAI Firm Regn. No.004436S

Rajender Reddy K
Partner
Membership No.231834
UDIN:22231834AKDEQB5169

Place: Hyderabad
Date: May 07, 2022

Standalone Balance Sheet

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,508.77	1,774.48
Capital work-in-progress	3	355.05	477.40
Intangible assets	4	22.46	13.60
Right of Use assets	5(a)	225.23	308.18
Financial assets			
(i) Investments	6(a)(i)	38,069.16	29,502.55
Other non-current assets	9	32.50	-
Total Non-current assets		**42,213.17**	**32,076.21**
Current assets			
Inventories	10	2.24	14.15
Financial assets			
(i) Investments	6(a)(ii)	4,516.20	8.57
(ii) Trade receivables	6(b)	129.79	176.19
(iii) Cash and cash equivalents	6(d)(i)	290.04	129.07
(iv) Bank balances other than (iii) above	6(d)(ii)	24.73	3,730.12
(v) Loans	6(c)	-	4,144.87
Current tax asset(net)	8	586.80	534.78
Other current assets	11	872.34	724.63
Total Current assets		**6,422.14**	**9,462.39**
TOTAL ASSETS		**48,635.31**	**41,538.60**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12(a)	1,453.82	1,272.82
Warrants Pending allotment		-	3,692.00
Other equity	12(b)	46,143.90	35,200.64
Total Equity		**47,597.72**	**40,165.46**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	5(b)	157.30	232.60
(ii) Borrowings	13(a)	-	39.25
Provisions	14	200.16	172.87
Deferred tax liabilities (net)	7	-	-
Other non-current liabilities	15	-	5.56
Total Non-current liabilities		**357.46**	**450.28**
Current liabilities			
Financial liabilities			
(i) Lease Liabilities	5(b)	115.13	110.11
(ii) Borrowings	13(b)	48.43	94.40
(iii) Trade payables			
(a) Total outstanding dues to Micro and Small Enterprises	13(c)	27.32	19.61
(b) Total outstanding dues to creditors other than Micro and Small Enterprises	13(c)	171.34	279.95
(iv) Other financial liabilities	13(d)	169.09	268.15
Provisions	14	88.62	78.34
Other current liabilities	16	60.20	72.30
Total Current liabilities		**680.13**	**922.86**
TOTAL LIABILITIES		**1,037.59**	**1,373.14**
TOTAL EQUITY AND LIABILITIES		**48,635.31**	**41,538.60**
Summary of significant accounting policies	2		

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

As per our report of even date
For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

Standalone Statement of Profit and Loss

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2022	Year ended 31st March, 2021
Income			
Revenue from operations	17	1,184.43	1,347.83
Other income	18	531.71	775.37
Total Income		**1,716.14**	**2,123.20**
Expenses			
Employee benefits expense	19	1,746.40	1,528.50
Research & Development expenses	20	2,453.42	2,517.04
Finance costs	21	53.01	81.53
Depreciation and amortization expense	22	439.32	434.62
Other expenses	23	648.85	357.00
Total Expenses		**5,341.00**	**4,918.69**
Profit/(Loss) before tax		**(3,624.86)**	**(2,795.49)**
Tax expense			
Current tax	24	-	-
Deferred tax	24	-	(570.12)
Tax of earlier years		-	37.84
Profit/(Loss) for the year		**(3,624.86)**	**(2,263.21)**
Other Comprehensive Income			
Items that will not be reclassified to statement of profit or loss			
Remeasurements gains (losses) on defined benefit plans		(15.05)	(47.15)
Income tax relating to items that will not be reclassified to statement of profit or loss			
Re-measurement gains (losses) on defined benefit plans		-	16.48
Other Comprehensive Income for the year (net of taxes)		**(15.05)**	**(30.67)**
Total Comprehensive Income for the year		**(3,639.91)**	**(2,293.88)**
Earnings per Equity share (Par value of ₹1 each)			
Basic	32	(2.84)	(1.78)
Diluted	32	(2.84)	(1.78)
Summary of significant accounting policies	2		

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

As per our report of even date
For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

Standalone Statement of Changes In Equity

(All amount in ₹ Lakhs, unless otherwise stated)

a. Equity share capital

Particulars	Number of Shares	Equity share capital
As at 1st April , 2020	**12,72,82,478**	**1,272.82**
Changes in equity share capital during the year	-	-
As at 31st March , 2021	**12,72,82,478**	**1,272.82**
Changes in equity share capital during the year- Warrants converted into Shares	1,81,00,000	181.00
As at 31st March , 2022	**14,53,82,478**	**1,453.82**

b. Other Equity

Particulars	Note	Reserves & surplus			
		Securities Premium	General reserve	Retained earnings	Total Equity
Balance at 1st April, 2020		**11,081.49**	**4,336.12**	**22,076.92**	**37,494.53**
Profit /(Loss) for the year	9(b)	-	-	(2,263.21)	(2,263.21)
Other comprehensive income	9(b)	-	-	(47.15)	(47.15)
Income tax relating to items of other comprehensive income				16.48	16.48
Transfer to General Reserve	9(b)	-		-	-
Transfer from Retained Earnings	9(b)		-		-
Adjustment due to demerger		-	-	-	-
Investment cancelled		-	-	-	-
Deferred tax adjustment		-	-	-	-
Balance at 31st March, 2021		**11,081.49**	**4,336.12**	**19,783.03**	**35,200.63**
Balance at 1st April, 2021		**11,081.49**	**4,336.12**	**19,783.03**	**35,200.63**
Profit/(Loss) for the year	9(b)	-	-	(3,624.86)	(3,624.86)
Other comprehensive income	9(b)	-	-	(15.05)	(15.05)
Income tax relating to items of other comprehensive income	9(b)	-	-	-	-
Warrants converted into Shares		14,583.17			14,583.17
Transfer to General Reserve		-	-	-	-
Transfer from Retained Earnings		-	-	-	-
Balance at 31st March, 2022		**25,664.66**	**4,336.12**	**16,143.12**	**46,143.89**

Refer note 12(b) for nature and purpose of reserves

This is the Statement of Changes in Equity referred to in our report of even date

For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

Standalone Statement of Cash Flows

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars		For the year ended 31st March, 2022	For the year ended 31st March, 2021
A. Cash flow from operating activities			
Profit/(Loss) before tax		**(3,624.86)**	**(2,795.50)**
Adjustments :			
Depreciation and amortisation expense		356.37	352.44
Interest Income		(111.69)	(697.91)
Finance Cost		53.01	81.54
Gain on Insurance Receipt		(371.57)	-
Unrealised/sale of Gain on Current Investment		(35.56)	(6.06)
Operating profit before working capital changes		**(3,734.30)**	**(3,065.49)**
Adjustments for (Increase)/ decrease in operating assets			
Trade Receivables		46.40	50.86
Inventories		11.91	(14.15)
Other non current assets		50.45	82.18
Other current assets		223.87	(436.51)
Adjustments for Increase/(decrease) in operating liabilities			
Trade Payables		(100.89)	(278.64)
Long term provisions		27.28	0.80
Other non-current liabilities		(5.56)	(41.07)
Short term provision		(4.77)	(42.11)
Other financial liabilities		(112.56)	182.43
Other current liabilities		(12.10)	7.73
Cash generated from operating activities		**(3,610.27)**	**(3,553.97)**
Income taxes paid (net of refunds)		52.02	114.52
Net Cash flows from operating activities (Refer Note 1)	**(A)**	**(3,662.29)**	**(3,668.49)**
B. Cash flow from Investing activities			
Payments for Purchase of property, plant and equipment		(1,977.16)	(630.47)
Non current financial assets		-	9,125.25
Loan repayments received		4,144.87	55.83
Interest received		111.69	697.91
Changes in Investments		(8,566.62)	(5,321.24)
Sale/(purchase) of mutual funds		(4,472.07)	2.43

Particulars		For the year ended 31st March, 2022	For the year ended 31st March, 2021
Bank balances not considered as cash and cash equivalents		13.39	(3,688.47)
Net cash flow from /(used in) investing activities	**(B)**	**(10,745.90)**	**241.24**
C. Cash flows from financing activities			
(Repayment)/Proceeds from borrowings		(85.23)	(69.24)
Proceeds from warrant converted into Equity Shares		14,764.17	-
Proceeds from Share Warrants		-	3,692.00
Changes In Lease Liability		(70.27)	(55.66)
Finance Cost		(39.51)	(81.54)
Net cash flow from /(used In) financing activities	**(C)**	**14,569.16**	**3,485.56**
Net increase/(decrease) in cash and cash equivalents	**(A+B+C)**	160.97	58.31
Cash and cash equivalents as at the beginning of the year (Refer Note 6(d) (i))		129.07	70.76
Cash and cash equivalents at the end of the year		**290.04**	**129.07**
Cash and cash equivalents (Refer Note 6(d)(i))		290.04	129.07
Balances as per statement of cash flows		**290.04**	**129.07**

Note 1 -The above statement of cash flow has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS-7) "Statement of Cash Flows

This is the Cash Flow Statement referred to in our report of even date

As per our report of even date

For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

Notes to the Standalone Financial Statements

Note 1: Corporate Information

Suven Life Sciences Limited incorporated in 1989 ("Suven" or the "Company") is a clinical-stage biopharmaceutical company focused on the acquisition, development and commercialization of novel therapeutics for the treatment of neurodegenerative disorders. The goal is to be the leading biopharmaceutical company focused on the treatment of dementia, a condition characterized by a significant decline in mental capacity and impaired daily function. The Company is targeting Central Nervous System (CNS) indications where there is a high unmet medical need, growing patient populations and with possible commercialization options. Suven has a wholly owned subsidiary, Suven Neurosciences, Inc., USA, focused on clinical development activities of Suven molecules from phase 2, Proof-of-Concept (POC) studies

The Company is subject to risks and uncertainties common to companies in the innovation led pharmaceutical/biotech industry, including, but not limited to, the risks associated with developing product candidates at each stage of clinical development, success in clinical trials, regulatory approval of product candidates, challenges involved in commercialization of the products and the potential development by third parties of new technological innovations that may compete with the Company's products; key challenges also include the dependence on key personnel, protecting intellectual property, high costs of drug development and uncertainty of securing additional capital when needed to continue operations.

Note 2: Significant accounting policies

a) Basis of preparation of Financial Statements

(i) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after."

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

(ii) Basis of measurement

The financial statements have been prepared on a historical cost and on accurual basis, except for the following items in the balance sheet:

- Certain financial assets are measured either at fair value or at amortised cost depending on the classification
- Employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation; and
- Share-based payments which are measured at fair value of the options"
- Right-of-use the assets are recognised at the present value of lease payments that are not paid at that date. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs, incurred, if any.

b) **Current versus non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in Cash and Cash equivalents. The Company has identified twelve months as its operating cycle.

c) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer has been identified as being the Chief Operating Decision Maker. Refer note 28 for the segment information presented.

d) **Foreign currency translation**

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

(ii) Transactions and balances Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non- monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as

Notes to the Standalone Financial Statements

equity investments classified as FVOCI are recognised in other comprehensive income.

e) **Fair value measurement**

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

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (refer note 25) .

f) **Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital Work-in-Progress represents Property, Plant and Equipment that are not ready for their intended use as at the balance sheet date.

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

On transition to Ind AS, the Company elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at 1st April, 2015 ("transition date") measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Depreciation methods, estimated useful lives and residual value Depreciation on Property , Plant & Equipment is provided on straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013. The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in Statement of profit or loss when the assets is derecognised.

Estimated useful life :

- R & D Equipment 10 years
- EDP Equipment 3 years
- Office Equipment 5 years
- Furniture &fittings 10 years

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Estimated useful lives by major class of finite life intangible assets are as follows:

Estimated useful life :

Software 3 - 10 years

(i) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available and;
- The expenditure attributable to the software during its development can be reliably measured Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 01, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

(ii) Amortization methods and periods Intangible assets with finite useful live are amortized over their respective individual estimated useful lives (3-10 years in case of computer softwares) on a straight line basis.

(iii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (i) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent period.

h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor

Notes to the Standalone Financial Statements

exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognised in the statement of profit and loss, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

i) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in-first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable 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.

j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

k) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Company's cash management

l) Income Taxes

Income tax comprises of current and deferred income tax. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised in other comprehensive income. Current income tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when:

- taxable temporary differences arising on the initial recognition of goodwill;

Notes to the Standalone Financial Statements

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

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Dividend Distribution Tax:

Tax on Dividends declared by the Company are recognised as an appropriation of Profit. Dividend Distribution Tax is not applicable from 1st April , 2020.

m) Equity

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company

Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium."

n) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Buildings and Facility charges. The Company assesses whether a contract contains a lease at the 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 (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 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 or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised

ROU 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.

ROU 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. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option

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

o) Investments and other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. 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. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Notes to the Standalone Financial Statements

ii) Measurement

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI 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.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the company's management has elected 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 are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Income recognition

Interest income

Interest income from the debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

Royalty

Royalty revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognized by reference to the underlying arrangement."

p) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries , the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss."

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds"

q) Financial liabilities

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, and derivative financial instruments.

Subsequent measurement

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

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

r) Employee benefits

(i) Short-term obligations

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

presented as current employee benefit obligations in the balance sheet."

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The group recognizes a liability and an expense for bonuses. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised is the period in which the absences occur.

s) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

t) Offsetting financial instruments

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

u) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company derives revenues primarily from rendering of services

Service income

Service income, which primarily relates to revenue from contract research, is recognised as and when the underlying services are performed. There was no change in the point of recognition of revenue upon adoption of Ind AS 115. Upfront non-refundable payments received under these arrangements continue to be deferred and are recognised over the expected period that related services are to be performed.

v) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their

Notes to the Standalone Financial Statements

expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

w) Research and Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use.

x) Government Grants:

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

The benefit of Government loan at a lower market rate of interest is treated as Government grant , measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

y) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period."

z) Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

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

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

aa) Cash flow statement

Cash flows are reported using the Indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows . The cash flows from operating , financing activities of the company are segregated.

ab) Rounding of Amounts

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

ac) Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

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

Contingent Liabilities

Contingent liabilities are disclosed, unless the possibility of outflow of resources is remote, when there is

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

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

ad) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount.

ae) Recent Accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

af) Critical estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Notes to the Standalone Financial Statements

The areas involving critical estimates or judgements are:

1. Estimation of current tax expense and payable
2. Estimated Useful life of Depreciable assets / intangible assets
3. Estimation of defined benefit obligation
4. Recognition of revenue
5. Recognition of deferred tax assets for carried forward losses
6. Recoverability of advances/receivable
7. Evaluation of indicators for Impairment of assets
8. Valuation of inventories
9. Determination of cost for right-of-use assets and lease term
10. Contingencies
11. Financial instruments
12. Fair value measurement of financial instruments
13. Share based payments
14. Depreciation on property, plant, equipment, and amortization of intangible assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 3: Property, plant and equipment

Particulars	Land - Free Hold	R&D Equipments	Furniture & Fixtures	Office Equipments	EDP Equipments	Total	Capital work-in-progress
Gross carrying amount							
At 01st April,2020	31.79	7,186.29	45.38	19.59	22.39	7,305.43	-
Additions	-	144.24	0.29	1.28	7.26	153.07	477.40
Transfers	-	-	-	-	-	-	-
Assets damaged due to fire accident	-	1,083.65	-	-	3.21	1,086.86	-
Disposals	-	-	-	-	-	-	-
Balance as at 31st March,2021	**31.79**	**6,246.89**	**45.66**	**20.87**	**26.43**	**6,371.64**	**477.40**
Accumulated depreciation							
At 1st April,2020	-	5,208.92	11.54	10.37	10.72	5,241.54	-
Charge for the year	-	336.86	4.37	3.69	5.98	350.91	-
Assets damaged due to fire accident	-	993.58	-	-	1.72	995.29	-
Disposals	-	-	-	-	-	-	-
Balance as at 31st March,2021	**-**	**4,552.21**	**15.90**	**14.06**	**14.99**	**4,597.16**	**-**
Gross carrying amount							
At 1st April, 2021	31.79	6,246.89	45.66	20.87	26.43	6,371.64	477.40
Additions	-	1,801.50	265.52	15.23	14.73	2,096.98	1,979.56
Transfers	-	-	-	-	-	-	2,101.92
Assets damaged due to fire accident	-	441.34	-	0.76	-	442.10	-
Disposals	-	21.23	-	-	-	21.23	-
Balance as at 31st March,2022	**31.79**	**7,585.82**	**311.18**	**35.35**	**41.16**	**8,005.30**	**355.05**
Accumulated depreciation							
At 1st April, 2021	-	4,552.21	15.90	14.06	14.99	4,597.16	-
Charge for the year	-	335.37	7.99	3.46	7.27	354.09	-
Assets damaged due to fire accident	-	433.00	-	0.49	-	433.50	-
Disposals	-	21.23	-	-	-	21.23	-
Balance as at 31st March,2022	**-**	**4,433.35**	**23.89**	**17.03**	**22.26**	**4,496.53**	**-**
Net Book Value as at 31st March, 2022	**31.79**	**3,152.48**	**287.29**	**18.31**	**18.90**	**3,508.77**	**355.05**
Net Book Value as at 31st March, 2021	**31.79**	**1,694.68**	**29.76**	**6.81**	**11.45**	**1,774.48**	**477.40**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Capital Work-In-Progress ageing

Amount in Capital Work-In-Progress for a period of

Particulars	Less than 1 year	Between 1-2 years	2-3 years	More than 3 years	Total
Balance as at 31st March,2022					
Projects in progress	355.05	-	-	-	355.05
Projects temporarily suspended	-	-	-	-	-
Total	**355.05**	**-**	**-**	**-**	**355.05**
Balance as at 31st March,2021					
Projects in progress	477.40	-	-	-	477.40
Projects temporarily suspended	-	-	-	-	-
Total	**477.40**	**-**	**-**	**-**	**477.40**

Note 4: Intangible assets

	Software	Total
Gross carrying amount		
At 1st April,2020	**15.30**	**15.30**
Additions	-	-
Disposals	-	-
Balance as at 31st March,2021	**15.30**	**15.30**
Accumulated amortisation		
At 1st April,2020	0.17	0.17
Charge for the year	1.53	1.53
Disposals	-	-
Balance as at 31st March,2021	**1.70**	**1.70**
Gross carrying amount		
At 1st April, 2021	**15.30**	**15.30**
Additions	11.14	11.14
Disposals	-	-
Balance as at 31st March,2022	**26.44**	**26.44**
Accumulated amortisation		
At 1st April, 2021	1.70	1.70
Charge for the year	2.28	2.28
Disposals	-	-
Balance as at 31st March,2022	**3.98**	**3.98**
Net Book Value as at 31st March, 2022	**22.46**	**22.46**
Net Book Value as at 31st March, 2021	**13.60**	**13.60**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 5: Leases

Note 5(a): Right of Use Assets

Particulars	31st March, 2022	31st March, 2021
Opening Balance	**308.18**	**390.36**
Addition on account of transition to IndAS 116	-	-
Addition	-	-
Less Depreciation expense	82.94	82.18
Closing Balance	**225.23**	**308.18**

Note 5(b): Lease Liabilities

Particulars	31st March, 2022	31st March, 2021
Opening Balance	**342.71**	**398.36**
Addition on account of transition to IndAS 116	-	-
Addition	-	-
Add: Accretion of interest	39.51	49.21
Less: Payments	109.78	104.86
Closing Balance	**272.43**	**342.71**

Maturity analysis of lease liabilities is as follows (Undiscounted Basis)

Particulars	31st March, 2022	31st March, 2021
Within one year	115.13	109.85
After one year but not more than three years	214.42	329.55
More than four years	-	-

The following are the amounts recognised in statement of profit and loss:

Particulars	31st March, 2022	31st March, 2021
Depreciation expense on right-of-use assets	82.94	82.18
Interest expense on lease liabilities	39.51	49.21
Expense relating to short-term leases and low-value assets (included in other expenses)	-	-
Total amount recognised in statement of profit and loss	**122.45**	**131.39**

Note 6: Financial assets

6 (a) (i) Non-current investments

Particulars	31st March 2022		31st March 2021	
	Shares	Amount	Shares	Amount
Investment carried at cost				
Unquoted Equity Instruments - (Fully paid up)				
a) In Subsidiary Companies				
- Equity shares of Suven Neurosciences Inc. At par value USD 0.0001	10,00,000	0.07	10,00,000	0.07
- Additional paid-in capital in Suven Neurosciences Inc.	-	38,069.10	-	29,502.48

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Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	31st March 2022		31st March 2021	
	Shares	Amount	Shares	Amount
Total Investments carried at cost	**10,00,000**	**38,069.16**	**10,00,000**	**29,502.55**
Total Non-Current investments	**10,00,000**	**38,069.16**	**10,00,000**	**29,502.55**
Aggregate amount of quoted investments & market value thereof		-		-
Aggregate value of unquoted investments		38,069.16		29,502.55
Aggregate amount of impairement in value of Investment in unquoted equity investments		-		-

6 (a) (ii) Current investments carried at fair value through profit and loss

Particulars	31st March 2022		31st March 2021	
	Units	Amount	Units	Amount
Investment in Mutual Funds-Unquoted (Fully paid up)				
SBI Magnum Ultra Short Duration Fund Direct Growth	10,222	500.59	-	-
SBI Liquid Fund Direct Growth	15,024	500.77	-	-
SBI Magnum Low Duration Fund Regular Growth	17,584	500.55	-	-
SBI Infrastructure Fund	50,000	11.12	50,000	8.57
IDFC Floating Rate Fund Direct Plan - Growth	47,79,784	500.51	-	-
IDFC Cash Fund Direct Plan - Growth	19,464	500.41	-	-
TATA Liquid Fund-Growth	14,893	500.47	-	-
TATA Money Market Fund -Growth	13,089	500.70	-	-
Nippon India Liquid Fund - Growth	9,609	500.45	-	-
Nippon India Low Duration Fund - Growth	15,798	500.62	-	-
Total Current Investments*	**49,45,468**	**4516.20**	**50,000**	**8.57**
Aggregate amount of quoted investments & market value thereof		-		-
Aggregate value of quoted investments		4,516.20		8.57
Aggregate amount of impairment in value of Investment in unquoted investments		-		-

* Investment in mutual fund have been fair valued at closing NAV.

6(b) Trade receivables

Particulars	31st March, 2022	31st March, 2021
(i)Trade receivables- considered good-Unsecured*	129.79	176.19
Less: Loss Allowance for doubtful receivables	-	-
Trade receivables- considered good-Unsecured	**129.79**	**176.19**
(ii)Trade receivables- Credit Impaired-Unsecured	-	-
Less: Loss allowance for doutbful receivables	-	-
Trade receivables- Credit Impaired-Unsecured	**-**	**-**

*No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Refer note 30 for dues from related parties

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Ageing for trade receivables - current outstanding as at 31st March,2022 is as follows :

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	65.16	64.63	-	-	-	-	129.79
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Total	**65.16**	**64.63**	**-**	**-**	**-**	**-**	**129.79**
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
Balance at the end of the year	**65.16**	**64.63**	**-**	**-**	**-**	**-**	**129.79**

Ageing for trade receivables - current outstanding as at 31st March, 2021 is as follows :

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	-	176.19	-	-	-	-	176.19
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
(iv)Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Total	**-**	**176.19**	**-**	**-**	**-**	**-**	**176.19**
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
Balance at the end of the year	**-**	**176.19**	**-**	**-**	**-**	**-**	**176.19**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

6(c) Loans

Particulars	31st March 2022		31st March 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loan to employees	-	-	0.05	-
Loan to related party*	-	-	4,144.82	-
Total loans	**-**	**-**	**4,144.87**	**-**

*No loans are due from directors or other officers of the Company either severally or jointly with any other person. Refer note 30 for dues from related parties.

6(d) (i) Cash and cash equivalents

Particulars	31st March, 2022	31st March, 2021
Balances with banks		
-in current accounts	289.13	128.36
Cash on hand	0.91	0.71
Total cash and cash equivalents	**290.04**	**129.07**

6(d) (ii) Bank balances other than cash and cash equivalents

Particulars	31st March, 2022	31st March, 2021
Earmarked Balances with banks:		
In Unclaimed dividend Account *	24.73	38.12
Share warrant bank balances (Refer note no-36)	-	3,692.00
Total Other bank balances	**24.73**	**3,730.12**

*There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of Companies Act, 2013 as at the year end.

Note 7: Deferred tax assets /(liabilities)

The balances comprises temporary differences attributable to :

Particulars	31st March, 2022	31st March, 2021
Carried Forward Loss	2,049.88	889.14
DST Loan	-	3.76
IndAS 116	16.49	12.07
Gratuty & Leave encashment	100.91	87.78
DST Grant	1.94	5.66
Other items		
Others-MAT credit	-	-
Total Deferred tax assets	**2,169.23**	**998.41**
Set-off of deferred tax liabilities pursuant to set-off provisions		
Depreciation	522.49	590.08
DST Loan	0.55	-
Unrealised capital gains on MF	2.79	1.27
Total Deferred tax Liabilities	**525.83**	**591.35**
Total deferred tax assets/(Liabilities) (net)	**1,643.40**	**407.06**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

NOTE:

In accordance with the Ind AS 12 -The deferred tax asset arising from timing differences are recognized and carryforwarded only, if it is probable that taxable profit will be available against which the deductable temporary difference can be utilised. In view of this, deferred tax asset (net) is not recognised.

Note 8 : Current tax asset (net)

Particulars	31st March, 2022	31st March, 2021
Prepaid Income Taxes	9,976.50	9,924.48
Less: Provision for income tax	9,389.70	9,389.70
Total Current tax asset (net)	**586.80**	**534.78**

Note 9: Other non-current assets

Particulars	31st March, 2022	31st March, 2021
Capital advances	32.50	-
Total other non-current assets	**32.50**	**-**

Note 10 : Inventories(Valued at lower of cost or Net Realisable Value)

Particulars	31st March, 2022	31st March, 2021
Lab Materials	2.24	14.15
Total inventories	**2.24**	**14.15**

Note 11 : Other current assets

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good		
GST Receivable	752.48	399.43
Insurance Claim Receivable	-	228.42
Pre paid expenses	43.34	41.20
MEIS	74.81	-
Advances to Material Suppliers	1.06	35.99
Advances to service providers	-	13.77
Others advances	0.66	5.81
Total other current assets	**872.34**	**724.63**

Note 12: Equity share capital and other equity

12(a) Equity share capital

Particulars	31st March, 2022	31st March, 2021
Authorised Capital		
200,000,000 Equity shares of ₹ 1 /- each	2,000.00	2,000.00
(31st March,2021: 200,000,000 Equity shares of ₹1 /- each)		
	2,000.00	**2,000.00**
Issued, Subscribed and fully paid up		
14,53,82,478 Equity shares of ₹ 1/- each	1,453.82	1,272.82
(31st March,2021:12,72,82,478 Equity shares of ₹1/- each)		
	1,453.82	**1,272.82**

12(a).1 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	31st March, 2022		31st March, 2021	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the year	12,72,82,478	1,272.82	12,72,82,478	1,272.82
Add: Issued during the year (Refer Note 36)	1,81,00,000	181.00	-	-
Outstanding at the end of the year	**14,53,82,478**	**1,453.82**	**12,72,82,478**	**1,272.82**

12(a).2 Terms/ rights attached to equity shares

The company has only one class of Equity shares having par value of ₹1. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

12(a).3 Details of shares held by the promoter at the end of the year 31st March 2022

Name of the Promoter	No. of shares			% holding of equity shares	% change during the year
	31st March 2022	change	31st March 2021		
Jasti Property and Equity Holdings Private Limited	9,44,65,000	1,81,00,000	7,63,65,000	64.98%	4.98%
Kalyani Jasti	1,000	-	1,000	-	-
Madhavi Jasti	1,000	-	1,000	-	-
Sirisha Jasti	1,000	-	1,000	-	-
Sudha Rani Jasti	1,000	-	1,000	-	-
Venkateswarlu Jasti	1,000	-	1,000	-	-

Details of shares held by the promoter at the end of the year 31st March 2021

Name of the Promoter	No. of shares			% holding of equity shares	% change during the year
	31st March 2021	change	31st March 2020		
Jasti Property and Equity Holdings Private Limited	7,63,65,000	-	7,63,65,000	60.00%	-
Kalyani Jasti	1,000	-	1,000	-	-
Madhavi Jasti	1,000	-	1,000	-	-
Sirisha Jasti	1,000	-	1,000	-	-
Sudha Rani Jasti	1,000	-	1,000	-	-
Venkateswarlu Jasti	1,000	-	1,000	-	-

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

12(a).4 Shares of the Company held by holding company

Particulars	31st March, 2022	31st March, 2021
Jasti Property and Equity Holdings Private Limited		
94,465,000 Equity shares of ₹1/- each (Previous year:76,365,000)	9,44,65,000	7,63,65,000

12(a).5 Details of shareholders holding more than 5% shares in the Company

Particulars	31st March 2022		31st March 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Jasti Property and Equity Holdings Private Limited	9,44,65,000	64.98%	7,63,65,000	60.00%

12(b) Other equity

Particulars	31st March, 2022	31st March, 2021
Securities premium	25,664.66	11,081.49
General reserve	4,336.12	4,336.12
Retained earnings	16,143.12	19,783.03
Total other equity	**46,143.90**	**35,200.64**

(i) Securities premium

Particulars	31st March, 2022	31st March, 2021
Opening balance	11,081.49	11,081.49
Add: Additions during the period	14,583.17	-
Closing Balance	**25,664.66**	**11,081.49**

(ii) General Reserve

Particulars	31st March, 2022	31st March, 2021
Opening balance	4,336.12	4,336.12
Less: Transfer during the period	-	-
Closing Balance	**4,336.12**	**4,336.12**

(iii) Retained earnings

Particulars	31st March, 2022	31st March, 2021
Opening balance	19,783.03	22,076.92
Net loss for the year	(3,624.86)	(2,263.21)
Other Comprehensive Income		
- Remeasurements of post employment benefit obligation, net of tax	(15.05)	(30.68)
Closing balance	**16,143.12**	**19,783.03**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Nature and purpose of reserves

Securities premium reserve:

The amount received in excess of face value of the equity shares is recognised in securities premium reserve . The reserve is utilised in accordance with the provisions of companies Act 2013.

General Reserve:

General reserve is used from time to time to transfer the profits from retained earnings for appropriation purpose.

Retained Earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders.

Other Comprehensive Income:

Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified into statement of profit and loss.

Note 13: Financial liabilities

13(a) Non-current borrowings

Particulars	31st March, 2022	31st March 2021
Unsecured	-	
Loan from Department of Science & Technology, Government of India-I		92.61
Terms of repayment: 10 Annual installments of ₹50 Lakhs each commencing from October 2013 which is repayble by 1st October 2022 at the Interest rate of 3%	-	
Loan from Department of Science & Technology, Government of India-II		41.05
Terms of repayment: 10 Annual installments of ₹44.40 Lakhs each commencing from February 2013 which is repayable by 14th February 2022 at the Interest rate of 3%.	-	
Total non-current borrowings	**-**	**133.65**
Less: Current maturities of Non-current borrowings (included in note 13(b))	-	94.40
Non-current borrowings		**39.25**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

13(b) Current borrowings

Particulars	31st March, 2022	31st March, 2021
Unsecured		
Loan from Department of Science & Technology, Government of India-I	48.43	50.00
(Terms of repayment: 10 Annual installments of ₹50 Lakhs each commencing from October 2013 which is repayble by 1st October 2022 at the Interest rate of 3%)		
Loan from Department of Science & Technology, Government of India-II	-	44.40
(Terms of repayment: 10 Annual installments of ₹44.40 Lakhs each commencing from February 2013 which is repayable by 14th February 2022 at the Interest rate of 3%.)		
Total	**48.43**	**94.40**

13(c) Trade payables

Particulars	31st March, 2022	31st March, 2021
Dues to micro enterprises and small enterprises (Refer Note below)	27.32	19.61
Dues to creditors other than micro enterprises and small enterprises	171.34	279.95
Total trade payables	**198.67**	**299.56**

Ageing for trade payables - current outstanding as at 31st March,2022 is as follows :

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	27.32	-	-	-	27.32
(ii) Others	-	171.34	-	-	-	171.34
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Balance at the end of the year	**-**	**198.67**	**-**	**-**	**-**	**198.67**

Ageing for trade payables - current outstanding as at 31st March,2021 is as follows :

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	19.61	-	-	-	19.61
(ii) Others	-	279.95	-	-	-	279.95
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Balance at the end of the year	**-**	**299.56**	**-**	**-**	**-**	**299.56**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Dues to micro and small enterprises:

With the promulgation of the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of the terms with the suppliers. The Company has circulated letter to all suppliers seeking their status. Response from few suppliers has been received and is still awaited from other suppliers. In view of this, the liability of interest calculated and the required disclosures made, in the below table, to the extent of information available with the Company.

Particulars	31st March, 2022	31st March, 2021
Principal amount remaining unpaid to any supplier as at the end of the accounting year	27.32	19.61
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.10	0.00
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day each accounting year	-	-
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 this Act	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to small enterprises	-	-

(Refer note 26 for the Company's liquidity risk management process)

13(d) Other Financial liabilities

Particulars	31st March, 2022	31st March, 2021
Current		
Liabilities for expenses	107.29	113.94
Payable for Capital Goods	37.08	116.09
Unpaid dividend on equity shares	24.73	38.12
Total other current financial liabilities	**169.09**	**268.15**

Note 14: Provisions

Particulars	31st March 2022		31st March 2021	
	Current	Non-current	Current	Non-current
Provision for Employee benefits				
-Leave obligations *	66.17	120.49	40.96	69.30
-Gratuity **	22.45	79.67	37.37	103.57
	88.62	**200.16**	**78.34**	**172.87**

***The Compensated Absences (Leave Obligations)** covers the company's liability for earned leave which is classified as other long-term benefits. The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit is discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

****Post-employment obligations- Gratuity:(Defined benefit**

The Company provides gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity benefit. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions, through an approved trust, to recognised funds administered by Life Insurance Corporation of India (Insurer). Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in Other Comprehensive Income.

Employee Benefit Plans

(i) Defined Contribution plans

Particulars	31st March, 2022	31st March, 2021
Provident Fund	114.60	109.22
State Defined Contribution Plans		
Employees State Insurance	0.70	1.24

(ii) Defined Benefit plan

Gratuity

The Company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-20	**312.08**	**172.43**	**139.65**
Current service cost	7.48	-	7.48
Interest expense/(income)	-	13.01	(13.01)
Total amount recognized in profit or loss	**319.56**	**185.44**	**134.12**
Remeasurements	-	-	-
- Experience adjustments	49.00	-	49.00
- Financials assumptions	(3.59)	-	(3.59)
Return on plan assets (excluding Interest Income)	-	(1.74)	1.74
Experience (gains)/loss	-	-	-
Total amount recognized in other comprehensive income	**364.97**	**183.70**	**181.27**
Employer contributions	-	37.53	(37.53)
Benefit payments	(13.99)	(0.26)	(13.73)
Others	42.34	31.40	10.94
31-Mar-21	**393.32**	**252.37**	**140.95**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-21	**393.32**	**252.37**	**140.95**
Current service cost	22.41	-	22.41
Interest expense/(income)	23.87	24.74	(0.87)
Total amount recognized in profit or loss	**439.59**	**277.11**	**162.49**
Remeasurements	-	-	-
- Experience adjustments	22.72	-	22.72
- Financials assumptions	(12.57)	-	(12.57)
Return on plan assets (excluding Interest Income)	-	(2.72)	2.72
Experience (gains)/loss	-	-	-
Total amount recognized in other comprehensive income	**449.74**	**274.38**	**175.36**
Employer contributions	-	228.36	(228.36)
Benefit payments	(78.65)	(17.17)	(61.47)
Others	(17.17)	(233.75)	216.58
31-Mar-22	**353.93**	**251.81**	**102.11**

Reconcilation of Liability

Particulars	31st March, 2022	31st March, 2021
Present value of obligation as at the beginning of the period	393.32	312.08
Interest cost	22.41	20.77
Past service cost - (Vested Benefits)	-	-
Current service cost	23.87	7.48
Benefits paid	(95.82)	(14.26)
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Financial Assumptions	(12.57)	(3.59)
Actuarial (gain)/loss on obligation	22.72	70.83
Present value of obligation as at the end of the period	353.93	393.32

Reconcilation of Plan Assets

Particulars	31st March, 2022	31st March, 2021
Fair value at beginning	252.37	172.43
Interest income	24.74	13.01
Remeasurements-Experience adjustments	-	-
Employers contribution	228.36	37.53
Employer Direct Benefit Payments	78.65	13.99
Benefit Payments from Plan Assets	(17.17)	(0.26)
Benefit Payments from Employer	(78.65)	(13.99)
Return on plan assets	(2.72)	(1.74)
Adjustement to Opening Balance, Other Expenses & Increase/ Decrease due to Plan Combination	(233.75)	31.40
Fair value at the End	251.81	252.37

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(iii) Post-employment benefits (pension and gratuity)

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31st March, 2022	31st March, 2021
Discount rate	7.33%	6.91%
Salary growth rate	9.00%	9.00%
Attrition rate	6.50%	6.50%
Retirement Age	58 years	58 years

(iii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Discount rate	1%	1%	304.25	324.48	362.58	388.90
Salary growth rate	1%	1%	349.16	374.29	313.68	334.38
Attrition rate	1%	1%	332.53	354.24	313.68	354.38

Expected cash flows over the next (valued on undiscounted basis):	Amount (INR)
1 year	22.45
2 to 5 Years	102.90
6 to 10 years	152.50

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(v) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. A portion of the fund is invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the investment mix in the continuing years.

Changes in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Inflation risk: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligation are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in the plan's liabilities. This is particularly significant where inflationery increases result in higher sensitivity to changes in life expectancy.

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match the assets to the pension obligations by investing in long term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods.

Interest Rate : A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Investment Risk: If actual return on plan assets as below this rate , it will create a plan deficit

Salary Risk: Higher than expected increase in salaries increases the defined benefit obligations

Demographic Risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment . An increase in the life expectancy of the plan participants will increase the plans liability

Other Long term benefit plans

Compensated Absences

The Company provides for accumulation of compensated absences in respect of certain categories of employees. These employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu there of as company policy

Actuarial valuation for compensated absences is done as at the year end and provision is made as per company policy with corresponding (gain)/Charge to the statement of profit and loss amounting to ₹232.79 Lakhs (31st March, 2021 : ₹85.22 Lakhs)

(vi) Defined benefit liability and employer contributions

The company has agreed that it will aim to eliminate the deficit in defined benefit pension and gratuity plan over the next nine years. Funding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries. The company considers that the contribution rate set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs will not increase significantly.

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 15: Government grants

Particulars	31st March, 2022	31st March, 2021
Opening Balance	16.21	75.70
Provision recognised/(reversed) during the year	10.64	59.49
Closing Balance	**5.56**	**16.21**

Particulars	31st March, 2022	31st March, 2021
Current portion	5.56	10.64
Non-current portion	-	5.56

Note 16: Other current liabilities

Particulars	31st March, 2022	31st March, 2021
Government grants	5.56	10.64
Advance from customers	-	1.86
Statutory Liabilities	54.63	59.80
Total other current liabilities	**60.20**	**72.30**

Note 17: Revenue from operations

Particulars	31st March, 2022	31st March, 2021
Sale of Services	1,184.43	1,347.83
	1,184.43	**1,347.83**

(b) Disaggregation of Revenue based on location of customer

Particulars	31st March, 2022		31st March, 2021	
	Related Party	Non Related Party	Related Party	Non Related Party
India	514.87	114.96	248.46	264.04
USA		444.27		814.72
Europe		13.90		20.62
Rest of the World		96.43		
Total	**514.87**	**669.56**	**248.46**	**1099.37**

Note 18: Other Income

Particulars	31st March, 2022	31st March, 2021
Interest income		
On fixed deposits	0.23	-
On Inter Corporate Deposit	112.16	697.91
Others	0.25	-
Government Grants	10.64	59.49
Insurance claim received	371.58	-
Scrap sales	-	11.91
Liabilities no longer required written back	1.30	-
Gain on Financial Assets	35.56	6.06
	531.71	**775.37**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 19: Employee benefits expense

Particulars	31st March, 2022	31st March, 2021
Salaries,Wages & Bonus	1,586.35	1,403.76
Contribution to Provident & other funds	115.30	110.46
Gratuity Expense	41.94	7.48
Staff Welfare Expenses	2.82	6.80
	1,746.40	**1,528.50**

Note 20: Research & Development expenses

Particulars	31st March, 2022	31st March, 2021
R & D Materials	268.29	360.79
Patent Related Expenses	783.58	1,077.11
Lab Maintenance	525.58	655.00
R & D Other Expenses	875.97	424.13
	2,453.42	**2,517.04**

Note 21: Finance costs

Particulars	31st March, 2022	31st March, 2021
Interest		
On Borrowings	13.50	32.32
On Lease Liability	39.51	49.21
	53.01	**81.53**

Note 22: Depreciation and amortisation expense

Particulars	31st March, 2022	31st March, 2021
Depreciation of property, plant and equipment (Refer Note 3)	354.09	350.91
Amortisation of intangible assets (Refer Note 4)	2.28	1.53
Depreciation on Right of Use assets(IndAS116) (Refer Note No-5)	82.94	82.18
	439.32	**434.62**

Note 23: Other expenses

Particulars	31st March, 2022	31st March, 2021
Rates & Taxes	0.66	-
Insurance	75.17	71.46
Communication Charges	32.05	28.82
Travelling & Conveyance	91.47	87.74
Bank Charges	11.10	9.66
Printing & Stationery	3.67	3.37
Professional Charges	21.70	35.14
Payments to Auditors (Refer note 23(a)below)	10.19	7.04
Repairs & Maintenance - others	243.26	10.31

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	31st March, 2022	31st March, 2021
Interest others	0.22	0.01
Foreign Exchange Loss (Net)	37.11	41.38
Consumble stores	16.10	3.28
Loss due to assets discarded	8.60	-
Clearing & Forwarding	-	0.41
Directors sitting fees	12.78	10.38
General Expenses	84.78	48.01
	648.85	**357.00**

Note 23 (a): Details of payments to auditors

Particulars	31st March, 2022	31st March, 2021
Payment to auditors		
As auditor:		
Statutory Audit fee	7.00	5.00
In other capacity		
Other services	3.00	2.00
Re-imbursement of out -of- pocket expenses	0.19	0.04
	10.19	**7.04**

Note 24: Income tax expense

This note provides an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

Particulars	31st March, 2022	31st March, 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	37.84
Total current tax expense	**-**	**37.84**
Deferred tax		
Decrease(increase) in deferred tax assets	-	-
Increase(decrease) in deferred tax liabilities	-	(570.12)
Total Deferred tax expense/(benefit)	**-**	**(570.12)**
Income tax expense	**-**	**(532.28)**
Income tax expense is attributable to:		
Profit from operations	**-**	**(532.28)**

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	31st March, 2022	31st March, 2021
Profit from operations before income tax expenses	-	(2795.50)
Tax at the Indian tax rate of 34.944%	**-**	**(976.86)**
Computed expected tax expense:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Deferred tax asset not recognized	-	407.06
Tax of earlier years	-	37.84
Others	-	(0.32)
Income tax expenses	**-**	**(532.28)**

Financial instruments and risk management

Note 25: Fair value measurements

	31st March, 2022		31st March, 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments				
-Mutual funds	4,516.20	-	8.57	-
Trade Receivables	-	129.79	-	176.19
Loans	-	-	-	4,144.87
Cash and Cash equivalents	-	290.04	-	129.07
Bank Balances	-	24.73	-	3,730.12
Total Financial Assets	**4,516.20**	**444.56**	**8.57**	**8,180.25**
Financial Liabilities				
Borrowings	-	-	-	39.25
Current maturities of long-term debt	-	48.43	-	94.40
Unpaid dividends	-	24.73	-	38.12
Trade Payables	-	198.67	-	299.56
Lease liability		272.43		342.71
Total Financial Liabilities	**-**	**544.26**	**-**	**814.04**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Financial assets measured at fair value & Amortised cost	Notes	Level 1	Level 2	Level 3	Total
As at 31st March, 2022					
Financial assets					
Investment in mutual funds	6(a)(ii)	-	4,516.20	-	4,516.20
Trade Receivables	6(b)	-	-	129.79	129.79
Loans	6 (c)	-	-	-	-
Total Financial Assets		**-**	**4,516.20**	**129.79**	**4,645.99**

Financial liabilities measured at amortised cost & Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at 31st March, 2022					
Financial Liabilities					
Borrowings	13(a)	-	-	-	-
Current maturities of long-term debt	13(b)	-	-	48.43	48.43
Unpaid dividends	13(d)	-	-	24.73	24.73
Trade Payables	13(c)	-	-	198.67	198.67
Lease liability	5(d)			272.43	272.43
Total Financial Liabilities		**-**	**-**	**544.26**	**544.26**

Financial assets measured at fair value & Amortised cost	Notes	Level 1	Level 2	Level 3	Total
As at 31st March, 2021					
Financial assets					
Investment in mutual funds	6(a)(ii)		8.57	0.00	8.57
Trade Receivables	6(b)			176.19	176.19
Loans	6 (c)			4,144.87	4,144.87
Total Financial Assets		**-**	**8.57**	**4,321.06**	**4,329.64**

Financial liabilities measured at amortised cost & Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at 31st March, 2021					
Financial Liabilities					
Borrowings	13(a)	-	-	39.25	39.25
Current maturities of long-term debt	13(b)			94.40	94.40
Unpaid dividends	13(d)			38.12	38.12
Trade Payables	13(c)			299.56	299.56
Lease liability	5(d)			342.71	342.71
Total Financial Liabilities		**-**	**-**	**814.04**	**814.04**

Level 1: Inputs are Quoted prices(unadjusted) in active market for identical assets or liabilities

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

Level 3: Inputs are not based on observable market data(unobservable inputs).

(All amount in ₹ Lakhs, unless otherwise stated)

Note 26: Financial Risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

Risk	Exposure arising from	Measurement	Management Comment
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Ageing analysis	Diversification of bank deposits and monitoring of credit limits of customers
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupees	Cash flow forecasting Sensitivity analysis"	All USD related Import commitment are covered by snapping from the export USD thru EEFC account
Market risk - interest risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rates were Libor plus rate of interest fixed for the full term of the loan
Market risk - security prices	Investments in Mutual funds	Sensitivity analysis	Portfolio diversification

The company's risk management is carried out by the management. Company treasury identifies, evaluates and hedges financial risk in close cooperation with the company's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

(A) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

(i) Trade Receivables

The company has used an expected credit loss (ECL) model for assessing the impairment loss. For the purpose , the company uses a provision matrix to compute the expected credit loss amount. The provisions matrix takes into account external and internal risk factors and historical data of credit losses from various customers

Movement in the expected credit loss allowance	31st March,2022	31st March,2021
Balance at the beginning of the year	-	-
Movement in expected credit loss allowance on trade receivables	-	-
Balance at the end of the year	-	-

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(ii) Financial Instruments and Cash Deposits

The company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have good credit ratings. The company does not expect any loss from non performance by these counter parties and does not have any significant concentration of exposure to specific industry sectors or specific country risks

(B) Liquidity Risk:

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying business, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position(comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

Year ended 31st March, 2022	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	-	48.43	-	48.43
(ii) Trade payables	-	198.67	-	198.67
(iii) Other financial liabilities	24.73	144.37	-	169.09
	24.73	391.46	-	416.19

Year ended 31st March, 2021	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	-	94.40	39.25	133.65
(ii) Trade payables	-	299.56	-	299.56
(iii) Other financial liabilities	38.12	230.03	-	268.15
	38.12	623.99	39.25	701.36

C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk and interest rate risk.

(i) Foreign Currency Risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign forecast transactions.

The company's risk management policy is to hedge part of forecasted foreign currency sales for the subsequent months. As per the risk management policy, foreign exchange forward contracts are taken to hedge part of the forecasted sales by taking consultancy from external treasury management forms . The imports were hedged naturally by payment through EEFC account.

(i)(a) Foreign currency risk exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	As at 31st March, 2022			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	-	-	-	-
Trade receivables(Net)	49.81	-	-	-
Financial Liabilities				
Borrowings	-	-	-	-
Trade payables	14.47	-	-	-
Other financial liabilities	-	-	-	-

Particulars	As at 31st March, 2021			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	-	-	-	-
Trade receivables	17.52	-	-	-
Financial Liabilities				
Borrowings	-	-	-	-
Trade payables	67.37	29.34	5.56	4.10
Other financial liabilities	-	-	-	-

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates.

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(ii)(a) Interest Rate of Risk Exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2022	31st March 2021
Variable rate borrowings	-	-
Fixed rate borrowings	48.43	133.65
Total Borrowings	**48.43**	**133.65**

(ii)(b) Sensitivity

The Company has taken long term and short term borrowings on fixed rate of interest. Since, there is no interest rate risk associated with such fixed rate loans; an interest rate sensitivity analysis has not been performed.

Note 27: Capital Management

(a) Risk management

The Company's objective when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

2. Maintain an optimal capital structure to reduce the cost of capital

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

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: -Net debt (total borrowings net of cash and cash equivalents) divided by total equity (as shown in the balance sheet)

Particulars	31st March 2022	31st March 2021
Net debt	48.43	133.65
Total Equity	47,597.72	40,165.46
Net debt to equity ratio	0.10%	0.33%

Note 28: Segment Information

(a) Description of segments and principal activities

The Chief Executive Officer has been identified as being the chief operating decision maker(CODM). The CODM examines the Company's performance both from a product and a geographic perspective and has identified two reportable segments:

Operating segments

The Company is engaged in a single operating segment of providing Research and Development services. Accordingly, there are no additional disclosures to be provided Ind AS 108 'Operating Segments' other than those already provided in the financial statements.

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Geographical Segment

The Company has identified the following geographical reportable segments:

(a) India-The company provides Analytical Services.

(b) USA -The company provides Analytical Services.

(c) Europe-The company provides Analytical Services.

(d) Rest of the world -The company provides Analytical Services.

	Revenue for the year ended		Value of Non Current Assets(Except Financial Instrument) as at		Additions to Non current(-Except Financial Instrument) during the year	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021	FY 2021-22	FY 2020-21
INDIA	629.83	512.49	3,563.73	1,788.08	2,463.17	630.47
U S A	444.27	814.72	-	-	-	-
EUROPE	13.90	20.62	-	-	-	-
REST OF THE WORLD	96.43	-	-	-	-	-
	1,184.43	**1,347.83**	**3,563.73**	**1,788.08**	**2,463.17**	**630.47**

Note 29: Interest in Other Entities

The Company's subsidiaries as at 31st March, 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company.

		Ownership interest held by the Company		Ownership interest held by Non-Controlling interests		
Name of the entity	Place of Business/ Country of incorporation	31st March 2022	31st March 2021	31st March 2022	31st March 2021	Principal activity
Suven Neurosciences Inc.,	USA	100%	100%	0%	0%	Clinical trials business

Note 30: Disclosure of Related Party Trasactions inaccordance with Ind AS - 24 Related Party Disclosures

(i) Name of the Related Party and Nature of Relationship

(a) Trustee Company : Jasti Property and Equity Holdings Private Limited (In its capacity as sole trustee of Jasti Family Trust)

(b) Subsidiaries: : Suven Neurosciences Inc.,

(c) Key Management personnel(KMP) :

Mr. Venkateswarlu Jasti	Chairman & CEO
Mrs. Sudha Rani Jasti	Whole-time Director
Prof. Dr. Seyed E. Hasnain	Non Executive Director
Mr. M. Gopalakrishna	Independent Director
Mr. Santanu Mukherjee	Independent Director
Mrs. J.A.S. Padmaja	Independent Director

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(d) Companies under the control of Key Managerial Personnel : Suven Pharmaceuticals Limited
: Suven Pharma Inc.,

(a) Trustee Company

Name	Type	Place of Incorporation	Ownership Interest	
			31st March 2022	31st March 2021
Jasti Property and Equity Holdings Private Limited	Immediate and Ultimate parent entity	India	64.98%	60.00%

(b) Subsidiaries

Particulars	31st March 2022	31st March 2021
Suven Neuro Sciences Inc.		
Opening	29,502.55	24,181.31
Investment in subsidiary	8,566.62	5,321.24
Balance outstanding	**38,069.16**	**29,502.55**

(c) Key Management Personnel compensation

Particulars	31st March 2022	31st March 2021
Short term employee benefits	227.89	215.32
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**227.89**	**215.32**
Balance outstanding	**-**	**-**

(d) Companies under the Control of Key Managerial Personnel

Particulars	Companies under the control of KMP	
	31st March 2022	31st March 2021
(i) Loan Given and Repayment thereof		
Suven Pharmaceuticals Limited	-	-
Loan Given during the year	-	-
Receipts against Loan Given	4,144.82	9,180.43
Interest income on Loan given	112.16	697.91
Balance outstanding Loan at the year end	-	4,144.82
(ii) Rendering of services , purchases and other transactions		
Suven Pharmaceuticals Limited		
(i) Lease Rental Expense	109.78	104.87
(ii) Purchase of material	126.22	-
(iii) Service Income		
Service Income during the period(towards testing and analysis charges)	514.87	248.46

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 31: Contingent Liabilities and contingent assets

Particulars	31st March 2022	31st March 2021
Contingent Liabilities and contingent assets	-	-
Balance outstanding	**-**	**-**

Note 32: Earnings per share

Particulars	31st March 2022	31st March 2021
Profit /(Loss) After Tax	(3,624.86)	(2,263.21)
Weighted average number of equity shares	12,74,80,834	12,72,82,478
Basic Earnings per share	(2.84)	(1.78)
Diluted Earnings per share	(2.84)	(1.78)

Note:
There is no dilution to the Basic Earnings per share as there are no dilutive potential equity shares

Note 33: Scheme of Arrangement (Demerger)

The National Company Law Tribunal, Hyderabad Bench vide its order dated January 06, 2020 has approved the scheme of arrangement for demerger of CRAMS undertaking of Suven Life Sciences Limited to the Company with effect from October 01, 2018 (the appointed date). Pursuant to the Scheme, all the assets, liabilities, income and expenses of the CRAMS undertaking have been transferred to the Resulting Company i.e., Suven Pharmaceuticals Limited with effect from the appointed date.

Note 34: Impairment of the Investment in Suven Neurosciences, Inc.:

The company stay focused on clinical development of NCEs targeting various Neurodegenerative diseases under Central Nervous System disorders and keep developing protocols for continuing the studies on clinical development programs for various indications, for which the company has invested $54.24 Mn (INR 381 Crores) since 2015 in Suven Neurosciences, Inc., the wholly owned subsidiary in USA. and the investment there on continue to remain unimpaired.

Note 35: Covid impact on the business and going concern assumption of the company and its subsidiary:

COVID-19 had not impacted the company's research operations, which includes our subsidiary, Suven Neurosciences, Inc. However, we are foreseeing certain delays in enrollment of ongoing phase 2 clinical studies conducted in USA.

Note 36: Warrants:

During the year ended 31-03-2022 the Board of Directors in its meeting held on 28th March'2022 has approved the conversion of 1,81,00,000 share warrants into equal number of equity shares to promoter group.

Note 37: Employee Stock Option Scheme (ESOP):

Suven Life Employee Stock Option Scheme 2020 (SLSL ESOP 2020) was approved by shareholders at the 31st Annual General Meeting held on 17th September, 2020. The nomination & remuneration committee of the board of Suven Life Sciences Limited administers the ESOP plans and grant stock options to the eligible employees . In terms of the SLSL ESOP 2020 scheme the total number of options to be granted are 10,00,000

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

of (Face value) ₹1/- each. Each option entitles the holder thereof to apply for one equity share of the Company of ₹1/- each upon payment of the exercise price during the exercise period. However, the Company has not granted any options under the scheme during the year ended 31st March, 2022. Therefore, the disclosure requirement for the summary of options granted under the scheme, outstanding options, fair value of options granted, expenses incurred from share based payment transactions and Earning Per Share is not applicable

Note 38 : Ratios

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance	Reason
Current Ratio	Current assets	Current liabilities	9.44	10.25	-7.91%	-
Debt-Equity Ratio	Total Debt	Shareholders Equity	0.10	0.33	-	As the debt is very negligible to total equity, this ratio is negligible
Debt Service Coverage ratio	Earnings available for debt service	Debt Service	(28.53)	(16.67)	71.19%	Change is due to decrease in profits
Return on Equity	Net Profits after taxes	Average Shareholder's Equity	(0.08)	(0.06)	44.05%	Change is due to decrease in profits
Trade receivables turnover ratio	Net credit sales	Average Trade Receivable	7.74	6.68	15.81%	-
Trade payables turnover ratio	Net credit purchases	Average Trade Payables	8.17	4.05	101.83%	Change is due to decrease of average trade payables
Net capital turnover ratio	Net sales	Working Capital	0.21	0.16	30.69%	Change is due to decrease in current assets
Net Profit Ratio	Net Profit	Net sales	(3.06)	(1.68)	82.26%	Change is due to decrease in revenue
Return on capital employed	Earning before interest and taxes	Capital Employed	(0.07)	(0.07)	11.47%	-
Return on Investment	Income generated from investments	Time weighted average investments	3.98	7.80	-48.97%	Change is due to market fluctuation

Note 39 : Other statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

Notes to the Standalone Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

Note 40 : Previous year figures have been regrouped and reclassified wherever considered necessary to conform to this year's classifications.

The accompanying notes are an integral part of the standalone financial statements
As per our report of even date
For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

INDEPENDENT AUDITOR'S REPORT

To the Members of
Suven Life Sciences Limited

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **Suven Life Sciences Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including other comprehensive loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Ind AS financial statements").

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

Basis for Opinion

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended 31st March, 2022. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No	Key Audit Matters	Auditor's Response
1	Identification and disclosures of Related Parties: (as described in Note-30 of the Consolidated Ind AS financial statements) - The Company has related party transactions which include, amongst others, sale and purchase of goods/services to its subsidiaries, associates, joint ventures and other related parties and lending and borrowing to its subsidiaries, associates and joint ventures and other related parties. - We focused on identification and disclosure of related parties in accordance with relevant accounting standards as a key audit matter.	Our audit procedures amongst others included the following: - Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. - Obtained a list of related parties from the Company's Management and traced the related parties to declarations given by directors, where applicable, and to Note 30 of the Consolidated Ind AS financial statements. - Read minutes of the meetings of the Board of Directors and Audit Committee - Tested material creditors/debtors, loan outstanding/loans taken to evaluate existence of any related party relationships; tested transactions based on declarations of related party transactions given to the Board of Directors and Audit Committee. - Evaluated the disclosures in the Consolidated Ind AS financial statements for compliance with Ind AS 24.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including **Annexure's** to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

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

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

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, including other comprehensive loss, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the 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 Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether these Consolidated Ind AS 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 Consolidated Ind AS financial statements.

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Consolidated Ind AS 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the Consolidated Ind AS financial statements.

Materiality is the magnitude of misstatements in the Consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements / financial information of Suven Neurosciences, Inc wholly owned subsidiary, whose financial statements / financial information reflect total assets of ₹237.31 Lakhs as at 31st March, 2022, total expenses of ₹8,574.65 Lakhs and total revenue of ₹-Nil-for the year ended on that date, as considered in the Consolidated Ind AS financial statements.

Suven Neurosciences, Inc, a wholly owned subsidiary, is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Groups' management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Group's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Group and audited by us.

Our opinion on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

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 sub-section (11) of section 143 of the Act, we give in the **"Annexure-A",** a statement on the matters specified in paragraph 3(xxi) of the order.

2. As required by section 143 (3) of the Act, based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.

d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March, 2022 from being appointed as a Director of that company in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure-B"** which is based on the auditor's report of the Holding Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

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

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

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group in its Consolidated Ind AS financial statements- Refer Note 31 to the Consolidated Ind AS financial statements;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

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

iv. a) The management of the Holding Company which is a company incorporated in India, has represented to us that, to the best of its knowledge and belief, 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 Holding Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The managements of the Holding Company which is a company incorporated in India, has represented to us that, to the best of its knowledge and belief, no funds which are material either individually or in the aggregate have been received by the Holding Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been disbursed & paid during the year by the Companies included in the group.

For **TUKARAM & CO LLP.**
Chartered Accountants
ICAI Firm Regn. No.004436S

Rajender Reddy K
Partner
Membership No.231834
UDIN: 22231834AKDEWN7793

Place: Hyderabad
Date: May 07, 2022

Annexure - A to the Independent Auditors' Report

The **Annexure referred** to in Independent Auditors' Report to the members of the Company on the Consolidated Ind AS financial statements for the year ended 31st March, 2022, we report that:

According to the information and explanations given to us and based on our examination of the records of the Company, there are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) report of the Holding Company included in the Consolidated Financial Statements. Reporting under this clause is not applicable for the wholly owned subsidiary company (located outside India) included in the consolidated financial statements since CARO 2020 is not applicable to it.

Annexure - B to the Independent Auditors' Report

of even date on the Consolidated Ind AS Financial Statements of Suven Life Sciences Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Ind AS financial statements of Suven Life Sciences Limited as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Suven Life Sciences Limited (hereinafter referred to as the "Holding Company") which is the only company in the Group incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, which is a company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company which is a Company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS 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 internal financial controls system over financial reporting of the Holding Company which is a company incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, which is a company incorporated in India, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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For **TUKARAM & CO LLP.**
Chartered Accountants
ICAI Firm Regn. No.004436S

Rajender Reddy K
Partner
Membership No.231834
UDIN: 22231834AKDEWN7793

Place: Hyderabad
Date: May 07, 2022

Consolidated Balance Sheet

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,508.77	1,774.48
Capital work-in-progress	3	355.05	477.40
Intangible assets	4	22.46	13.60
Right of Use assets	5(a)	225.23	308.18
Other non-current assets	9	32.50	-
Total Non-current assets		**4,144.01**	**2,573.66**
Current assets			
Inventories	10	2.24	14.15
Financial assets			
(i) Investments	6(a)	4,516.20	8.57
(ii) Trade receivables	6(b)	129.79	176.19
(iii) Cash and cash equivalents	6(d)(i)	527.35	934.82
(iv) Bank balances other than (iii) above	6(d)(ii)	24.73	3,730.12
(v) Loans	6(c)	-	4,144.87
Current tax asset(net)	8	586.80	534.78
Other current assets	11	872.34	724.63
Total Current assets		**6,659.45**	**10,268.14**
TOTAL ASSETS		**10,803.46**	**12,841.80**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12(a)	1,453.82	1,272.82
Warrants Pending allotment		-	3,692.00
Other equity	12(b)	8,160.71	5,835.74
Total Equity		**9,614.53**	**10,800.56**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	5(b)	157.30	232.60
(ii) Borrowings	13(a)	-	39.25
Provisions	14	200.16	172.87
Deferred tax liabilities (net)	7	-	-
Other non-current liabilities	15	-	5.56
Total Non-current liabilities		**357.46**	**450.28**
Current liabilities			
Financial liabilities			
(i) Lease Liabilities	5(b)	115.13	110.11
(ii) Borrowings	13(b)	48.43	94.40
(iii) Trade payables			
(a) Total outstanding dues to Micro and Small Enterprises	13(c)	27.32	19.61
(b) Total outstanding dues to creditors other than Micro and Small Enterprises	13(c)	171.34	279.95
(iv) Other financial liabilities	13(d)	320.43	936.25
Provisions	14	88.62	78.34
Other current liabilities	16	60.20	72.30
Total Current liabilities		**831.47**	**1,590.96**
TOTAL LIABILITIES		**1,188.93**	**2,041.24**
TOTAL EQUITY AND LIABILITIES		**10,803.46**	**12,841.80**
Summary of significant accounting policies	2		

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

As per our report of even date

For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

Consolidated Statement of Profit and Loss

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2022	Year ended 31st March, 2021
Income			
Revenue from operations	17	1,184.43	1,347.83
Other income	18	531.71	775.37
Total Income		**1,716.14**	**2,123.20**
Expenses			
Employee benefits expense	19	2,102.08	1,852.75
Research & Development expenses	20	10,636.75	7,102.73
Finance costs	21	53.01	81.53
Depreciation and amortization expense	22	439.32	434.62
Other expenses	23	684.49	398.97
Total Expenses		**13,915.65**	**9,870.60**
Profit/(Loss) before tax		**(12,199.51)**	**(7,747.40)**
Tax expense			
Current tax	24	-	-
Deferred tax	24	-	(570.12)
Tax of earlier years		-	37.84
Profit/(Loss) for the year		**(12,199.51)**	**(7,215.12)**
Other Comprehensive Income			
Items that will not be reclassified to statement of profit or loss		**(15.05)**	**(47.15)**
Remeasurements gains (losses) on defined benefit plans			
Income tax relating to items that will not be reclassified to statement of profit or loss			
Re-measurement gains (losses) on defined benefit plans		-	16.48
Other Comprehensive Income for the year (net of taxes)		**(15.05)**	**(30.67)**
Total Comprehensive Income for the year		**(12,214.56)**	**(7,245.79)**
Earnings per Equity share (Par value of ₹1 each)			
Basic	32	**(9.57)**	**(5.67)**
Diluted	32	**(9.57)**	**(5.67)**
Summary of significant accounting policies	2		

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

As per our report of even date

For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

Consolidated Statement of Changes In Equity

(All amount in ₹ Lakhs, unless otherwise stated)

a. Equity share capital

Particulars	Number of Shares	Equity share capital
As at 1st April, 2020	**12,72,82,478**	**1,272.82**
Changes in equity share capital during the year	-	-
As at 31st March, 2021	**12,72,82,478**	**1,272.82**
Changes in equity share capital during the year-Warrants converted into Shares	1,81,00,000	181.00
As at 31st March, 2022	**14,53,82,478**	**1,453.82**

b. Other Equity

Particulars	Note	Reserves & surplus				
		Securities Premium	General reserve	Retained earnings	Exchange differences on translating the financial statement of foreign operations	Total Other Equity
Balance at 01 April, 2020		**11,081.49**	**4,336.12**	**(2,205.06)**	**(150.52)**	**13,062.02**
Profit /(Loss) for the year	9(b)	-	-	(7,215.12)		(7,215.12)
Other comprehensive income	9(b)	-	-	(47.15)		(47.15)
Income tax relating to items of other comprehensive income				16.48		16.48
Transfer to General Reserve	9(b)	-		-		-
Transfer from Retained Earnings	9(b)		-			-
Adjustement due to demerger		-	-	-		-
Investment cancelled		-	-	-		-
Deferred tax adjustment		-	-	-		-
Foreign exchange translation reserve					19.52	19.52
Balance at 31 March, 2021		**11,081.49**	**4,336.12**	**(9,450.86)**	**(131.00)**	**5,835.74**
Balance at 01 April, 2021	9(b)	**11,081.49**	**4,336.12**	**(9,450.86)**	**(131.00)**	**5,835.74**
Profit/(Loss) for the year	9(b)	-	-	(12,199.51)		(12,199.51)
Other comprehensive income	9(b)	-	-	(15.05)		(15.05)
Income tax relating to items of other comprehensive income		-	-	-		-
Warrants converted into Shares		14,583.17				14,583.17
Transfer to General Reserve		-	-	-		-
Transfer from Retained Earnings		-	-	-		-
Foreign exchange translation reserve					(43.64)	(43.64)
Balance at 31 March, 2022		**25,664.66**	**4,336.12**	**(21,665.42)**	**(174.64)**	**8,160.71**

Refer note 12(b) for nature and purpose of reserves

This is the Statement of Changes in Equity referred to in our report of even date

For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

Consolidated Statement of Cash Flows

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars		For the year ended 31st March, 2022	For the year ended 31st March, 2021
A. Cash flow from operating activities			
Profit/(Loss) before tax		**(12,199.51)**	**(7,747.41)**
Adjustments :			
Depreciation and amortisation expense		356.37	352.44
Interest Income		(111.69)	(697.91)
Finance Cost		53.01	81.54
Gain on Insurance Receipt		(371.58)	-
Unrealised/sale of Gain on Current Investment		(35.56)	(6.06)
Operating profit before working capital changes		**(12,308.95)**	**(8,017.40)**
Adjustments for (Increase)/ decrease in operating assets			
Trade Receivables		46.40	50.86
Inventories		11.91	(14.15)
Other non current assets		50.45	82.18
Other current assets		223.87	(436.51)
Adjustments for Increase/(decrease) in operating liabilities			
Trade Payables		(100.89)	(278.64)
Long term provisions		27.29	0.80
Other non-current liabilities		(5.56)	(41.07)
Short term provision		(4.77)	(42.11)
Other financial liabilities		(629.32)	(799.53)
Other current liabilities		(12.10)	7.73
Cash generated from operating activities		**(12701.68)**	**(9487.85)**
Income taxes paid (net of refunds)		52.02	114.52
Net Cash flows from operating activities (Refer Note 1)	**(A)**	**(12753.70)**	**(9602.36)**
B. Cash flow from Investing activities			
Payments for Purchase of property, plant and equipment		(1977.16)	(630.47)
Non current financial assets		-	9125.25
Loan repayments received		4144.87	57.88
Interest received		111.69	697.91
Sale/(purchase) of mutual funds		(4472.07)	2.43
Foreign currency translation reserve		(43.64)	19.52
Bank balances not considered as cash and cash equivalents		13.39	(3688.47)
Net cash flow from /(used in) investing activities	**(B)**	**(2222.92)**	**5584.04**

Particulars		For the year ended 31st March, 2022	For the year ended 31st March, 2021
C. Cash flows from financing activities			
(Repayment)/Proceeds from borrowings		(85.23)	(69.24)
Proceeds from warrant converted into Share capital and share premium		14764.17	-
Proceeds from Share Warrants		-	3692.00
Changes In Lease Liability		(70.27)	(55.66)
Finance Cost		(39.51)	(81.54)
Net cash flow from /(used In) financing activities	**(C)**	**14569.16**	**3485.56**
Net increase/(decrease) in cash and cash equivalents	**(A+B+C)**	(407.46)	(532.76)
Cash and cash equivalents as at the beginning of the year (Refer Note 6(d) (i))		934.82	1467.57
Cash and cash equivalents at the end of the year		**527.36**	**934.82**
Cash and cash equivalents (Refer Note 6(d)(i))		527.36	934.82
Balances as per statement of cash flows		**527.36**	**934.82**

Note 1 -The above statement of cash flow has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS-7) "Statement of Cash Flows

This is the Cash Flow Statement referred to in our report of even date

As per our report of even date

For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

Notes to the Consolidated Financial Statements

Note 1: Corporate Information

Suven Life Sciences Limited incorporated in 1989 ("Suven" or the "Company") is a clinical-stage biopharmaceutical company focused on the acquisition, development and commercialization of novel therapeutics for the treatment of neurodegenerative disorders. The goal is to be the leading biopharmaceutical company focused on the treatment of dementia, a condition characterized by a significant decline in mental capacity and impaired daily function. The Company is targeting Central Nervous System (CNS) indications where there is a high unmet medical need, growing patient populations and with possible commercialization options. Suven has a wholly owned subsidiary, Suven Neurosciences, Inc., USA, focused on clinical development activities of Suven molecules from phase 2, Proof-of-Concept (POC) studies

The Company is subject to risks and uncertainties common to companies in the innovation led pharmaceutical/biotech industry, including, but not limited to, the risks associated with developing product candidates at each stage of clinical development, success in clinical trials, regulatory approval of product candidates, challenges involved in commercialization of the products and the potential development by third parties of new technological innovations that may compete with the Company's products; key challenges also include the dependence on key personnel, protecting intellectual property, high costs of drug development and uncertainty of securing additional capital when needed to continue operations.

Note 2: Significant accounting policies

a) Basis of preparation of Financial Statements

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases."

The financial statements of the Group are consolidated on line-by-line basis. Intra-group transactions, balances and any unrealised gains arising from intra-group transactions, are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, Income Taxes. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

(ii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in statement of profit or loss.

(iii) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These consolidated financial statements comprise the Consolidated Balance Sheets as at 31 March 2022 and 31 March 2021, the Consolidated Statements of Profit and Loss, Statements of Changes in Equity and the Consolidated Statements of Cash Flows for the year ended 31 March 2022 and for the year ended 31 March 2021, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "Financial Statements").

These consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in these consolidated financial statements

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. The consolidated statement of cash flows have been prepared under indirect method.

(iv) Basis of measurement

The consolidated financial statements have been prepared on a historical cost and on accurual basis, except for the following items in the balance sheet:

- Certain financial assets are measured either at fair value or at amortised cost depending on the classification
- Employee defined benefit assets/ (liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation; and
- Share-based payments which are measured at fair value of the options
- Right-of-use the assets are recognised at the present value of lease payments that are not paid at that date. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs, incurred, if any.

b) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

Notes to the Consolidated Financial Statements

- 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in Cash and Cash equivalents. The Company has identified twelve months as its operating cycle.

c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer has been identified as being the Chief Operating Decision Maker. Refer note 28 for the segment information presented.

d) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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

e) Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (refer note 25) .

f) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital Work-in-Progress represents Property, Plant and Equipment that are not ready for their intended use as at the balance sheet date.

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

On transition to Ind AS, the Company elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at 1st April, 2015 ("transition date") measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is provided on straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013. The company follows the policy of charging depreciation on pro-rata basis on the assets

acquired or disposed off during the year. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in Statement of profit or loss when the assets is derecognised ."

Estimated useful life :

- R & D Equipment 10 years
- EDP Equipment 3 years
- Office Equipment 5 years
- Furniture &fittings 10 years

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Estimated useful lives by major class of finite life intangible assets are as follows:

Estimated useful life :

Software 3 - 10 years

(i) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available and;
- The expenditure attributable to the software during its development can be reliably measured

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use."

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 01, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

(ii) Amortization methods and periods

Intangible assets with finite useful live are amortized over their respective individual estimated useful lives (3-10 years in case of computer softwares) on a straight line basis."

(iii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (i) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent period.

h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with

its carrying amount. An impairment loss is recognised in the statement of profit and loss, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

i) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in-first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable 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.

j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

K) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Company's cash management

L) Income Taxes

Income tax comprises of current and deferred income tax. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised in other comprehensive income. Current income tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when:

- taxable temporary differences arising on the initial recognition of goodwill;
- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction; and
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Dividend Distribution Tax:

Tax on Dividends declared by the Company are recognised as an appropriation of Profit. Dividend Distribution Tax is not applicable from April 1, 2020."

m) Equity

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company"

Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium."

n) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Buildings and Facility charges. The Company assesses whether a contract contains a lease at the 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 (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 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 or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised

ROU 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.

ROU 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. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less

cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option

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

O) Investments and other financial assets

i) **Classification**

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. 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. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) **Measurement**

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI 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.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the company's management has elected 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 are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Income recognition

Interest income

Interest income from the debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

Royalty

Royalty revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognized by reference to the underlying arrangement."

P) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place

(regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received

cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Investments in units of mutual funds

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds"

q) Financial liabilities

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, and derivative financial instruments.

Subsequent measurement

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

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

r) Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The group recognizes a liability and an expense for bonuses. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation."

(v) Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised is the period in which the absences occur.

s) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

t) Offsetting financial instruments

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

Notes to the Consolidated Financial Statements

u) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company derives revenues primarily from rendering of services

Service income

Service income, which primarily relates to revenue from contract research, is recognised as and when the underlying services are performed. There was no change in the point of recognition of revenue upon adoption of Ind AS 115. Upfront non-refundable payments received under these arrangements continue to be deferred and are recognised over the expected period that related services are to be performed.

v) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred."

w) Research and Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product'stechnicalfeasibilityhasbeenestablished, in which case such expenditure is capitalised. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate :

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product'stechnicalfeasibilityhasbeenestablished, in which case such expenditure is capitalised. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use.

x) Government Grants:

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

The benefit of Government loan at a lower market rate of interest is treated as Government grant, measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

y) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

z) Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

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

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

aa) Cash flow statement

Cash flows are reported using the Indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows . The cash flows from operating, financing activities of the company are segregated.

ab) Rounding of Amounts

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

ac) Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

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

Contingent Liabilities

Contingent liabilities are disclosed, unless the possibility of outflow of resources is remote, when there is

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

Notes to the Consolidated Financial Statements

Contingent Assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

ad) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to the significance of their nature or amount.

ae) Recent Accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

af) Critical estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The areas involving critical estimates or judgements are:

1. Estimation of current tax expense and payable
2. Estimated Useful life of Depreciable assets / intangible assets
3. Estimation of defined benefit obligation
4. Recognition of revenue
5. Recognition of deferred tax assets for carried forward losses
6. Recoverability of advances/receivable
7. Evaluation of indicators for Impairment of assets
8. Valuation of inventories
9. Determination of cost for right-of-use assets and lease term
10. Contingencies
11. Financial instruments
12. Fair value measurement of financial instruments
13. Share based payments
14. Depreciation on property, plant, equipment, and amortization of intangible assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 3: Property, plant and equipment

Particulars	Land - Free Hold	R&D Equipments	Furniture & Fixtures	Office Equipments	EDP Equipments	Total	Capital work-in-progress
Gross carrying amount							
At 01 April,2020	31.79	7,186.29	45.38	19.59	22.39	7,305.43	-
Additions	-	144.24	0.29	1.28	7.26	153.07	477.40
Transfers	-	-	-	-	-	-	-
Assets damaged due to fire accident	-	1,083.65	-	-	3.21	1,086.86	-
Disposals	-	-	-	-	-	-	-
Balance as at 31st March,2021	**31.79**	**6,246.89**	**45.66**	**20.87**	**26.43**	**6,371.64**	**477.40**
Accumulated depreciation							
At 01 April,2020	-	5,208.92	11.54	10.37	10.72	5,241.54	-
Charge for the year	-	336.86	4.37	3.69	5.98	350.91	-
Assets damaged due to fire accident	-	993.58	-	-	1.72	995.29	-
Disposals	-	-	-	-	-	-	-
Balance as at 31st March,2021	**-**	**4,552.21**	**15.90**	**14.06**	**14.99**	**4,597.16**	**-**
Gross carrying amount							
At 01 April,2021	31.79	6,246.89	45.66	20.87	26.43	6,371.64	477.40
Additions	-	1,801.50	265.52	15.23	14.73	2,096.98	1,979.56
Transfers	-	-	-	-	-	-	2,101.92
Assets damaged due to fire accident	-	441.34	-	0.76	-	442.10	-
Disposals	-	21.23	-	-	-	21.23	-
Balance as at 31st March,2022	**31.79**	**7,585.82**	**311.18**	**35.35**	**41.16**	**8,005.30**	**355.05**
Accumulated depreciation							
At 01 April,2021	-	4,552.21	15.90	14.06	14.99	4,597.16	-
Charge for the year	-	335.37	7.99	3.46	7.27	354.09	-
Assets damaged due to fire accident	-	433.00	-	0.49	-	433.50	-
Disposals	-	21.23	-	-	-	21.23	-
Balance as at 31st March,2022	**-**	**4,433.35**	**23.89**	**17.03**	**22.26**	**4,496.53**	**-**
Net Book Value as at 31st March, 2022	**31.79**	**3,152.48**	**287.29**	**18.31**	**18.90**	**3,508.77**	**355.05**
Net Book Value as at 31st March, 2021	**31.79**	**1,694.68**	**29.76**	**6.81**	**11.45**	**1,774.48**	**477.40**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Capital Work-In-Progress ageing

Amount in Capital Work-In-Progress for a period of

Particulars	Less than 1 year	Between 1-2 years	2-3 years	More than 3 years	Total
Balance as at 31st March,2022					
Projects in progress	355.05	-	-	-	355.05
Projects temporarily suspended	-	-	-	-	-
Total	**355.05**	**-**	**-**	**-**	**355.05**
Balance as at 31st March,2021					
Projects in progress	477.40	-	-	-	477.40
Projects temporarily suspended	-	-	-	-	-
Total	**477.40**	**-**	**-**	**-**	**477.40**

Note 4: Intangible assets

	Software	Total
Gross carrying amount		
At 1st April,2020	**15.30**	**15.30**
Additions	-	-
Disposals	-	-
Balance as at 31st March,2021	**15.30**	**15.30**
Accumulated amortisation		
At 1st April,2020	0.17	0.17
Charge for the year	1.53	1.53
Disposals	-	-
Balance as at 31st March,2021	**1.70**	**1.70**
Gross carrying amount		
At 1st April, 2021	**15.30**	**15.30**
Additions	11.14	11.14
Disposals	-	-
Balance as at 31st March,2022	**26.44**	**26.44**
Accumulated amortisation		
At 1st April, 2021	1.70	1.70
Charge for the year	2.28	2.28
Disposals	-	-
Balance as at 31st March,2022	**3.98**	**3.98**
Net Book Value as at 31st March, 2022	**22.46**	**22.46**
Net Book Value as at 31st March, 2021	**13.60**	**13.60**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 5: Leases

Note 5(a): Right of Use Assets

Particulars	31st March, 2022	31st March, 2021
Opening Balance	**308.18**	**390.36**
Addition on account of transition to IndAS 116	-	-
Addition	-	-
Less Depreciation expense	82.94	82.18
Closing Balance	**225.23**	**308.18**

Note 5(b): Lease Liabilities

Particulars	31st March, 2022	31st March, 2021
Opening Balance	**342.71**	**398.36**
Addition on account of transition to IndAS 116	-	-
Addition	-	-
Add: Accretion of interest	39.51	49.21
Less: Payments	109.78	104.86
Closing Balance	**272.43**	**342.71**

Maturity analysis of lease liabilities is as follows (Undiscounted Basis)

Particulars	31st March, 2022	31st March, 2021
Within one year	115.13	109.85
After one year but not more than three years	214.42	329.55
More than four years	-	-

The following are the amounts recognised in statement of profit and loss:

Particulars	31st March, 2022	31st March, 2021
Depreciation expense on right-of-use assets	82.94	82.18
Interest expense on lease liabilities	39.51	49.21
Expense relating to short-term leases and low-value assets (included in other expenses)	-	-
Total amount recognised in statement of profit and loss	**122.45**	**131.39**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 6: Financial assets

6 (a) Current investments carried at fair value through profit and loss

Particulars	31st March 2022		31st March 2021	
	Units	Amount	Units	Amount
Investment in Mutual Funds- Unquoted (Fully paid up)				
SBI Magnum Ultra Short Duration Fund Direct Growth	10,222	500.59	-	-
SBI Liquid Fund Direct Growth	15,024	500.77	-	-
SBI Magnum Low Duration Fund Regular Growth	17,584	500.55	-	-
SBI Infrastructure Fund	50,000	11.12	50,000	8.57
IDFC Floating Rate Fund Direct Plan - Growth	47,79,784	500.51	-	-
IDFC Cash Fund Direct Plan - Growth	19,464	500.41	-	-
TATA Liquid Fund-Growth	14,893	500.47	-	-
TATA Money Market Fund -Growth	13,089	500.70	-	-
Nippon India Liquid Fund - Growth	9,609	500.45	-	-
Nippon India Low Duration Fund - Growth	15,798	500.62	-	-
Total Current Investments*	**49,45,468**	**4,516.20**	**50,000**	**8.57**
Aggregate amount of quoted investments & market value thereof		-		-
Aggregate value of quoted investments		4,516.20		8.57
Aggregate amount of impairment in value of Investment in unquoted investments		-		-

* Investment in mutual fund have been fair valued at closing NAV.

6(b) Trade receivables

Particulars	31st March, 2022	31st March, 2021
(i)Trade receivables- considered good-Unsecured*	129.79	176.19
Less: Loss Allowance for doubtful receivables	-	-
Trade receivables- considered good-Unsecured	**129.79**	**176.19**
(ii)Trade receivables- Credit Impaired-Unsecured	-	-
Less: Loss allowance for doutbful receivables	-	-
Trade receivables- Credit Impaired-Unsecured	**-**	**-**

*No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Refer note 30 for dues from related parties

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Ageing for trade receivables - current outstanding as at 31st March,2022 is as follows :

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	65.16	64.63	-	-	-	-	129.79
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
(iv)Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Total	**65.16**	**64.63**	**-**	**-**	**-**	**-**	**129.79**
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
Balance at the end of the year	**65.16**	**64.63**	**-**	**-**	**-**	**-**	**129.79**

Ageing for trade receivables - current outstanding as at 31st March, 2021 is as follows :

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	-	176.19	-	-	-	-	176.19
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
(iv)Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Undisputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Total	**-**	**176.19**	**-**	**-**	**-**	**-**	**176.19**
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
Balance at the end of the year	**-**	**176.19**	**-**	**-**	**-**	**-**	**176.19**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

6(c) Loans

Particulars	31st March 2022		31st March 2021	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loan to employees	-	-	0.05	-
Loan to related party*	-	-	4,144.82	-
Total loans	**-**	**-**	**4,144.87**	**-**

*No loans are due from directors or other officers of the Company either severally or jointly with any other person. Refer note 30 for dues from related parties.

6(d) (i) Cash and cash equivalents

Particulars	31st March, 2022	31st March, 2021
Balances with banks		
-in current accounts	526.45	934.11
Cash on hand	0.91	0.71
Total cash and cash equivalents	**527.35**	**934.82**

6(d) (ii) Bank balances other than cash and cash equivalents

Particulars	31st March, 2022	31st March, 2021
Earmarked Balances with banks:		
In Unclaimed dividend Account *	24.73	38.12
Share warrant bank balances (Refer note no-36)	-	3,692.00
Total Other bank balances	**24.73**	**3,730.12**

*There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of Companies Act, 2013 as at the year end.

Note 7: Deferred tax assets /(liabilities)

The balances comprises temporary differences attributable to :

Particulars	31st March, 2022	31st March, 2021
Carried Forward Loss	2,049.88	889.14
DST Loan	-	3.76
IndAS 116	16.49	12.07
Gratuty & Leave encashment	100.91	87.78
DST Grant	1.94	5.66
Other items		
Others-MAT credit	-	-
Total Deferred tax assets	**2,169.23**	**998.41**
Set-off of deferred tax liabilities pursuant to set-off provisions		
Depreciation	522.49	590.08
DST Loan	0.55	-
Unrealised capital gains on MF	2.79	1.27
Total Deferred tax Liabilities	**525.83**	**591.35**
Total deferred tax assets/(Liabilities) (net)	**1,643.40**	**407.06**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

NOTE:
In accordance with the Ind AS 12 -The deferred tax asset arising from timing differences are recognized and carryforwarded only, if it is probable that taxable profit will be available against which the deductable temporary difference can be utilised. In view of this, deferred tax asset (net) is not recognised.

Note 8 : Current tax asset (net)

Particulars	31st March, 2022	31st March, 2021
Prepaid Income Taxes	9,976.50	9,924.48
Less: Provision for income tax	9,389.70	9,389.70
Total Current tax asset (net)	**586.80**	**534.78**

Note 9: Other non-current assets

Particulars	31st March, 2022	31st March, 2021
Capital advances	32.50	-
Total other non-current assets	**32.50**	**-**

Note 10 : Inventories(Valued at lower of cost or Net Realisable Value)

Particulars	31st March, 2022	31st March, 2021
Lab Materials	2.24	14.15
Total inventories	**2.24**	**14.15**

Note 11 : Other current assets

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good		
GST Receivable	752.48	399.43
Insurance Claim Receivable	-	228.42
Pre paid expenses	43.34	41.20
MEIS	74.81	-
Advances to Material Suppliers	1.06	35.99
Advances to service providers	-	13.77
Others advances	0.66	5.81
Total other current assets	**872.34**	**724.63**

Note 12: Equity share capital and other equity

12(a) Equity share capital

Particulars	31st March, 2022	31st March, 2021
Authorised Capital		
200,000,000 Equity shares of ₹ 1 /- each	2,000.00	2,000.00
(31st March,2021: 200,000,000 Equity shares of ₹1 /- each)		
	2,000.00	**2,000.00**
Issued, Subscribed and fully paid up		
14,53,82,478 Equity shares of ₹ 1/- each	1,453.82	1,272.82
(31st March,2021:12,72,82,478 Equity shares of ₹1/- each)		
	1,453.82	**1,272.82**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

12(a).1 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	31st March, 2022		31st March, 2021	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the year	12,72,82,478	1,272.82	12,72,82,478	1,272.82
Add: Issued during the year (Refer Note 36)	1,81,00,000	181.00	-	-
Outstanding at the end of the year	**14,53,82,478**	**1,453.82**	**12,72,82,478**	**1,272.82**

12(a).2 Terms/ rights attached to equity shares

The company has only one class of Equity shares having par value of ₹1. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

12 (a).3 Details of shares held by the promoter at the end of the year 31st March 2022

Name of the Promoter	No. of shares			% holding of equity shares	% change during the year
	31st March 2022	change	31st March 2021		
Jasti Property and Equity Holdings Private Limited	9,44,65,000	1,81,00,000	7,63,65,000	64.98%	4.98%
Kalyani Jasti	1,000	-	1,000	-	-
Madhavi Jasti	1,000	-	1,000	-	-
Sirisha Jasti	1,000	-	1,000	-	-
Sudha Rani Jasti	1,000	-	1,000	-	-
Venkateswarlu Jasti	1,000	-	1,000	-	-

Details of shares held by the promoter at the end of the year 31st March 2021

Name of the Promoter	No. of shares			% holding of equity shares	% change during the year
	31st March 2021	change	31st March 2020		
Jasti Property and Equity Holdings Private Limited	7,63,65,000	-	7,63,65,000	60.00%	-
Kalyani Jasti	1,000	-	1,000	-	-
Madhavi Jasti	1,000	-	1,000	-	-
Sirisha Jasti	1,000	-	1,000	-	-
Sudha Rani Jasti	1,000	-	1,000	-	-
Venkateswarlu Jasti	1,000	-	1,000	-	-

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

12(a).4 Shares of the Company held by holding company

Particulars	31st March, 2022	31st March, 2021
Jasti Property and Equity Holdings Private Limited		
94,465,000 Equity shares of ₹1/- each (Previous year:76,365,000)	9,44,65,000	7,63,65,000

12(a).5 Details of shareholders holding more than 5% shares in the Company

Particulars	31st March 2022		31st March 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Jasti Property and Equity Holdings Private Limited	9,44,65,000	64.98%	7,63,65,000	60.00%

12(b) Other equity

Particulars	31st March, 2022	31st March, 2021
Securities premium	25,664.66	11,081.49
General reserve	4,336.12	4,336.12
Retained earnings	(21,665.42)	(9,450.86)
Foreign Exchange Translation Reserve	(174.64)	(131.00)
Total other equity	**8,160.71**	**5,835.74**

(i) Securities premium

Particulars	31st March, 2022	31st March, 2021
Opening balance	11,081.49	11,081.49
Add: Additions during the period	14,583.17	-
Closing Balance	**25,664.66**	**11,081.49**

(ii) General Reserve

Particulars	31st March, 2022	31st March, 2021
Opening balance	4,336.12	4,336.12
Less: Transfer during the period	-	-
Closing Balance	**4,336.12**	**4,336.12**

(iii) Retained earnings

Particulars	31st March, 2022	31st March, 2021
Opening balance	(9,450.86)	(2,205.06)
Net loss for the year	(12,199.51)	(7,215.12)
Other Comprehensive Income		
- Remeasurements of post employment benefit obligation, net of tax	(15.05)	(30.68)
Closing balance	**(21,665.42)**	**(9,450.86)**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(iv) Foreign Exchange Translation Reserve

Particulars	31st March, 2022	31st March, 2021
Opening balance	(131.00)	(150.52)
Exchange differences on translating the financial statement of foreign operations	(43.64)	19.52
Closing Balance	**(174.64)**	**(131.00)**

Nature and purpose of reserves

Securities premium reserve:

The amount received in excess of face value of the equity shares is recognised in securities premium reserve . The reserve is utilised in accordance with the provisions of companies Act 2013.

General Reserve:

General reserve is used from time to time to transfer the profits from retained earnings for appropriation purpose.

Retained Earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders.

Other Comprehensive Income:

Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified into statement of profit and loss.

Note 13: Financial liabilities

13(a) Non-current borrowings

Particulars	31st March, 2022	31st March, 2021
Unsecured	**-**	**92.61**
Loan from Department of Science & Technology, Government of India-I		
Terms of repayment: 10 Annual installments of ₹50 Lakhs each commencing from October 2013 which is repayable by 1st October 2022 at the Interest rate of 3%	-	41.05
Loan from Department of Science & Technology, Government of India-II		
Terms of repayment: 10 Annual installments of ₹44.40 Lakhs each commencing from February 2013 which is repayable by 14th February 2022 at the Interest rate of 3%.	-	133.65
Total non-current borrowings	**-**	**94.40**
Less: Current maturities of Non-current borrowings (included in note 13(b))	-	39.25
Non-current borrowings		**39.25**

(All amount in ₹ Lakhs, unless otherwise stated)

13(b) Current borrowings

Particulars	31st March, 2022	31st March, 2021
Unsecured		
Loan from Department of Science & Technology, Government of India-I	48.43	50.00
Terms of repayment: 10 Annual installments of ₹50 Lakhs each commencing from October 2013 which is repayble by 1st October 2022 at the Interest rate of 3%		
Loan from Department of Science & Technology, Government of India-II	-	44.40
Terms of repayment: 10 Annual installments of ₹44.40 Lakhs each commencing from February 2013 which is repayable by 14th February 2022 at the Interest rate of 3%.		
Total	**48.43**	**94.40**

13(c) Trade payables

Particulars	31st March, 2022	31st March, 2021
Dues to micro enterprises and small enterprises (Refer Note below)	27.32	19.61
Dues to creditors other than micro enterprises and small enterprises	171.34	279.95
Total trade payables	**198.67**	**299.56**

Ageing for trade payables - current outstanding as at 31st March,2022 is as follows :

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	27.32	-	-	-	27.32
(ii) Others	-	171.34	-	-	-	171.34
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Balance at the end of the year	**-**	**198.67**	**-**	**-**	**-**	**198.67**

Ageing for trade payables - current outstanding as at 31st March,2021 is as follows :

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	19.61	-	-	-	19.61
(ii) Others	-	279.95	-	-	-	279.95
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Balance at the end of the year	**-**	**299.56**	**-**	**-**	**-**	**299.56**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Dues to micro and small enterprises:

With the promulgation of the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of the terms with the suppliers. The Company has circulated letter to all suppliers seeking their status. Response from few suppliers has been received and is still awaited from other suppliers. In view of this, the liability of interest calculated and the required disclosures made, in the below table, to the extent of information available with the Company.

Particulars	31st March, 2022	31st March, 2021
Principal amount remaining unpaid to any supplier as at the end of the accounting year	27.32	19.61
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.10	0.00
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day each accounting year	-	-
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 this Act	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to small enterprises	-	-

(Refer note 26 for the Company's liquidity risk management process)

13(d) Other Financial liabilities

Particulars	31st March, 2022	31st March, 2021
Current		
Liabilities for expenses	258.62	782.04
Payable for Capital Goods	37.08	116.09
Unpaid dividend on equity shares	24.73	38.12
Total other current financial liabilities	**320.43**	**936.25**

Note 14: Provisions

Particulars	31st March 2022		31st March 2021	
	Current	Non-current	Current	Non-current
Provision for Employee benefits				
-Leave obligations *	66.17	120.49	40.96	69.30
-Gratuity **	22.45	79.67	37.37	103.57
	88.62	**200.16**	**78.34**	**172.87**

***The Compensated Absences (Leave Obligations)** covers the company's liability for earned leave which is classified as other long-term benefits. The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit is discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

****Post-employment obligations- Gratuity:(Defined benefit**

The Company provides gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity benefit. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions, through an approved trust, to recognised funds administered by Life Insurance Corporation of India (Insurer). Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in Other Comprehensive Income.

Employee Benefit Plans

(i) Defined Contribution plans

Particulars	31st March, 2022	31st March, 2021
Provident Fund	114.60	109.22
State Defined Contribution Plans		
Employees State Insurance	0.70	1.24

(ii) Defined Benefit plan

Gratuity

The Company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-20	**312.08**	**172.43**	**139.65**
Current service cost	7.48	-	7.48
Interest expense/(income)	-	13.01	(13.01)
Total amount recognized in profit or loss	**319.56**	**185.44**	**134.12**
Remeasurements	-	-	-
- Experience adjustments	49.00	-	49.00
- Financials assumptions	(3.59)	-	(3.59)
Return on plan assets (excluding Interest Income)	-	(1.74)	1.74
Experience (gains)/loss	-	-	-
Total amount recognized in other comprehensive income	**364.97**	**183.70**	**181.27**
Employer contributions	-	37.53	(37.53)
Benefit payments	(13.99)	(0.26)	(13.73)
Others	42.34	31.40	10.94
31-Mar-21	**393.32**	**252.37**	**140.95**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-21	**393.32**	**252.37**	**140.95**
Current service cost	22.41	-	22.41
Interest expense/(income)	23.87	24.74	(0.87)
Total amount recognized in profit or loss	**439.59**	**277.11**	**162.49**
Remeasurements	-	-	-
- Experience adjustments	22.72	-	22.72
- Financials assumptions	(12.57)	-	(12.57)
Return on plan assets (excluding Interest Income)	-	(2.72)	2.72
Experience (gains)/loss	-	-	-
Total amount recognized in other comprehensive income	**449.74**	**274.38**	**175.36**
Employer contributions	-	228.36	(228.36)
Benefit payments	(78.65)	(17.17)	(61.47)
Others	(17.17)	(233.75)	216.58
31-Mar-22	**353.93**	**251.81**	**102.11**

Reconcilation of Liability

Particulars	31st March, 2022	31st March, 2021
Present value of obligation as at the beginning of the period	393.32	312.08
Interest cost	22.41	20.77
Past service cost - (Vested Benefits)	-	-
Current service cost	23.87	7.48
Benefits paid	(95.82)	(14.26)
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Financial Assumptions	(12.57)	(3.59)
Actuarial (gain)/loss on obligation	22.72	70.83
Present value of obligation as at the end of the period	353.93	393.32

Reconcilation of Plan Assets

Particulars	31st March, 2022	31st March, 2021
Fair value at beginning	252.37	172.43
Interest income	24.74	13.01
Remeasurements-Experience adjustments	-	-
Employers contribution	228.36	37.53
Employer Direct Benefit Payments	78.65	13.99
Benefit Payments from Plan Assets	(17.17)	(0.26)
Benefit Payments from Employer	(78.65)	(13.99)
Return on plan assets	(2.72)	(1.74)
Adjustement to Opening Balance, Other Expenses & Increase/ Decrease due to Plan Combination	(233.75)	31.40
Fair value at the End	251.81	252.37

(iii) Post-employment benefits (pension and gratuity)

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31st March, 2022	31st March, 2021
Discount rate	7.33%	6.91%
Salary growth rate	9.00%	9.00%
Attrition rate	6.50%	6.50%
Retirement Age	58 years	58 years

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Discount rate	1%	1%	304.25	324.48	362.58	388.90
Salary growth rate	1%	1%	349.16	374.29	313.68	334.38
Attrition rate	1%	1%	332.53	354.24	313.68	354.38

Expected cash flows over the next (valued on undiscounted basis):	Amount (INR)
1 year	22.45
2 to 5 Years	102.90
6 to 10 years	152.50

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(v) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. A portion of the fund is invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The

company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the investment mix in the continuing years.

Changes in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Inflation risk: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligation are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in the plan's liabilities. This is particularly significant where inflationery increases result in higher sensitivity to changes in life expectancy.

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match the assets to the pension obligations by investing in long term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods.

Interest Rate : A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Investment Risk: If actual return on plan assets as below this rate, it will create a plan deficit

Salary Risk: Higher than expected increase in salaries increases the defined benefit obligations

Demographic Risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment . An increase in the life expectancy of the plan participants will increase the plans liability

Other Long term benefit plans

Compensated Absences

The Company provides for accumulation of compensated absences in respect of certain categories of employees. These employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu there of as company policy

Actuarial valuation for compensated absences is done as at the year end and provision is made as per company policy with corresponding (gain)/Charge to the statement of profit and loss amounting to ₹232.79 Lakhs (31st March, 2021 : ₹85.22 Lakhs)

(vi) Defined benefit liability and employer contributions

The company has agreed that it will aim to eliminate the deficit in defined benefit pension and gratuity plan over the next nine years. Funding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries. The company considers that the contribution rate set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs will not increase significantly.

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 15: Government grants

Particulars	31st March, 2022	31st March, 2021
Opening Balance	16.21	75.70
Provision recognised/(reversed) during the year	10.64	59.49
Closing Balance	**5.56**	**16.21**

Particulars	31st March, 2022	31st March, 2021
Current portion	5.56	10.64
Non-current portion	-	5.56

Note 16: Other current liabilities

Particulars	31st March, 2022	31st March, 2021
Government grants	5.56	10.64
Advance from customers	-	1.86
Statutory Liabilities	54.63	59.80
Total other current liabilities	**60.20**	**72.30**

Note 17: Revenue from operations

Particulars	31st March, 2022	31st March, 2021
Sale of Services	1,184.43	1,347.83
	1,184.43	**1,347.83**

(b) Disaggregation of Revenue based on location of customer

Particulars	31st March, 2022		31st March, 2021	
	Related Party	Non Related Party	Related Party	Non Related Party
India	514.87	114.96	248.46	264.04
USA		444.27		814.72
Europe		13.90		20.62
Rest of the World		96.43		
Total	**514.87**	**669.56**	**248.46**	**1099.37**

Note 18: Other Income

Particulars	31st March, 2022	31st March, 2021
Interest income		
On fixed deposits	0.23	-
On Inter Corporate Deposit	112.16	697.91
Others	0.25	-
Government Grants	10.64	59.49
Insurance claim received	371.58	-
Scrap sales	-	11.91
Liabilities no longer required written back	1.30	-
Gain on Financial Assets	35.56	6.06
	531.71	**775.37**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 19: Employee benefits expense

Particulars	31st March, 2022	31st March, 2021
Salaries,Wages & Bonus	1,942.03	1,728.01
Contribution to Provident & other funds	115.30	110.46
Gratuity Expense	41.94	7.48
Staff Welfare Expenses	2.82	6.80
	2,102.08	**1,852.75**

Note 20: Research & Development expenses

Particulars	31st March, 2022	31st March, 2021
R & D Materials	268.29	360.79
Patent Related Expenses	783.58	1,077.11
Lab Maintenance	525.58	655.00
R & D Other Expenses	875.97	424.13
Clinical Development expenses	8,183.33	4,585.68
	10,636.75	**7,102.73**

Note 21: Finance costs

Particulars	31st March, 2022	31st March, 2021
Interest		
On Borrowings	13.50	32.32
On Lease Liability	39.51	49.21
	53.01	**81.53**

Note 22: Depreciation and amortisation expense

Particulars	31st March, 2022	31st March, 2021
Depreciation of property, plant and equipment (Refer Note 3)	354.09	350.91
Amortisation of intangible assets (Refer Note 4)	2.28	1.53
Depreciation on Right of Use assets(IndAS116) (Refer Note No-5)	82.94	82.18
	439.32	**434.62**

Note 23: Other expenses

Particulars	31st March, 2022	31st March, 2021
Rent	-	0.85
Rates & Taxes	0.66	-
Insurance	90.95	86.53
Communication Charges	32.05	28.82
Travelling & Conveyance	98.87	98.13
Bank Charges	13.80	12.54
Printing & Stationery	3.67	3.37
Professional Charges	23.86	42.20
Payments to Auditors (Refer note 23(a)below)	14.63	11.50
Repairs & Maintenance - others	243.26	10.31

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	31st March, 2022	31st March, 2021
Interest others	0.22	0.01
Foreign Exchange Loss (Net)	37.11	41.38
Consumble stores	16.10	3.28
Loss due to assets discarded	8.60	-
Clearing & Forwarding	-	0.41
Directors sitting fees	12.78	10.38
General Expenses	87.92	49.27
	684.49	**398.97**

Note 23 (a): Details of payments to auditors

Particulars	31st March, 2022	31st March, 2021
Payment to auditors		
As auditor:		
Statutory Audit fee	11.44	9.46
In other capacity		
Other services	3.00	2.00
Re-imbursement of out -of- pocket expenses	0.19	0.04
	14.63	**11.50**

Note 24: Income tax expense

This note provides an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

Particulars	31st March, 2022	31st March, 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	37.84
Total current tax expense	**-**	**37.84**
Deferred tax		
Decrease(increase) in deferred tax assets	-	-
Increase(decrease) in deferred tax liabilities	-	(570.12)
Total Deferred tax expense/(benefit)	-	**(570.12)**
Income tax expense	**-**	**(532.28)**
Income tax expense is attributable to:		
Profit from operations	**-**	**(532.28)**

(All amount in ₹ Lakhs, unless otherwise stated)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	31st March, 2022	31st March, 2021
Profit from operations before income tax expenses	-	(2795.50)
Tax at the Indian tax rate of 34.944%	**-**	**(976.86)**
Computed expected tax expense:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Deferred tax asset not recognized	-	407.06
Tax of earlier years	-	37.84
Others	-	(0.32)
Income tax expenses	**-**	**(532.28)**

Financial instruments and risk management

Note 25: Fair value measurements

	31st March, 2022		31st March, 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments				
-Mutual funds	4,516.20	-	8.57	-
Trade Receivables	-	129.79	-	176.19
Loans	-	-	-	4,144.87
Cash and Cash equivalents	-	527.35	-	934.82
Bank Balances	-	24.73	-	3,730.12
Total Financial Assets	**4,516.20**	**681.88**	**8.57**	**8,986.00**
Financial Liabilities				
Borrowings	-	-	-	39.25
Current maturities of long-term debt	-	48.43	-	94.40
Unpaid dividends	-	24.73	-	38.12
Trade Payables	-	198.67	-	299.56
Lease liability		272.43		342.71
Total Financial Liabilities	**-**	**544.26**	**-**	**814.04**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Financial assets measured at fair value & Amortised cost	Notes	Level 1	Level 2	Level 3	Total
As at 31st March, 2022					
Financial assets					
Investment in mutual funds	6(a)	-	4,516.20	-	4,516.20
Trade Receivables	6(b)	-	-	129.79	129.79
Loans	6(c)	-	-	-	-
Total Financial Assets		**-**	**4,516.20**	**129.79**	**4,645.99**

Financial liabilities measured at amortised cost & Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at 31st March, 2022					
Financial Liabilities					
Borrowings	13(a)	-	-	-	-
Current maturities of long-term debt	13(b)	-	-	48.43	48.43
Unpaid dividends	13(d)	-	-	24.73	24.73
Trade Payables	13(c)	-	-	198.67	198.67
Lease liability	5(b)	-	-	272.43	272.43
Total Financial Liabilities		**-**	**-**	**544.26**	**544.26**

Financial assets measured at fair value & Amortised cost	Notes	Level 1	Level 2	Level 3	Total
As at 31st March, 2021					
Financial assets					
Investment in mutual funds	6(a)	-	8.57	0.00	8.57
Trade Receivables	6(b)	-	-	176.19	176.19
Loans	6(c)	-	-	4,144.87	4,144.87
Total Financial Assets		**-**	**8.57**	**4,321.06**	**4,329.64**

Financial liabilities measured at amortised cost & Fair Value	Notes	Level 1	Level 2	Level 3	Total
As at 31st March, 2021					
Financial Liabilities					
Borrowings	13(a)	-	-	39.25	39.25
Current maturities of long-term debt	13(b)	-	-	94.40	94.40
Unpaid dividends	13(d)	-	-	38.12	38.12
Trade Payables	13(c)	-	-	299.56	299.56
Lease liability	5(b)	-	-	342.71	342.71
Total Financial Liabilities		**-**	**-**	**814.04**	**814.04**

Level 1: Inputs are Quoted prices(unadjusted) in active market for identical assets or liabilities

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

Level 3: Inputs are not based on observable market data(unobservable inputs).

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 26: Financial Risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

Risk	Exposure arising from	Measurement	Management Comment
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Ageing analysis	Diversification of bank deposits and monitoring of credit limits of customers
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupees	Cash flow forecasting Sensitivity analysis"	All USD related Import commitment are covered by snapping from the export USD thru EEFC account
Market risk - interest risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rates were Libor plus rate of interest fixed for the full term of the loan
Market risk - security prices	Investments in Mutual funds	Sensitivity analysis	Portfolio diversification

The company's risk management is carried out by the management. Company treasury identifies, evaluates and hedges financial risk in close cooperation with the company's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(A) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

(i) Trade Receivables

The company has used an expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the company uses a provision matrix to compute the expected credit loss amount. The provisions matrix takes into account external and internal risk factors and historical data of credit losses from various customers

Movement in the expected credit loss allowance	31st March,2022	31st March,2021
Balance at the beginning of the year	-	-
Movement in expected credit loss allowance on trade receivables	-	-
Balance at the end of the year	-	-

(ii) Financial Instruments and Cash Deposits

The company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have good credit ratings. The company does not expect any loss from non performance by these counter parties and does not have any significant concentration of exposure to specific industry sectors or specific country risks

(B) Liquidity Risk:

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying business, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position(comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

Year ended 31st March, 2022	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	-	48.43	-	48.43
(ii) Trade payables	-	198.67	-	198.67
(iii) Other financial liabilities	24.73	295.70	-	247.10
	24.73	**542.80**	**-**	**494.19**

Year ended 31st March, 2021	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	-	94.40	39.25	133.65
(ii) Trade payables	-	299.56	-	299.56
(iii) Other financial liabilities	38.12	898.13	-	936.25
	38.12	**1,292.08**	**39.25**	**1,369.46**

C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk and interest rate risk.

(i) Foreign Currency Risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign forecast transactions.

The company's risk management policy is to hedge part of forecasted foreign currency sales for the subsequent months. As per the risk management policy, foreign exchange forward contracts are taken to hedge part of the forecasted sales by taking consultancy from external treasury management forms . The imports were hedged naturally by payment through EEFC account.

(i)(a) Foreign currency risk exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31st March, 2022			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	237.31	-	-	-
Trade receivables(Net)	49.81	-	-	-
Financial Liabilities				
Borrowings	-	-	-	-
Trade payables	14.47	-	-	-
Other financial liabilities	-	-	-	-

Particulars	As at 31st March, 2021			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	805.75	-	-	-
Trade receivables	17.52	-	-	-
Financial Liabilities				
Borrowings	-	-	-	-
Trade payables	67.37	29.34	5.56	4.10
Other financial liabilities	-	-	-	-

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates.

(ii)(a) Interest Rate of Risk Exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2022	31st March 2021
Variable rate borrowings	-	-
Fixed rate borrowings	48.43	133.65
Total Borrowings	**48.43**	**133.65**

(ii)(b) Sensitivity

The Company has taken long term and short term borrowings on fixed rate of interest. Since, there is no interest rate risk associated with such fixed rate loans; an interest rate sensitivity analysis has not been performed.

Note 27: Capital Management

(a) Risk management

The Company's objective when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

2. Maintain an optimal capital structure to reduce the cost of capital

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

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: -Net debt (total borrowings net of cash and cash equivalents) divided by total equity (as shown in the balance sheet)

Particulars	31st March 2022	31st March 2021
Net debt	48.43	133.65
Total Equity	9,614.54	10,800.56
Net debt to equity ratio	0.50%	1.24%

Note 28: Segment Information

(a) Description of segments and principal activities

The Chief Executive Officer has been identified as being the chief operating decision maker(CODM). The CODM examines the Company's performance both from a product and a geographic perspective and has identified two reportable segments:

Operating segments

The Company is engaged in a single operating segment of providing Research and Development services. Accordingly, there are no additional disclosures to be provided Ind AS 108 'Operating Segments' other than those already provided in the financial statements.

Geographical Segment

The Company has identified the following geographical reportable segments:

(a) India-The company provides Analytical Services.

(b) USA -The company provides Analytical Services.

(c) Europe-The company provides Analytical Services.

(d) Rest of the world -The company provides Analytical Services.

	Revenue for the year ended		Value of Non Current Assets(Except Financial Instrument) as at		Additions to Non current(-Except Financial Instrument) during the year	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021	FY 2021-22	FY 2020-21
INDIA	629.83	512.49	3,563.73	1,788.08	2,463.17	630.47
U S A	444.27	814.72	-	-	-	-
EUROPE	13.90	20.62	-	-	-	-
REST OF THE WORLD	96.43	-	-	-	-	-
	1,184.43	**1,347.83**	**3,563.73**	**1,788.08**	**2,463.17**	**630.47**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 29: Interest in Other Entities

The Company's subsidiaries as at 31st March, 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company.

		Ownership interest held by the Company		Ownership interest held by Non-Controlling interests		
Name of the entity	Place of Business/ Country of incorporation	31st March 2022	31st March 2021	31st March 2022	31st March 2021	Principal activity
Suven Neurosciences Inc.,	USA	100%	100%	0%	0%	Clinical trials business

Note 30: Disclosure of Related Party Trasactions inaccordance with Ind AS - 24 Related Party Disclosures

(i) Name of the Related Party and Nature of Relationship

(a) Trustee Company : Jasti Property and Equity Holdings Private Limited (In its capacity as sole trustee of Jasti Family Trust)

(b) Subsidiaries: : Suven Neurosciences Inc.,

(c) Key Management personnel(KMP) :

Mr. Venkateswarlu Jasti	Chairman & CEO
Mrs. Sudha Rani Jasti	Whole-time Director
Prof. Dr. Seyed E. Hasnain	Non Executive Director
Mr. M. Gopalakrishna	Independent Director
Mr. Santanu Mukherjee	Independent Director
Mrs. J.A.S. Padmaja	Independent Director

(d) Companies under the control of Key Managerial Personnel : Suven Pharmaceuticals Limited

: Suven Pharma Inc.,

(a) Trustee Company

Name	Type	Place of Incorporation	Ownership Interest	
			31st March 2022	31st March 2021
Jasti Property and Equity Holdings Private Limited	Immediate and Ultimate parent entity	India	64.98%	60.00%

(b) Subsidiaries

Particulars	31st March 2022	31st March 2021
Suven Neuro Sciences Inc.		
Opening	29,502.55	24,181.31
Investment in subsidiary	8,566.62	5,321.24
Balance outstanding	**38,069.16**	**29,502.55**

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(c) Key Management Personnel compensation

Particulars	31st March 2022	31st March 2021
Short term employee benefits	227.89	215.32
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**227.89**	**215.32**
Balance outstanding	**-**	**-**

(d) Companies under the Control of Key Managerial Personnel

Particulars	Companies under the control of KMP	
	31st March 2022	31st March 2021
(i) Loan Given and Repayment thereof		
Suven Pharmaceuticals Limited	-	-
Loan Given during the year	-	-
Receipts against Loan Given	4,144.82	9,180.43
Interest income on Loan given	112.16	697.91
Balance outstanding Loan at the year end	-	4,144.82
(ii) Rendering of services, purchases and other transactions		
Suven Pharmaceuticals Limited		
(i) Lease Rental Expense	109.78	104.87
(ii) Purchase of material	126.22	-
(iii) Service Income		
Service Income during the period(towards testing and analysis charges)	514.87	248.46

Note 31: Contingent Liabilities and contingent assets

Particulars	31st March 2022	31st March 2021
Contingent Liabilities and contingent assets	-	-
Balance outstanding	**-**	**-**

Note 32: Earnings per share

Particulars	31st March 2022	31st March 2021
Profit /(Loss) After Tax	(12,199.51)	(7,215.12)
Weighted average number of equity shares	1,274.81	1,272.82
Basic Earnings per share	(9.57)	(5.67)
Diluted Earnings per share	(9.57)	(5.67)

Note:
There is no dilution to the Basic Earnings per share as there are no dilutive potential equity shares

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 33: Scheme of Arrangement (Demerger)

The National Company Law Tribunal, Hyderabad Bench vide its order dated January 06, 2020 has approved the scheme of arrangement for demerger of CRAMS undertaking of Suven Life Sciences Limited to the Company with effect from October 01, 2018 (the appointed date). Pursuant to the Scheme, all the assets, liabilities, income and expenses of the CRAMS undertaking have been transferred to the Resulting Company i.e., Suven Pharmaceuticals Limited with effect from the appointed date.

Note 34: Impairment of the Investment in Suven Neurosciences, Inc.:

The company stay focused on clinical development of NCEs targeting various Neurodegenerative diseases under Central Nervous System disorders and keep developing protocols for continuing the studies on clinical development programs for various indications, for which the company has invested $54.24 Mn (INR 381 Crores) since 2015 in Suven Neurosciences, Inc., the wholly owned subsidiary in USA. and the investment there on continue to remain unimpaired.

Note 35: Covid impact on the business and going concern assumption of the company and its subsidiary:

COVID-19 had not impacted the company's research operations, which includes our subsidiary, Suven Neurosciences, Inc. However, we are foreseeing certain delays in enrollment of ongoing phase 2 clinical studies conducted in USA.

Note 36: Warrants:

During the year ended 31-03-2022 the Board of Directors in its meeting held on 28th March'2022 has approved the conversion of 1,81,00,000 share warrants into equal number of shares to promoter group.

Note 37: Employee Stock Option Scheme (ESOP):

Suven Life Employee Stock Option Scheme 2020 (SLSL ESOP 2020) was approved by shareholders at the 31st Annual General Meeting held on 17th September, 2020. The nomination & remuneration committee of the board of Suven Life Sciences Limited administers the ESOP plans and grant stock options to the eligible employees . In terms of the SLSL ESOP 2020 scheme the total number of options to be granted are 10,00,000 of (Face value) ₹1/- each. Each option entitles the holder thereof to apply for one equity share of the Company of ₹1/- each upon payment of the exercise price during the exercise period. However, the Company has not granted any options under the scheme during the year ended 31st March, 2022. Therefore, the disclosure requirement for the summary of options granted under the scheme, outstanding options, fair value of options granted, expenses incurred from share based payment transactions and Earning Per Share is not applicable

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

Note 38 : Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/Associates

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
31st March 2022								
Parent								
Suven Life Sciences Ltd.	99.11%	9,528.55	29.71%	(3,624.86)	100.00%	(15.05)	29.80%	(3,639.91)
Subsidiaries:								
Suven Neurosciences Inc.,	0.89%	85.98	70.29%	(8,574.65)	0.00%	-	70.20%	(8,574.65)
TOTAL	**100.00%**	**9,614.54**	**100.00%**	**(12,199.51)**	**100.00%**	**(15.05)**	**100.00%**	**(12,214.56)**
31st March 2021								
Parent								
Suven Life Sciences Ltd.	98.73%	10,662.91	31.37%	(2,263.21)	100.00%	(30.68)	31.66%	(2,293.89)
Subsidiaries:								
Suven Neurosciences Inc.,	1.27%	137.65	68.63%	(4,951.91)	0.00%	-	68.34%	(4,951.91)
TOTAL	**100.00%**	**10,800.56**	**100.00%**	**(7,215.12)**	**100.00%**	**(30.68)**	**100.00%**	**(7,245.80)**

Note 39 : Other statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

Notes to the Consolidated Financial Statements

(All amount in ₹ Lakhs, unless otherwise stated)

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

Note 40 : Previous year figures have been regrouped and reclassified wherever considered necessary to conform to this year's classifications.

Statement pursuant to first proviso to sub-section(3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules,2014 in the prescribed Form AOC-1 relating to Subsidiary companies.

PART A : Subsidiaries

Name of the subsidiary : Suven Neurosciences Inc.

Reporting currency : USD

Exchange rate as on the date of the relevant financial year in the case of foreign subsidiaries : ₹75.20

Date of Incorporation : 15th September 2015

Particulars	31 March 2022	31 March 2021
Share capital	5,42,40,000	4,27,40,000
Reserves & surplus	(5,41,25,663)	(4,25,47,750)
Total assets	3,15,577	11,25,344
Total Current liabilities	2,01,240	9,33,094
Investments	-	-
Turnover / Total Income	-	-
Profit/(loss) before taxation	(1,15,77,913)	(66,68,521)
Provision for Taxation	-	-
Profit/ (loss) after taxation	(1,15,77,913)	(66,68,521)
Proposed dividend	-	-
% of share holding	100%	100%

1.Names of the subsidiaries which are yet to commence operations :-NIL
2.Names of the subsidaries which have been liquidated or sold during the year :NIL

PART B: Associates /Joint Ventures: NIL

The accompanying notes form an integral part of the financial statements

As per our report of even date

For **TUKARAM & CO LLP**
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 7th May, 2022

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Shrenik Soni
Company Secretary
Membership No. A53989

M.Mohan kumar
Chief Financial Officer
Membership No. A25096

Notice of Annual General Meeting

NOTICE is hereby given that the 33rd ANNUAL GENERAL MEETING of the Members of SUVEN LIFE SCIENCES LIMITED will be held on Thursday, 04th day of August, 2022, at 11:30A.M., IST through Video Conferencing ("VC") / other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

ITEM NO. 1: Adoption of Financial Statements

To receive, consider and adopt the audited standalone and consolidated financial statement of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditor's thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolutions**:

"RESOLVED THAT the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditor's thereon, as circulated to the members, be and are hereby considered and adopted."

ITEM NO. 2: To appoint Smt. Sudharani Jasti, (DIN: 00277998) as a Director liable to retire by rotation:

To appoint a director in place of Smt. Sudharani Jasti, (DIN: 00277998) who retires by rotation, and being eligible, offers herself for re-appointment.

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, Smt. Sudharani Jasti, (DIN: 00277998) who retire by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

ITEM NO. 3: To appoint Statutory Auditors and to fix their remuneration

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. KARVY & Co., Chartered Accountants, having firm registration No. 001757S be and are hereby appointed as the Statutory Auditors of the Company for a period of five years, who shall hold office from the conclusion of this 33rd Annual General Meeting till the conclusion of the 38th Annual General Meeting to be held in the year 2027 at such remuneration and on such terms as may be fixed by the Board of Directors of the Company in consultation with the Statutory Auditors of the Company."

"RESOLVED FURTHER THAT the CFO, Mr. M Mohan Kumar or the Company Secretary, Mr. Shrenik Soni be and are hereby severally authorized to do all such acts, deeds and things as may be necessary and to sign and seal the necessary forms/ papers and other writings as may be required in this regard."

SPECIAL BUSINESS

ITEM NO. 4: Increase of Authorized Share Capital and consequent alteration of the Memorandum of Association of the company

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 61, 64, 13 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to Article 7 of the Articles of Association of the Company, the approval of the Members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from ₹20,00,00,000/- (Rupees Twenty Crores only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹1/- (Rupees One only) each to ₹30,00,00,000/- (Rupees Thirty Crores only) divided into 30,00,00,000 (Thirty Crores) Equity Shares of ₹1/- (Rupees One only) each by creation of additional 10,00,00,000 (Ten Crores) equity shares of ₹1/- (Rupees One only) each, ranking pari-passu with the existing Equity Shares of the Company and consequently, the existing Clause V of the Memorandum of Association (MOA) of the Company be altered by substituting with the following:

V: The Authorized Share Capital of the Company is ₹30,00,00,000/- (Rupees Thirty Crores only) divided into 30,00,00,000 (Thirty Crores) Equity Shares of ₹1/- (Rupees One only) each."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Directors and Company Secretary of the Company be and are hereby severally authorized to do all such act(s), deed(s) and things including all necessary form(s), documents filing with the Registrar of Companies as may be necessary and incidental in this regard."

ITEM NO. 5: To approve modification of Material Related Party Transaction(s)

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT in partial modification of the resolution passed by Members at the 31st Annual General Meeting held on 17th September, 2020 approving the related party transactions and pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with rules made thereunder, Regulation 23 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and other applicable laws (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and the Company's policy on Related Party Transactions, and subject to such other approvals, consents as may be necessary, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Audit Committee, which the Board has constituted to exercise its powers) to enter into contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with Suven Pharmaceuticals Limited (SPL), a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as may be agreed between the Company and SPL, for an aggregate value of up to ₹100 Crores per Financial Year and for the period of 5 years commencing from Financial Year 2022-23 till end of Financial Year 2026-27.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, schemes, agreements and such other documents, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto from time to time, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized severally to delegate all or any of the powers herein conferred, to Chief Financial Officer or Company Secretary of the Company, to do all such acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution(s)".

ITEM NO. 6: Re-appointment of Smt. Sudharani Jasti (DIN: 00277998) as a Whole-time Director

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with rules made thereunder, applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and other applicable laws (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and subject to such other consents or approvals if required, the Members of the Company do hereby approves the re-appointment of Smt. Sudharani Jasti (DIN: 00277998) as Whole-time Director of the Company for a further period of three (3) years commencing from 01st November, 2022 to 31st October, 2025 on terms and conditions including remuneration upto limits as detailed herein below, notwithstanding that such remuneration may exceed the limits prescribed under Section 197, Schedule V of the Act and Regulation 17 of Listing Regulation:

Salary:

Basic salary of ₹7,00,000 (Rupees Seven Lakh only) per month with an annual increment not exceeding 15% of salary effective from the month of November every year as may be decided by the Board on the recommendation of the Nomination and Remuneration Committee of the Board plus Company's contribution to Provident Fund as per the rules of the Company.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary, alter or modify the remuneration, terms and conditions, to the extent recommended by the Nomination and Remuneration Committee, from time to time as may be considered appropriate, subject to the overall limits specified in the Companies Act, 2013 and as may be agreed to between the Board of Directors and Smt. Sudharani Jasti."

"RESOLVED FURTHER THAT Notwithstanding anything herein above stated, In the event of company having no profits or its profits are inadequate in any financial year during the tenure of the appointment, then the remuneration of the Whole-time Director shall be governed by the Section II of Part II of the Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment(s) thereof, for the time being in force) or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, matters, deeds, things as it may deem fit, including but not limited to delegating severally all or any of the powers conferred on it or under this resolution to any Committee(s) of the Board, any Director(s) or any other Officer(s) of the Company, as may be considered necessary or expedient to give effect to this resolution without being required to seek any further consent or approval of the Members of Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

by order of the Board of Directors

Shrenik Soni
Company Secretary
Membership No. A53989

Place: Hyderabad
Date: 24th June, 2022

Registered Office
8-2-334, SDE Serene Chambers
6th Floor, Road No.5, Avenue 7
Banjara Hills, Hyderabad – 500 034
CIN: L24110TG1989PLC009713

NOTES FOR MEMBERS' ATTENTION:

1. The Ministry of Corporate Affairs, Government of India ("MCA"), and the Securities and Exchange Board of India ("SEBI"), allowed companies to conduct Annual General Meeting ("AGM") through video conference ("VC")/ other audio-visual means ("OAVM"), without the physical presence of Members at a common venue.

   This AGM is being convened in compliance with applicable provisions of the Companies Act, 2013 ("Act") and the rules made thereunder; provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); the General Circular No. 14/2020 dated 8th April 2020; General Circular No.17/2020 dated 13th April 2020; General Circular No. 20/2020 5th May 2020; General Circular No. 02/2021 dated 13th January, 2021 and General Circular No. 02/2022 dated 05th May, 2022 issued by the MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and Circular No. SEBI/HO/ CFD/ CMD2/CIR/P/2021/11 dated 15th January 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 issued by SEBI (" hereinafter collectively referred as MCA and SEBI Circulars"). **The detailed procedure for participating in the meeting through VC/OAVM is given herein below.**

2. Since the AGM will be held through VC/ OAVM only, the Route Map of the venue of the Meeting is not annexed hereto. The deemed venue for the AGM shall be the Registered Office of the Company.

3. **e-AGM:** Company has appointed M/s KFin Technologies Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.

5. In terms of Section 152 of the Companies Act, 2013, Smt. Sudharani Jasti, (DIN: 00277998) Director, retire by rotation at the meeting and being eligible, offers herself for re-appointment. The Board of Directors of the Company recommends her re-appointment. Brief profile of Director and relevant details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, are given at the end of the notes.

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

7. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

8. M/s. Tukaram & Co LLP, Chartered Accountants were appointed as Statutory Auditors of the Company from 28th Annual General Meeting till the conclusion of this 33rd Annual General Meeting i.e. for a period of 5 (Five) years. The tenure of the auditors will expire on conclusion of this meeting. The disclosure relating to auditor's remuneration for the year 2021-22 is given in the notes to the accounts.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

   9.1 For shares held in electronic form: Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.

   9.2 For shares held in physical form: SEBI vide its Circular dated 3rd November, 2021 has mandated registration of PAN, KYC details and Nomination, by holders of physical securities. Members holding shares in physical form can submit their PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders through duly filled and signed Form ISR-1 to the Company / KFin Technologies Limited, at Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 or by email to einward.ris@kfintech.com from their registered email id. It may be noted that any service request or compliant can be processed only after the folio is KYC compliant.

10. The Company has notified that the Register of Members of the Company and share transfer books will remain closed from 02nd August, 2022 to 04th August, 2022 (both days inclusive) for the purpose of Annual General Meeting (AGM).

11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Thursday, 28th July, 2022 through email on investorservices@suven.com. The same will be replied by the Company suitably.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

    All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investorservices@suven.com.

13. Members holding shares in physical mode desirous of making nomination are advised to submit Nomination Form (SH-13) to RTA or to the Company in respect of their shareholding in the Company and those Members holding shares in electronic mode may contact their respective DPs for availing the nomination facility as provided under Section 72 of the Act.

14. Pursuant to Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular dated 25th January, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this as also to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to demat mode. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at

    http://www.suven.com/ShareRegistryServices.aspx

    and on the website of the Company's Registrar and Transfer Agents, KFin Technologies Limited at https://ris.kfintech.com/clientservices/isc/default.aspx#isc_download_hrd. It may be noted that any service request can be processed only after the folio is KYC Compliant.

15. **To support the "Green Initiative", Members who have not registered their e-mail addresses so far are requested to register same with their DPs in case the shares are held by them in electronic form and with Kfin Tech (RTA) in case the shares are held by them in physical form for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.**

16. **Unclaimed Dividends/ Transfer to Investor Education and Protection Fund:**

    a) The Company has transferred the unpaid dividends declared up to financial years 2013-14, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 06th August, 2021 (date of last Annual General Meeting) on the website of the Company (www.suven.com), and also on the website of the Ministry of Corporate Affairs.

    b) It may be noted that unclaimed dividend for the financial year 2014-15 declared on 14th August, 2015, will be transferred to the IEPF authority within the due date of transfer in accordance with the IEPF rules.

    c) Please note in accordance with the procedure prescribed under the provisions of the IEPF Rules issued by the Ministry of Corporate Affairs, the shares of the shareholders whose dividend remains unpaid or unclaimed by them for a period of seven consecutive years or more would also be transferred to the IEPF Demat account of IEPF Authority.

    Members/ claimants whose shares, unclaimed dividend etc. have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. The Member/ Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

17. **Dispatch of Notice and Annual Report through electronic mode**

    i. In accordance with the General Circular No. 14/2020 dated 8th April 2020; General Circular No.17/2020 dated 13th April 2020; General Circular No. 20/2020 5th May 2020; General Circular No. 02/2021 dated 13th January, 2021 and General Circular No. 02/2022 dated 05th May, 2022 issued by the MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and Circular No. SEBI/HO/ CFD/CMD2/CIR/P/2021/11 dated 15th January 2021 issued by SEBI ("MCA and SEBI Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the KFinTech (RTA) or the Depositories. As physical copies of the Annual Report 2021-22 will not be sent the Annual Report along with notice of the AGM will be available on the Company's website www.suven.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFinTech at https://evoting.kfintech.com

    ii. **Members who have still not registered their email ID are requested to update the same at the earliest. For receiving all communication (including Annual Report) from Company electronically:**

    a) Members holding shares in physical mode and who have not registered / updated their email ID with the Company are requested to register / update their email ID with KFinTech by sending requests at einward.ris@kfintech.com, with details of folio number and attaching a self-attested copy of PAN card or by logging onto https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

    b) Members holding shares in dematerialised mode are requested to register / update their email ID with their respective Depository Participant.

18. **PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM**

    i. The Company will provide VC / OAVM facility to its Members for participating at the AGM.

    a) Members will be able to attend the AGM through VC / OAVM or view the live webcast of the AGM at https://emeetings.kfintech.com by using their remote e-voting login credentials and selecting the 'EVENT' for the Company's AGM.

    Members are requested to follow the procedure given below:

    I. Launch internet browser (chrome/ firefox/ safari) by typing the URL: https://emeetings.kfintech.com

    II. Enter the login credentials (i.e., User ID and password for e-voting).

    III. After logging in, click on "Video Conference" option

    IV. Then click on camera icon appearing against AGM EVENT of Suven Life Sciences Limited, to attend the Meeting.

    b) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the e-voting instructions.

    c) Members may join the AGM through Laptops, Smartphones, Tablets or iPads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Mozilla Firefox.

    d) Members will be required to grant access to the webcam to enable VC/OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches. Members will be required to grant access to the web-cam to enable two-way video conferencing.

    e) Facility to join the Meeting will be opened fifteen minutes before the scheduled time of the AGM and will be kept open throughout the proceedings of the AGM.

    f) Members will be allowed to participate in the AGM through VC / OAVM on first come, first served basis. Large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, etc. will not be subject to the aforesaid restriction of first-come-first- serve basis.

    g) Members who would like to express their views or ask questions during the AGM may register themselves as speakers by logging on to https://emeetings.kfintech.com and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open

Saturday, 30th July, 2022 to Monday, 01st August, 2022. Only those members who are registered as Speakers will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of Speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

h) Alternatively, members may also visit https://emeetings.kfintech.com and click on the tab 'Post Your Queries' and post their queries/views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window will be closed on Monday, 01st August, 2022.

i) Members who need assistance before or during the AGM, may contact KFinTech at emeetings@kfintech.com or call on toll free number 1800-309-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.

ii. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

iii. Institutional Members are encouraged to attend and vote at the AGM through VC/OAVM.

iv. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF Format) of its board or governing body resolution/ authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The scanned image of the abovementioned documents should be in the name format "Corporate Name EVENT NO." The said resolution/authorization shall be sent to the Scrutinizer by email through its registered email ID address to scrutinizer. prenukaacs@gmail.com with a copy marked to murthy.psrch@kfintech.com and investorservices@suven.com.

19. PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM

i. In compliance with the provisions of section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide to its Members facility to exercise their right to vote on the resolution proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services arranged by KFinTech. The Members may cast their votes remotely, using an electronic voting system ("remote e-voting") on the dates mentioned herein below.

ii. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility (Insta Poll) during the AGM.

iii. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC/OAVM, but shall not be entitled to cast their vote again. A member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or e- voting at the Meeting. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

iv. The remote e-voting period will be available during the following period:

Commencement of remote e-voting: Sunday, 31st July 2022 (9.00 a.m. IST) and End of remote e-voting: Wednesday, 03rd August, 2022 (5.00 p.m. IST).

During this period, Members of the Company holding shares either in physical form or in dematerialised form, as on **Thursday, 28th July, 2022**, i.e., Cut-Off Date, may cast their vote by remote e-voting. A person who is not a Member as on the Cut-Off Date should treat this Notice for information purpose only. The remote e-voting module will be disabled by KFinTech for voting thereafter. Once the vote on a resolution is cast by the Member, he will not be allowed to change it subsequently.

v. Smt. D. Renuka, Practicing Company Secretary (Membership No. A11963), has been appointed as the Scrutinizer to scrutinize the voting during the AGM (Insta Poll) and remote e-voting process in a fair and transparent manner. The process and manner for remote e-voting is as under:

PROCEDURE AND INSTRUCTIONS RELATING TO E-VOTING:

➢ For Non Individual Shareholders and Shareholders holding shares in physical form:

A. In case a Member receives an email from KFinTech (for Members whose e-mail addresses are registered with the RTA/ Depository Participants):

i. Launch internet browser by typing the URL: https://evoting.kfintech.com

ii. Enter the login credentials (i.e., User ID and Password). Your Folio No./DP ID-Client ID will be your User ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and Password for casting your vote.

iii. After entering these details appropriately, Click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password should comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT", i.e., Suven Life Sciences Limited.

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-Off Date under "FOR/ AGAINST" or, alternatively, you may partially enter any number in "FOR" and partially in "AGAINST", but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option "ABSTAIN". If you do not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts may choose the voting process separately for each folio/demat accounts.

ix. Voting has to be done for each item of the Notice separately. In case, you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your login any number of times till you have voted on the resolution.

B. In case of a Member whose e-mail address is not registered / updated with the Company / KFinTech / Depository Participant(s), please follow the following steps to generate your login credentials:

a) Members holding shares in physical mode, who have not registered / updated their e-mail address with the Company, are requested to register / update the same by clicking on https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at einward.ris@kfintech.com

b) **Members holding shares in dematerialised mode who have not registered their e-mail addresses with heir Depository Participant(s) are requested to register / update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.**

c) After due verification, the Company / KFinTech will forward your login credentials to your registered email address.

d) Follow the instructions at (A). (i) to (xii) to cast your vote.

e) In case of any query pertaining to e-voting, members may please visit to the "Help and FAQ's" sections available at KFinTech website https://evoting.kfintech.com or contact KFinTech as per the details given under below:

Members are requested to note the following contact details for addressing e-voting grievances:

Mrs. C. Shobha Ananda, AVP, KFin Technologies Limited
Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda,
Hyderabad 500 032;
Phone No.: +91 40 6716 1700 /1565
Toll-free No.: 1800-309-4001
E-mail: evoting@kfintech.com

The instructions for remote e-voting are as under for Individual Shareholders holding shares in demat mode:

As per the SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

NSDL	CDSL
1. User already registered for IDeAS facility: ** I. URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under 'IDeAS' section. III. On the new page, enter existing User ID and Password. Post successful authentication, click on "Access to e-Voting". IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	**1. Existing user who have opted for Easi / Easiest **** I. URL: https://web.cdslindia.com/myeasi/home/login Or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with user id and password IV. Option will be made available to reach e-Voting page without authentication. V. Click on e-Voting service provider name to cast your vote.
2. User not registered for IDeAS e-Services I. To register click on link : https://eservices.nsdl.com (Select "Register Online for IDeAS") or https://eservices.nsdl.com/SecureWeb /IdeasDirectReg.jsp II. Proceed with completing the required fields **(Post registration is completed, follow the process as stated in point no.1 above)	**2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/registration/Easiregistration II. Proceed with completing the required fields. **(Post registration is completed , follow the process as stated in point no.1 above)
3. First time users can visit the e-Voting website directly and follow the process below: I. URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	**3. First time users can visit the e-Voting website directly and follow the process below:** I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress. V. Click on company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period

PROCEDURE TO LOGIN THROUGH THEIR DEMAT ACCOUNTS / WEBSITE OF DEPOSITORY PARTICIPANT

Individual Shareholders (holding securities in demat mode) login through their depository participants.

Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL. An option for "e-Voting" will be available once they have successfully logged-in through their respective logins. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). Click on the e-Voting link available against Suven Pharmaceuticals Limited or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Contact details in case of any technical issue on NSDL Website   Contact details in case of any technical issue on CDSL Website

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542/43.

➢ **Other instructions:**

I. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on **Cut-Off Date**, i.e., **Thursday, 28th July, 2022**.

II. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting as well as e-voting (Insta Poll) at the AGM.

III. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of the AGM and holding shares as of the Cut-Off Date, i.e., **Thursday, 28th July, 2022**, may obtain User ID and Password in the manner as mentioned below:

a) If the mobile number of the member is registered against Folio No./DP ID-Client ID, the member may send SMS: MYEPWD<SPACE>e-voting Event Number + Folio No. or DP ID-Client ID to +91 9212993399.
Example for NSDL :
MYEPWD<SPACE>IN12345612345678
Example for CDSL :
MYEPWD<SPACE>1402345612345678
Example for Physical :
MYEPWD<SPACE>XXX1234567890

b) If email address of the Member is registered against Folio No./DP ID-Client ID, then on the home page of https://evoting.kfintech.com, the member may click 'Forgot Password" and enter Folio No. or DP ID-Client ID and PAN to generate a password.

c) Members may call KFinTech toll-free number 1800-309-4001.

d) Members may send an e-mail request to evoting@kfintech.com. If the Member is already registered with the KFinTech's e-voting platform, then such member can use his/her existing User ID and Password for casting the vote through remote e-voting.

e) In case of any queries, please visit Help and FAQs section available at KFinTech website https://evoting.kfintech.com. For any grievances related to e-voting, please contact Mrs. C Shobha Anand, KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad- 500032 at evoting@kfintech.com , Toll Free No: 1800-309-4001.

IV. Subject to receipt of requisite number of votes, the Resolution proposed in the Notice shall be deemed to be passed on the date of meeting, i.e. 04th August, 2022.

20. Information and instructions for e-voting facility at AGM (Insta Poll)

i. Facility to cast vote through e-voting system at AGM (Insta Poll) will be made available on the video conference screen and will be activated once the e-voting is announced at the Meeting.

ii. Those members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the AGM (Insta Poll).

iii. The procedure for e-voting during the AGM (Insta Poll) is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC/OAVM. The e-voting window shall be activated upon instructions of the Chairman of the AGM during the AGM. E-voting during the AGM (Insta Poll) is integrated with the VC/OAVM platform and no separate login is required for the same.

iv. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman. The result of e-voting along with the consolidated Scrutiniser's Report, will be placed on the website of the Company: www.suven.com and on the website of KFinTech at: https://evoting.kfintech.com. The result will simultaneously be communicated to the stock exchanges.

For ease of participation by Members, provided below are key details regarding the AGM for reference:

Sr. No.	Particulars	Details of access
1.	Link for live webcast of the AGM and for participation through VC/ OAVM	https://emeetings.kfintech.com by using e-voting credentials and clicking on video conference
2.	**Link for posting AGM queries and speaker registration and period of registration**	https://emeetings.kfintech.com by using e-voting credentials and clicking on 'Speaker registration'. Period of registration: **Saturday, 30th July, 2022 to Monday, 01st August, 2022** https://emeetings.kfintech.com by using e-voting credentials and clicking on 'Post Your Queries'. The window will close on, **Monday, 01st August, 2022**
3.	Link for remote e-voting	https://evoting.kfintech.com
4.	Username and password for VC	Members may attend the AGM through VC by accessing the link https://emeetings.kfintech.com by using the remote e-voting credentials. Please refer the instructions provided in the Notice.
5.	Helpline number for VC participation and e-voting	Contact KFin Technologies Private Limited at 1-800-3454-001 or write to them at evoting@kfintech.com
6.	Cut-off date for e-voting	**Thursday, 28th July, 2022**
7.	**Time period for remote e-voting**	**Commences on Sunday, 31st July 2022 (9.00 a.m. IST) and ends on Wednesday, 03rd August, 2022 (5.00 p.m. IST)**
8.	Link for Members to update email ID (for physical shareholders)	https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx or sent email on einward.ris@kfintech.com
9.	Registrar and Transfer Agent - Contact details	KFin Technologies Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 Toll free No: 1800-309-4001 Website : www.kfintech.com
10.	Suven Life Sciences Limited-contact details	Registered Office: 8-2-334, SDE Serene Chambers, 6th Floor, Road No.5, Avenue 7, Banjara Hills, Hyderabad – 500 034, Telangana. Email: investorservices@suven.com

Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 and under Secretarial Standards on General Meetings (SS-2)

ITEM NO. 3

TUKURAM & CO. LLP, Chartered Accountants, (ICAI Firm Registration No. 004436S) were appointed as the Auditors of the Company at the 28th Annual General Meeting (AGM) of the Company held on August 14, 2017 for one term of 5 years to hold office till the conclusion of this AGM.

The Board of Directors based on the recommendation of the Audit Committee, at its meeting held on May 7, 2022, proposed the appointment of M/s. KARVY & Co., (Firm Registration No. 001757S) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this AGM till the conclusion of the 38th AGM to be held in the year 2027. KARVY & Co., have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members. None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 3 of the Notice.

ITEM NO. 4

The Current Authoirsed Share Capital of your Company is ₹20,00,00,000/- (Rupees Twenty Crores only) divided into 20,00,00,000/-(Twenty Crores) of ₹1/- (Rupees One only) each. The Board of Directors in its meeting held on June 24, 2022 has proposed to increase the Authorized Share Capital to ₹30,00,00,000 (Rupees Thirty Crores only) divided into 30,00,00,000 (Thirty Crores) equity shares of

₹1/- (Rupees One only) each for the purpose of meeting all future fund raising requirements, if any, of the Company.

The additional shares which are proposed for increase shall rank pari-passu in all respects with the existing equity shares of the Company.

Pursuant to the provisions of the Section 61 and 13 and other applicable provisions, if any, of the Companies Act, 2013 the increase in authorized share capital and alteration of the Capital clause of the Memorandum of Association (MOA) require the approval of the Members in the General Meeting.

The Board of Directors recommends the Ordinary Resolution at item no. 4 of the accompanying notice for approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of this Notice.

ITEM NO. 5

Your Company i.e. Suven Life Sciences Limited (SLSL) is engaged in the Research & Development activities and developed expertise over the years and built necessary capacities in R&D activities, development of pre-clinical & clinical molecules/ compounds, rendering of various analytical, toxicology services.

Suven Pharmaceuticals Limited (SPL) is a listed Company with common KMP & promoter group. It is engaged in Contract development & manufacturing (CDMO) business catering the needs of global pharma industry. Suven Pharmaceuticals Limited (SPL) continues to avail various R&D related Analytical, toxicology services form the Company for its business requirements in Contract Development and Manufacturing Operations (CDMO). Further your Company continue to take on lease the premises viz. lab Discovery facilities and its registered office. Also Company may continue to source manufactured materials from SPL for carrying out clinical trials with respect to compounds in various stages of clinical development. And your Company may also approach to SPL for the in-licensing/ out-licensing of molecules/compounds.

SLSL & SPL being part of the Suven group, these transactions not only help enhance business operations for both the Companies, but also ensure consistent desired quality and quantity of material & services without interruptions and generation of revenue and business for both the Companies to cater their respective business requirements. Further, SPL being into the CDMO business segment it requires R&D related services on continuous basis which is expected to result in increased revenue generation for SLSL and more convenient to SPL for availing the services from lab facilities of SLSL.

Pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), all material Related Party Transactions will require prior approval of members through ordinary resolution. A transaction with a Related Party is considered material if the transaction/transactions to be entered into individually or taken together with previous transactions during a Financial Year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company or in case value of such transactions exceeds ₹1000 Crores in a financial year whichever is lower. The transactions as described below are likely to exceed 10% of the Annual Consolidated Turnover as per last audited financial statements of the Company. Further, as per the amended provisions of the Listing Regulations, if any subsequent material modification to the existing Related Party Transaction(s) the approval of the Members of the Company is required. The material modification is as defined by audit committee under sub-regulation (2) of Regulation 23 of SEBI LODR Regulations and as per the policy of the Company on Related Party Transaction(s) as amended. Hence these transactions would require the prior approval of the Members by way of ordinary resolution. Further in term of the provisions of Section 188 of the Companies Act, 2013 read with rules framed thereunder, in case certain transactions with related parties exceeds threshold limits prescribed in rules framed under the said section, requires approval of Members through ordinary resolution.

The management has provided the Audit Committee with the relevant details including material terms and basis of pricing, as required under law, of proposed material modification of existing Related Party Transaction(s) [as approved previously by the Members in its meeting held on 17th September, 2020]. The Audit Committee, after reviewing all necessary information, has granted approval for enhancing the existing limit from ₹25 Crores per Financial Year to ₹100 Crores per Financial Year and to widen the scope of the transactions by and between both the parties. On the basis of recommendations of the Audit Committee, the Board of Directors in its meeting held on 24th June 2022 considered the material modification of said related party transactions and agreed upon it, subject to approval of the Members of the Company. The said enhancement of the limit for the transactions lead to material modification to the existing Related Party Transaction(s).

Information pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021 and Rule 15 of the Companies (Meetings of Board and its Powers) Rule, 2014:

Sr. No.	Description	Details
1.	Details of summary of information provided by the Management to the Audit Committee regarding the transactions:	
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise	Suven Pharmaceuticals Limited (SPL) is a listed Company with common KMP & promoter group. Financial
b.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Shri Venkateswarlu Jasti Chairman & promoter of the Company is also the Promoter and Director of SPL. Further Smt. Sudharani Jasti, whole time Director of the Company is also the promoter of SPL.
c.	Nature, material terms, monetary value, tenure and particulars of contracts or arrangement	The transaction involves rendering of any kind of R&D related services (including analytical, toxicology services), sourcing of manufactures materials, in-licensing/ out-licensing of molecules/compounds, lease rental arrangements, receipt of service and other transactions for business purpose from/to SPL for the period of 5 years commencing from Financial Year 2022-23 till end of Financial Year 2026-27, for an aggregate value of all such group of transactions up to ₹100 Crores per Financial Year on such terms & conditions as may be mutually agreed upon between Company and related party in best interest of the Company.
d.	Value of Transaction(s)	Up to ₹100 Crores per Financial Year.
e.	Percentage of annual consolidated turnover considering FY 2021-22 as the immediately preceding financial year	845%
2.	Justification for the transaction	Please refer to "Background, details and benefits of the transaction" which forms part of the explanatory statement to the Item No. 6.
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable

Sr. No.	Description	Details
4.	Details of valuation or other external party report, if such report has been relied upon	Not Applicable
5.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis	7.57%
6.	Any other information that may be relevant	Nil

Pricing of RPTs will be benchmarked to similar transactions with unrelated parties with adjustments for commercial terms, as necessary. Where market price is not available, alternative method including reimbursement of actual cost incurred or cost plus mark-up as applicable.

Pursuant to Regulation 23(4) of Listing Regulations, no related parties shall vote to approve the material related party transaction that is being proposed for the consideration of the Members.

The Board of Directors of the Company recommends the Ordinary Resolution at Item No. 5 of the accompanying Notice for approval of the Members of the Company.

None of the Directors and Key Managerial Personnel or their relatives are interested in the resolution, except Shri Venkateswarlu Jasti, Chairman & CEO and Smt. Sudharani Jasti, whole time Director of the Company of the Company and their relatives. Further the Promoters of the Company are also Promoters of SPL.

ITEM NO. 6

Smt. Sudharani Jasti (DIN: 00277998) is the Director and Key Managerial Personnel (KMP) in your Company. She had been on the Board since inception of the Company and successfully managing the company as Whole-time Director providing the right direction and leadership in all governance functions of the Company.

The Board of Directors at its meeting held on 07th May, 2022, on the recommendation of Nomination & Remuneration Committee and audit committee, approved the re-appointment of Smt. Sudharani Jasti as Whole-time Director of the Company for a further period of three (3) years commencing from 01st November 2022.

In terms of the Section 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with Regulation 17 and other applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company may pay remuneration upto a limit as approved by the Members of the company by passing a special resolution.

It may be further noted that, with respect to the remuneration proposed to be paid to a managerial personnel in terms of Schedule V of the Act when the Company has no profits or profits are inadequate in any financial year during the current tenure, the remuneration of managerial personnel shall be approved for a period not more than 3 years with necessary disclosures as specified therein.

The details of Smt. Sudharani Jasti as required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in **Annexure to** this notice.

The information as required under Section II of Part II of the Schedule V of the Companies Act, 2013 is furnished hereunder:

I. General Information

a) Nature of industry: Pharmaceuticals

b) Date of Commencement of commercial operations: 09/03/1989

c) Financial performance based on given indicators: (₹ in lakhs)

Particulars	2021-22	2020-21	2019-20
Total Income	1716.14	2123.20	2845.10
Less: R & D Expenses	2453.42	2517.04	2594.44
Less: Other Expenses	2395.25	1885.49	2373.37
Profit/(Loss) before Interest, Depreciation & Tax	(3132.53)	(2279.33)	(2122.71)
Less: Depreciation and amortization	439.32	434.62	416.87
Less: Finance cost	53.01	81.54	54.03
Net Profit/(Loss) before taxation	(3624.86)	(2795.49)	(2593.61)
Tax Expenses	Nil	(532.28)	(1218.29)
Profit/(Loss) for the year	**(3624.86)**	**(2263.21)**	**(1375.32)**
Dividend (%)	Nil	Nil	Nil
Dividend payout	Nil	Nil	Nil
Share Capital	1453.82	1272.82	1272.82
Other Equity	46143.89	35200.63	37494.53
Net Worth	47597.72	36473.46	38767.35
Gross Block (Tangible & intangible assets)	8031.74	6386.94	7320.73
Net Block (Tangible & intangible assets)	3531.23	1788.08	2079.01
Borrowings (Non-Current)	Nil	39.25	108.49

d) Foreign investments or collaborators, if any.

Company has Wholly Owned Subsidiary named Suven Neurosciences Inc. in USA and investment made therein till 31st March 2022 is USD 54.24 Million. There are no foreign collaborations.

II. Information about the appointee

a) Background details

Smt. Sudharani Jasti is a Graduate in Science from Andhra University.

She returned from USA to India in 1988-89 and promoted your Company in 1989. Since then, she been successfully managing the company as Whole-time Director providing the right direction and leadership in all governance matters.

b) Past remuneration (₹ in lakhs)

Particulars	2021-22	2020-21	2019-20
Salary	181.02	181.00	84.00
Commission	0.00	0.00	0.00
Contribution to Provident Fund	21.72	21.72	0.00
Perquisites	25.14	12.58	0.00
Total	227.88	215.32	84.00

c) Recognition or awards - Nil

d) Job profile and her suitability

Briefly Whole-time Director has an overall responsibility of the Company in all governance matters. Smt. Sudha Rani Jasti, had been on the Board since inception of the Company.

e) Remuneration proposed: As provided in the resolution above

f) Comparative remuneration profile with respect to industry, size of the company, profile of position

Smt. Sudha Rani Jasti, had been on the Board since inception of the company, she contributed to propel its growth. She has streamlined the administrative operations of the company. Her skill set and experience place her in a corresponding major pharma industry in India. The remuneration proposed is reasonably in line with remuneration in similar sized companies in the same industry.

g) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personal, if any.

Smt. Sudha Rani Jasti is the promoter Director in the Company, she is spouse of Mr. Venkateswarlu Jasti, CEO & Chairman of the Company.

III. Other information

a) Reasons of loss or inadequate profits

Your Company continued to advance its innovation efforts on drug discovery molecules which are in the development stages & various clinical trial phase. During the year your company has spent ₹2453 Lakhs on innovative R&D in CNS therapies. However, none of the molecules of the Company has been reached to the stage of monetization & revenue generation. As a result, your Company has posted losses for the financial year 2021-2022.

b) Steps taken or proposed to be taken for improvement

Your Company is working towards the breakthrough in various molecules in the pipeline (15 molecules) which are at the different phases of clinical developments and yet to reach the monetization stage of molecules.

c) Expected increase in productivity and profits in measurable terms.

The Company is engaged in the development of New Chemical Entity for unmet medical needs of the global market where the success or failure is based on the outcome of the clinical development programs as such it would be difficult to forecast the productivity and profits in measurable terms.

IV. Disclosures

The remuneration paid to the Whole Time Director is as stated above at point II (b). The details of all elements of remuneration paid to the Whole Time Director are also presented in the Report on Corporate Governance which is attached to the Annual Report.

The proposed payment of remuneration upto the limits as envisaged in the resolution above is in terms of the Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 read with Regulation 17 and other applicable provisions of the SEBI Listing Regulations which would require approval of the Members of the Company in the general meeting by way of Special Resolution. Hence, the Board of Directors of the Company with the recommendation of the Nomination and Remuneration Committee & Audit Committee of the Board, recommends the Special Resolution at Item No. 6 of the accompanying Notice for approval of the Members of the Company.

Except Smt. Sudharani Jasti and her relatives, none of the other Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of this Notice.

by order of the Board of Directors

Shrenik Soni
Company Secretary
Membership No. A53989

Place: Hyderabad
Date: 24th June, 2022

Registered Office
8-2-334, SDE Serene Chambers
6th Floor, Road No.5, Avenue 7
Banjara Hills, Hyderabad – 500 034
CIN: L24110TG1989PLC009713

ANNEXURE TO NOTICE OF AGM

Additional information on director recommended for appointment/re-appointment at the Annual General Meeting as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable secretarial standards

ITEM NO. 2 & 6

Name of the Director	Smt. Sudharani Jasti
Director Identification Number (DIN)	00277998
Age	68 years
Date of Appointment at current designation/ Date of first appointment on the Board	09/03/1989
Profile / Qualifications & Experience	Smt. Sudharani Jasti is a Graduate in Science from Andhra University; she returned from USA to India in 1988-89 Smt. Sudharani Jasti had been on the Board since inception of the Company and successfully managing the company as Whole-time Director providing the right direction and leadership in all governance matters.
Terms and conditions of appointment / re-appointment	As per the resolution at Item no. 6 of this Notice read with the explanatory statement thereto.
Remuneration proposed to be paid	As provided in the resolution forming part of notice of this meeting.
Names of listed entities in which the person also holds the directorship in other Companies	Nil
Chairmanship/Membership of Committees in other companies in which position of Director is held	Nil
Shareholding in the Company	1000 shares
Relationship with Other Directors, Manager and other Key Managerial Personnel of the company.	Smt. Sudha Rani Jasti is the promoter Director in the Company, she is spouse of Mr. Venkateswarlu Jasti, CEO & Chairman of the Company. Except Shri. Venkateswarlu Jasti and Smt. Sudharani Jasti their relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested, financially or otherwise in the passing of the Resolution at Item No. 6 of the Notice
The number of Meetings of the Board attended/held during the FY 2021-22 i.e. upto 31st March, 2022	5/6

CORPORATE INFORMATION

Board of Directors

Shri Venkateswarlu Jasti	Chairman & CEO
Smt. Sudharani Jasti	Whole-time Director
Prof Seyed E. Hasnain	Director
Shri M Gopalakrishna, IAS (Retd.)	Director
Shri Santanu Mukherjee	Director
Smt. J.A.S. Padmaja	Director

Chief Financial Officer
CMA M Mohan Kumar

Company Secretary
CS Shrenik Soni

Statutory Auditors
Tukaram & Co LLP
Chartered Accountants
209 & 409, Venkataram Towers
Basheer Bagh, Hyderabad - 500 029

Internal Auditors
Vemulapalli & Co.,
Chartered Accountants
H. No. 14-1-90/435, Sai Dwarakamai
1st Floor, Gayatri Nagar Colony, Allapur
Borabanda, Hyderabad – 500 038

Secretarial Auditors
DVM & Associates LLP
Company Secretaries
6/3/154-159, Flat No. 303, Royal Majestic,
Prem Nagar Colony, Hyderabad – 500 004

Bankers
State Bank of India

Research and Development Centre(s):
Research Centre – I
Plot No.18, Phase III, IDA Jeedimetla,
Hyderabad, Telangana – 500 055

Research Centre – II
Plot No(s). 267- 268, IDA Pashamylaram,
Sanga Reddy Dist. Telangana – 502 307

Registrars & Share Transfer Agents
KFin Technologies Limited
Selenium, Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032

Registered Office
8-2-334 I SDE Serene Chambers I 6th Floor I Road No.5 I Avenue 7
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Notes:

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