

IMPETIS BIOSCIENCES LIMITED

Annual Report FY 2023-24

Impetis Biosciences Limited

Regd. Office: C/o 215-217, Avior Corporate Park, Nirmal Galaxy, LBS Road,
Mulund (West), Mumbai – 400080.

CIN: U74999MH2017PLC295474

E-mail: info@impetis.net Website: impetisbiosciences.com

BOARD'S REPORT

The Directors present herewith the Seventh Annual Report of Impetis Biosciences Limited (the "Company") along with the audited financial statements for the financial year ended March 31, 2024.

1. BUSINESS AND OUTLOOK:

The Company has certain Intellectual Property Assets (clinical drug candidates) with potential therapeutic value in domains such as oncology, auto immune, inflammatory diseases and endocrinology. The Company while maintaining these assets, is also exploring opportunities for monetizing these assets. From time to time, the assets have seen interest and evaluation by potential investors and pharmaceutical companies. Some of these evaluations have resulted in term sheets, licensing agreements and commercial exploration.

Apart from direct outreach to entities that might have an interest in the assets, the Company's website, listing the differentiators of its assets, also serves as a conduit between the Company and potential licensees. The Company has successfully out licensed its Adenosine Receptor Antagonists Platform to Tarus Therapeutics LLC and has received certain milestone payments. The Company may receive additional milestone payments in future as the development progresses.

The Company is currently in discussions with a US based entity for its BTK inhibitor program.

2. OPERATIONS OF THE COMPANY

The Company's performance for the financial year ended March 31, 2024 is given below:

(Rupees in lakhs)

| | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|------------------------------------|----------------------------------|----------------------------------|
| Total Income | 562.87 | 905.08 |
| Total Expenditure | 214.98 | 189.50 |
| Profit/(Loss) before tax | 347.89 | 715.58 |
| Tax expense/(income) | 89.51 | 177.56 |
| Profit/ (Loss) for the Year | 258.38 | 538.02 |
| Loss b/f from previous year | - | - |
| Add: Other Comprehensive Income | - | - |
| Deficit c/f to Balance Sheet | - | - |

During the year under review, revenue from operations includes a milestone payment towards the license agreement of intellectual property rights. Other Income pertains to income from investments in mutual funds.

The Company continues to strive to monetise the IP assets of the Company, by reaching out to potential licensors, on a regular basis.

There are no changes in the nature of business or the business line of the Company.

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3. DIVIDEND

The Board of Directors do not recommend any dividend for the year under review.

4. TRANSFER TO GENERAL RESERVES

Your Company does not propose to transfer any amount to the General Reserves for the financial year ended March 31, 2024.

5. SHARE CAPITAL

During the year under review, there was no change in the Company's Issued, Subscribed and Paid-up Equity Share Capital of the Company.

6. NUMBER OF MEETINGS OF THE BOARD

Four Board Meetings were held during the financial year 2023-24 i.e. on April 19, 2023, July 28, 2023, October 19, 2023 and January 19, 2024. The maximum gap between two Board Meetings did not exceed 120 days, as prescribed under the Companies Act, 2013 (the Act).

The number of Meetings attended by the Directors during the financial year 2023-24 is given below:

| Name | No. of Meetings Attended |
|--|--------------------------|
| Mr. K.R.S. Jamwal, Chairman | 4 |
| Mr. Sriram Sethuraman | 4 |
| Mr. Anish Raghunandan (Resigned on 13.2.2024) | 4 |
| Ms. Attreyi Mukherjee | 4 |
| Mr. Abhishek Jain (Appointed w.e.f. 4.3.2024)* | N.A. |

* No Board Meetings were held since his appointment as a Director of the Company during FY 2023-24.

7. DIRECTORS

Mr. K. R. S. Jamwal (DIN 03129908) would retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice of AGM.

The Board of Directors has appointed Mr. Abhishek Jain (DIN: 10528511) as an Additional Director of the Company w.e.f. March 04, 2024. Pursuant to the provisions of the Act, Mr. Jain would hold office up to the date of the ensuing AGM. Considering his skills and experience, the Board was of the opinion that his appointment as Non-Executive Director would immensely benefit the Company.

Accordingly, the proposal for appointment of Mr. Jain as a Non-Executive Director of the Company is being placed for approval of the Members at the ensuing AGM.

The Board commends the above.

Necessary items pertaining to the Directors appointment/ re-appointment forms part of the Notice convening the AGM.

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Mr. Anish Raghunandan (DIN: 09047749) ceased to be Director (Non-Executive) of the Company w.e.f. close of business hours of February 13, 2024. The Board places on record its sincere appreciation for his contribution to the Company.

The Company has no pecuniary relationship or transaction with any of the Directors. None of the Directors are related, inter-se.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, including audit of internal financial controls over financial reporting by the statutory auditors and the review performed by the Management, the Board is of the opinion that the Company's internal financial controls and compliance systems were adequate and effective during the year under review.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirms that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that year;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a 'going concern' basis; and
- v. they have devised proper systems, to ensure compliance with the provisions of all the applicable laws, which are adequate and operating effectively.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As on March 31, 2024, there were no outstanding loans, guarantees or investments covered under the provisions of Section 186 of the Act.

10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the end of the year under review till the date of this Report which affect the financial position of the Company.

11. RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were in the ordinary course of the business and on an arm's length basis.

12. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiaries, associates and / or joint venture companies.

Accordingly, the statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is not applicable.

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13. i. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company's activities involve low energy consumption. However, efforts are continuously made to conserve and reduce energy consumption.

Meanwhile, measures are being taken to improve energy efficiency at the Company's workplaces, on a continuous basis.

The Company continues to adopt and use latest technologies to improve the efficiency and effectiveness of its business operations.

ii. FOREIGN EXCHANGE EARNINGS AND OUTGO

The earnings in foreign exchange of the Company amounted to Rs. 4,09,78,100/- for the financial year 2023-24 (Previous Year Rs. 8,08,84,784/-) and the expenditure incurred in foreign currency amounted to Rs. 73,152/- (Previous Year: Rs. 1,82,708/-).

14. i. RISK MANAGEMENT POLICY

The Company has developed and implemented a Risk Management Policy covering the possible risks that may be faced by the Company.

ii. INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of internal financial control with reference to the financial statements presented by the Company, commensurate with its size and operations.

15. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

During the year under review, no significant and material orders were passed by the regulators or courts or Tribunals impacting the going concern status and Company's operations in future.

16. DEPOSITS

The Company has not accepted any deposits from public, pursuant to Section 73 of the Act and therefore the provisions relating to disclosure of details of deposits are not applicable to the Company.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant Section 135 of the Act, the Board of Directors has adopted the CSR policy, which is available on Company's website at <https://impetisbiosciences.com/investor-relations>.

During the year, the Company spent Rs. 4.75 lakhs on CSR activities through Tata Cancer Care Foundation (TCCF) for treatment of cancer patients.

The Company identified focus areas of engagement which have been enumerated in the Annual Report on CSR activities attached as Annexure A.

18. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company is not required to establish a vigil mechanism pursuant to Section 177 of the Act.

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19. STATUTORY AUDITORS' REPORT

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under Section 133 of the Act. The Statutory Auditors' Report does not contain any qualifications, reservations, adverse remarks, or disclaimers.

The Statutory Auditors of the Company have not reported any fraud to the Board of Directors as specified under Section 143(12) of the Act, during the year under review.

20. STATUTORY AUDITORS

Pursuant to Section 139 of the Act and Rules framed thereunder, M/s. M A Parikh Shah & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 107556W/W100897) were appointed as the Statutory Auditors of the Company at the AGM held on May 30, 2023, to hold office for a period of 5 years from the conclusion of 6th AGM till the conclusion of the 11th AGM to be held in the year 2028.

21. COST AUDITORS

Maintenance of cost records as specified by the Central Government under Section 148 (1) of the Act is not applicable to the Company.

22. SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

23. ANNUAL RETURN

The Annual Return as provided under Section 92(3) read with Section 134(3)(a) of the Act as prescribed in Form No. MGT-7 of the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <https://impetisbiosciences.com/investor-relations>.

In pursuance of the Companies (Management and Administration) Second Amendment Rules, 2023, the Board of Directors of the Company are the Designated Persons.

24. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There were no proceedings or appeals pending and no application has been filed under Insolvency and Bankruptcy Code, 2016 during the year under review as also from the end of the financial year up to the date of this report.

25. 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

During the year under review, the Company did not make any onetime settlement with Banks or Financial Institutions.

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26. ACKNOWLEDGEMENT

The Board places on record their appreciation for the contributions made by the management, stakeholders and shareholders of the Company during the year under this report.

For and on behalf of the Board of Directors,



K.R.S. Jamwal
Chairman
DIN: 03129908

Place: Mumbai
Date: April 17, 2024

Registered Office:
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ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2023-24**1. Brief outline on CSR Policy of the Company:**

The Company's endeavour is to protect the interests of all its stakeholders and contribute to society. The projects/ activities undertaken are within the broad framework of Schedule VII to the Companies Act, 2013 ('the Act').

The CSR initiative undertaken by the Company during the year is outlined below:

| Sr. No. | Project | Details |
|---------|---|---|
| 1. | Providing financial support towards treatment of cancer patients | <p>Tata Cancer Care Foundation ("TCCF") is a Section 8 company which endeavours to implement the ambitious Cancer Care Initiative ensuring affordable, high-quality healthcare to millions of Indians, closer to their homes. TCCF has also set up its hospitals at Tirupati and Ranchi, with an aim to extend financial support to the following categories of individuals approaching the hospitals for diagnostics and /or treatment of cancer for:</p> <ol style="list-style-type: none"> 1. Individuals who are covered under existing Government health schemes in both the States. 2. Individuals belonging to Below Poverty Line (BPL)/Economically Weaker Section (EWS) categories of society and are not covered under any Government health scheme. 3. Patients who have existing Government health scheme cover but have exhausted their eligible limit. |

2. Composition of CSR Committee: Not Applicable. *

| Sr. No. | Name of Director Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---|--|--|
| 1. | | | |
| 2. | | | |

* Pursuant to Section 135(9) of the Act.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. – <https://impetisbiosciences.com/investor-relations>.

4. Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable. – *Not Applicable*
5. (a) Average net profit of the company as per sub-section (5) of section 135. – Rs. 2,37,30,744 /-
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135. – Rs. 4,74,615/-
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. – *Not Applicable*
 (d) Amount required to be set-off for the financial year, if any. – *Not Applicable*
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. – Rs. 4,74,615/-
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – Rs. 4,75,000/-
 (b) Amount spent in Administrative overheads. – Nil
 (c) Amount spent on Impact Assessment, if applicable. – *Not Applicable*
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. – Rs. 4,75,000/-
 (e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.) | | | | |
|---|--|------------------|--|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135. | | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135. | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 4,75,000 | Not Applicable | | Not Applicable | | |

(f) Excess amount for set-off, if any:

| S No. | Particulars | Amount (in Rs.) |
|-------|---|-----------------|
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | 4,74,615 |
| (ii) | Total amount spent for the Financial Year | 4,75,000 |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 385 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | Nil |
| (v) | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | 385 |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years - *Not Applicable*

| Sl. No | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Amount Spent in the Financial Year (in Rs) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any | | Amount remaining to be spent in succeeding Financial Years (in Rs) | Deficiency, if any |
|--------|-----------------------------|---|--|--|--|------------------|--|--------------------|
| | | | | | Amount (in Rs) | Date of transfer | | |
| 1 | | | | | | | | |
| 2 | | | | | | | | |
| TOTAL | | | | | | | | |


8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No, the Company has not created or acquired any capital asset through CSR amount spent during FY 2023-24.

| Sl. No | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner | | |
|--------|--|-------------------------------------|------------------|----------------------------|---|------|--------------------|
| | | | | | CSR Registration Number, if applicable | Name | Registered Address |
| 1 | | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. – *Not Applicable*

Place: Mumbai
Date: April 17, 2024

For and on behalf of the Board of Directors,



K.R.S. Jamwal
Chairman
DIN: 03129908

M A PARIKH SHAH & ASSOCIATES LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Impetis Biosciences Limited

Report on the Audit of Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Impetis Biosciences Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended on that date and notes to financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'the financial statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the 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 Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the financial statements and Auditor's Report Thereon

4. The Company's Board of Directors is responsible for the preparation of other information. The other information obtained at the date of this auditor's report is Director's report but does not include the financial statements and our auditor's report thereon.

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



LLPIN: ABZ-8460

M A Parikh Shah & Associates (formerly known as M A Parikh & Co) having partnership firm registration no. B-165353 has been converted from a Firm into Limited Liability Partnership w.e.f.16th January 2023. B 21-25 Paragon Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400013
Phone: 4073 3000 / 4156 9000- E-MAIL: map@maparikh.co.in

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

If, based on the work we have performed on the other information obtained prior to the date of this report, 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
8. As required by section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2024, from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report given 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 Company has not paid any remuneration to its directors during the year.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the 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) There are no pending litigations and hence the question of disclosing the financial impact thereof in the financial statements does not arise.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There are no amounts which were required to be transferred to the Investor Education and Protection Fund.



- (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of 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(s) or entities including foreign entities ("Funding Parties") with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on such audit procedures that we 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) As stated in Note 23 to the financial statements, the final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For M A Parikh Shah & Associates LLP
Chartered Accountants
Firm's Registration No. 107556W / W100897



Dhaval B. Selwadia
Partner
Membership No. 100023
UDIN: 24100023BKCCBF9506



Place: Mumbai
Date: 17th April, 2024

Impetis Biosciences Limited

Annexure – A to the Independent Auditors' Report for the year ended 31st March, 2024

[Referred to in point 7 under the heading "Report on other legal and regulatory requirements" of our report of even date]

- (i) In respect of property, plant and equipment (PPE) and intangible assets
 - (a) (A) The Company does not own any PPE. Therefore, paragraph 3(i)(a)(A), (b) and (c) of the Order is not applicable.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has not revalued its intangible assets during the year. Therefore, paragraph 3(i)(d) of the Order is not applicable.
- (c) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- (ii) (a) The Company does not hold any inventory. Therefore, paragraph 3(ii)(a) is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Therefore, paragraph 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has not made investments in, provided any guarantee or security, or granted loans, secured or unsecured, to companies, firms, limited liability partnerships, and to other parties. Therefore, paragraph 3(iii) of the Order is not applicable.
- (iv) The Company has not granted loans, provided guarantees or security covered under section 185 and 186 of the Act. Investments in units of mutual fund do not get covered by the provisions of Section 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Therefore, question of reporting compliance with directive issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder does not arise. We are informed that no order relating to the Company has been passed by the company Law Board or National company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Act. Therefore, paragraph 3(vi) of the Order is not applicable.



- (vii) In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of accounts, the company has been regular in depositing the undisputed statutory dues including goods and service tax, income-tax and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no undisputed amounts payable in respect of the said statutory dues, outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.
- As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance, sales tax, duty of custom, duty of excise, value added tax and cess.
- (b) There is no disputed liability in respect of aforesaid statutory dues. Therefore, paragraph 3(vii)(b) of the Order is not applicable.
- (viii) In our opinion, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. Therefore, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company has not taken any loans or borrowings from any lender. Therefore, paragraph 3(ix) of the Order is not applicable.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Therefore, paragraph 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally convertible) during the year. Therefore, paragraph 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given by the management, and based on the procedures carried out during the course of our audit, no fraud by the company or on the company has been noticed or reported during the course of our audit. Therefore, paragraph 3(xi)(a) of the Order is not applicable.
- (b) In view of our comments in clause (a) above, no report under sub-section (12) of section 143 of the Act was required to be filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the management, no whistle-blower complaints were received during the year.
- (xii) The Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- (xiv) Provisions of section 138 of the Act with regards to formal internal audit system are not applicable to the Company. Therefore, paragraph 3(xiv) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Therefore, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi)(a), (b), (c) of the Order is not applicable.

(b) According to the information and explanation given to us by the management, the Group has five CICs which are registered with the Reserve Bank of India and two CICs which are not required to be registered with the Reserve Bank of India. We have, however, not separately evaluated whether the information provided by the management is accurate and complete.
- (xvii) The Company has not incurred cash loss in the financial year and in the preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) In our opinion and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumption, nothing has come to our attention, which causes us to believe that any material uncertainty exist as on the date of audit report indicating that the Company is not capable of meeting its liabilities existing as at the date of balance sheet as and when they fall due within a period of one year from the balance sheet. 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 upto 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) According to the information and explanations given to us, during the year, there are no unspent amounts towards corporate social responsibility (CSR). Therefore, paragraph 3(xx) of the Order is not applicable.

For M A Parikh Shah & Associates LLP
Chartered Accountants
Firm's Registration No. 107556W / W100897



Dhaval B. Selwadia
Partner
Membership No. 100023
UDIN: 24100023BKCCBF9506



Place: Mumbai

Annexure – B to the Independent Auditors' Report for the year ended 31st March, 2024

[Referred to in paragraph 8(f) under the heading "Report on other legal and regulatory requirements" of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under section 143(3)(i) of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of **Impetis Biosciences Limited** ("the Company"), as of 31st March, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, 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, 2024, 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.

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 ("the Guidance Note"), issued by 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to financial statements 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") issued by ICAI and the and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statement. 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 with reference to financial statements 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 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 with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For M A Parikh Shah & Associates LLP
Chartered Accountants
Firm's Registration No. 107556W / W100897



Dhaval B. Selwadia

Partner

Membership No. 100023

UDIN: 24100023BKCCBF9506



Place: Mumbai


Date: 17th April, 2024


Impetis Biosciences Limited
Balance Sheet as at 31st March, 2024
CIN: U74999MH2017PLC295474
All amounts are in INR (Lakhs) otherwise stated

| Particulars | Note no. | As at 31st March, 2024 | As at 31st March, 2023 |
|--|----------|------------------------|------------------------|
| I. Assets | | | |
| Non-current assets | | | |
| Other intangible assets | 3 | 550.86 | 675.99 |
| Other non-current assets | 4 | 5.26 | 2.69 |
| | | 556.12 | 678.68 |
| Current assets | | | |
| Financial assets | | | |
| Investments | 5 | 2,009.35 | 1,925.45 |
| Cash and cash equivalents | 6 | 6.54 | 4.72 |
| Other current assets | 7 | 89.45 | 17.39 |
| | | 2,105.34 | 1,947.56 |
| Total | | 2,661.46 | 2,626.24 |
| II. Equity and liabilities | | | |
| Equity | | | |
| Equity share capital | 8 | 373.22 | 373.22 |
| Other equity | 9 | 2,175.84 | 2,178.73 |
| | | 2,549.06 | 2,551.95 |
| Non-current liabilities | | | |
| Deferred tax liabilities | 10 | 79.78 | 45.27 |
| | | 79.78 | 45.27 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Trade payables | 11 | - | - |
| - Total outstanding dues of micro enterprises and small enterprises | | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 29.03 | 18.42 |
| Other current liabilities | 12 | 0.50 | 1.91 |
| Current tax liabilities | 13 | 3.09 | 8.69 |
| | | 32.62 | 29.02 |
| Total | | 2,661.46 | 2,626.24 |
| Summary of material accounting policies | 2 | | |
| Refer accompanying notes. These notes are an integral part of the financial statements | 1 to 30 | | |

As per our report of even date attached


For M A Parikh Shah & Associates LLP
Chartered Accountants
Firm Registration No : 107556W / W100897



Dhaval B. Selwadia
Partner
Membership No. 100023



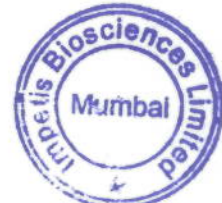
Place : Mumbai
Date : 17th April, 2024

For and on behalf of the Board of Directors


KRS Jamwal
Director
DIN: 03129908


S. Sriram
Director
DIN: 05320597

Place : Mumbai
Date : 17th April, 2024



Impetis Biosciences Limited
Statement of Profit and Loss for the year ended 31st March, 2024
CIN: U74999MH2017PLC295474
All amounts are in INR (Lakhs) otherwise stated, except per share data

| Particulars | | Note no. | For the year ended 31st March, 2024 | For the year ended 31st March, 2023 |
|--|--|----------|-------------------------------------|-------------------------------------|
| I | Revenue from operations | 14 | 409.78 | 794.42 |
| II | Other income | 15 | 153.09 | 110.66 |
| III | Total income | | 562.87 | 905.08 |
| IV | Expenses | | | |
| | Amortisation expense | 3 | 125.13 | 126.50 |
| | Other expenses | 16 | 89.85 | 63.00 |
| | Total expenses | | 214.98 | 189.50 |
| V | Profit before tax (III-IV) | | 347.89 | 715.58 |
| VI | Tax expense | | | |
| | Current tax | | 55.00 | 38.90 |
| | Deferred tax charge | 22 | 34.51 | 138.66 |
| | | | 89.51 | 177.56 |
| VII | Profit for the year (V-VI) | | 258.38 | 538.02 |
| VIII | Other comprehensive income | | | |
| A | (i) Items that will not be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| B | (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income Tax relating to items that will be reclassified to profit or loss | | - | - |
| | Total other comprehensive income | | - | - |
| IX | Total comprehensive income for the year (VII + VIII) | | 258.38 | 538.02 |
| X | Earnings per equity share (face value of Rs. 10 each) Basic and diluted (Rs.) | 27 | 6.92 | 14.42 |
| Summary of material accounting policies | | 2 | | |
| Refer accompanying notes. These notes are an integral part of the financial statements | | 1 to 30 | | |

As per our report of even date attached

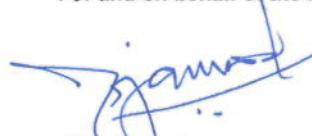
For M A Parikh Shah & Associates LLP
Chartered Accountants
Firm Registration No : 107556W / W100897



Dhaval B. Selwadia
Partner
Membership No. 100023



Place : Mumbai
Date : 17th April, 2024

For and on behalf of the Board of Directors


KRS Jamwal
Director
DIN: 03129908


S. Sriram
Director
DIN: 05320597

Place : Mumbai
Date : 17th April, 2024





Impetis Biosciences Limited
Statement of Changes in Equity for the year ended 31st March, 2024
CIN: U74999MH2017PLC295474
All amounts are in INR (Lakhs) otherwise stated, except per share data

A. Equity share capital

| Particulars | Balance at the beginning of the reporting year | Changes in equity share capital due to prior period errors | Restated balance at the beginning of the reporting year | Changes in equity share capital during the year/ (Buy-back of shares) | Balance at the end of the reporting year |
|------------------------------------|--|--|---|---|--|
| Year ended 31st March, 2024 | | | | | |
| No. of shares | 37,32,155 | - | 37,32,155 | - | 37,32,155 |
| Amount | 373.22 | - | 373.22 | - | 373.22 |
| Year ended 31st March, 2023 | | | | | |
| No. of shares | 37,32,155 | - | 37,32,155 | - | 37,32,155 |
| Amount | 373.22 | - | 373.22 | - | 373.22 |

B. Other equity

| Particulars | Reserves and Surplus | | | Other Comprehensive Income | Total |
|---------------------------------------|----------------------|----------------------------|-------------------|----------------------------|----------|
| | Securities Premium | Capital Redemption Reserve | Retained Earnings | | |
| Balance as at 1st April, 2022 | 1,763.79 | 77.29 | (203.75) | 3.38 | 1,640.71 |
| Profit for the year | - | - | 538.02 | - | 538.02 |
| Balance as at 31st March, 2023 | 1,763.79 | 77.29 | 334.27 | 3.38 | 2,178.73 |
| Profit for the year | - | - | 258.36 | - | 258.36 |
| Dividend | 1,763.79 | 77.29 | 592.63 | 3.38 | 2,437.09 |
| | - | - | 261.25 | - | 261.25 |
| Balance at 31st March, 2024 | 1,763.79 | 77.29 | 331.38 | 3.38 | 2,175.84 |

As per our report of even date attached

For M A Parikh Shah & Associates LLP
Chartered Accountants
Firm Registration No : 107556W / W100897

Dhaval B. Selwadia

Dhaval B. Selwadia
Partner
Membership No. 100023

Place : Mumbai
Date : 17th April, 2024



For and on behalf of the Board of Directors

KRS Jamwal

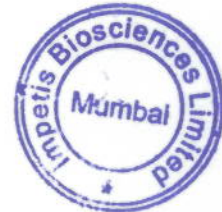
KRS Jamwal
Director
DIN: 03429908

Place : Mumbai
Date : 17th April, 2024

S. Sriram

S. Sriram
Director
DIN: 05320597

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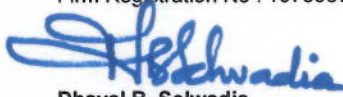


Impetis Biosciences Limited
Cash Flow Statement for the year ended 31st March, 2024
CIN: U74999MH2017PLC295474
All amounts are in INR (Lakhs) otherwise stated

| Particulars | For the year ended 31st March, 2024 | For the year ended 31st March, 2023 |
|--|-------------------------------------|-------------------------------------|
| A. Cash flow from operating activities | | |
| Net profit before tax | 347.89 | 715.58 |
| Adjustments : | | |
| Amortisation on intangible assets | 125.13 | 126.50 |
| Fair value gain on investments (net) | (120.68) | (60.81) |
| (Gain) on redemption of current investments | (26.81) | (32.80) |
| Operating profit before working capital changes | 325.53 | 748.47 |
| <u>Working capital adjustments</u> | | |
| Loans and advances and other assets | (74.63) | 10.32 |
| Trade payables, other liabilities and provisions | 9.20 | 2.51 |
| Cash flow from operating activities | 260.10 | 761.30 |
| Direct taxes (payment made) | (60.60) | (30.21) |
| Net cash flow generated from operating activities (A) | 199.50 | 731.09 |
| B. Cash flow from investing activities | | |
| Redemption of / (Investment in) mutual fund units (net) | 63.57 | (727.33) |
| Net cash flow generated from/ (used in) investing activities (B) | 63.57 | (727.33) |
| C. Cash flow from financing activities | | |
| Dividend paid | (261.25) | - |
| Net cash (used in) financing activities (C) | (261.25) | - |
| Net increase in cash and cash equivalent (A+B+C) | 1.82 | 3.76 |
| Cash and cash equivalents at the beginning of the year | 4.72 | 0.96 |
| Cash and cash equivalents at the end of the year | 6.54 | 4.72 |
| Break up of cash and cash equivalents | | |
| Balances with banks | 6.54 | 4.72 |
| | 6.54 | 4.72 |
| The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. | | |
| Summary of material accounting policies | 2 | |
| Refer accompanying notes. These notes are an integral part of the financial statements | 1 to 30 | |

As per our report of even date attached

For M A Parikh Shah & Associates LLP
Chartered Accountants
Firm Registration No : 107556W / W100897



Dhaval B. Selwadia
Partner
Membership No. 100023



Place : Mumbai
Date : 17th April, 2024

For and on behalf of the Board of Directors



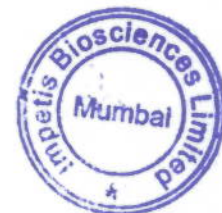
KRS Jamwal
Director
DIN: 03129908



S. Sriram
Director
DIN: 05320597

Place : Mumbai
Date : 17th April, 2024





Impetis Biosciences Limited
Notes forming part of financial statements

1 Company information

Impetis Biosciences Limited was incorporated on 29th May, 2017 under the Companies Act, 2013 with its objects of carrying on business to acquire/develop/maintain Intellectual Property Assets (IP) and licence the "rights" to use IP, for which the consideration could be in the form of upfront and/or milestone payments and/or royalty payments.

The functional and presentation currency of the company is Indian Rupee (INR). INR is also the currency of the primary economic environment in which the company operates.

The company's financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 17th April, 2024 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

2 Material accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013. ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

The financial statements have been prepared on accrual and going concern basis.

2.2 Basis of preparation and presentation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair value by Ind AS. 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 financial statements are in accordance with Division II of Schedule III to the Act, as applicable to the company.

2.3 Rounding off amounts

All amounts disclosed in the financial statements have been rounded off to the nearest lakhs, except where otherwise indicated. Transactions and balances with values below the rounding off norm adopted by the company have been reflected as "0.00" in the relevant notes in these financial statements.

2.4 Use of significant accounting estimates, judgements and assumptions

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of intangible assets as discussed below:

Assumptions and estimation uncertainty

| Items requiring significant estimate | Assumption and estimation uncertainty |
|---|--|
| Useful lives of Intangible assets | The company reviews the estimated useful lives of intangible assets at the end of each reporting period. There are no changes in the useful lives. |

Impairment of intangible assets

In case of Intangible assets, the company makes the judgement as to the recoverable amount of such assets or future cash flows from the use of such asset to test the impairment.



2.5 Measurement of fair values

The company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurement, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.6 Fair value measurements of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Further details are set out in note no. 19.

2.7 Revenue recognition

Income from out-licensing agreements typically arises from the receipt of upfront, milestone and other similar payments from third parties for granting license to intellectual property rights (IPRs). These agreements may be entered into with no further obligation or may include commitments to regulatory approval, co-marketing or manufacturing. These may be settled by a combination of upfront payments, milestone payments and other fees. These arrangements typically also consist of subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement.

Based on an evaluation of whether or not these obligations are inconsequential or perfunctory, the company recognises or defers the upfront payments received under these arrangements.

Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the milestones are considered substantive, or over the period of continuing performance obligations, if the milestones are not considered substantive. Whether to consider these commitments as a single performance obligation or separate ones, or even being in scope of Ind AS 115 - "Revenues from Contracts with Customers", is not straight forward and requires some judgement. Depending on the conclusion, this may result in all revenue being calculated at inception and either being recognised at point in time or spread over the term of a longer performance obligation. Where performance obligations may not be distinct, this will be bundled with the subsequent product supply obligations. The new standard provides an exemption for sales-based milestones for licenses of intellectual property which will continue to be recognised as revenue as underlying sales are incurred.

Revenue from sales-based milestones and royalties promised in exchange for a license of IP is recognised only when, or as, the later of subsequent sale or the performance obligation to which some or all of the sales-based milestone / royalty has been allocated, is satisfied. The company estimates variable consideration in the form of sales-based milestones / royalties by using the expected value or most likely amount method, depending on which method the company expects to better predict the amount of consideration to which it will be entitled.



2.8 Income taxes

Income tax comprises current and deferred tax. It is recognised in profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(a) Current taxes

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

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

(b) Deferred taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.9 Intangible assets

(a) Recognition and measurement

Intangible assets being intellectual property rights (IP) acquired separately are measured on initial recognition at cost and thereafter are carried at cost after reducing therefrom accumulated amortisation and accumulated impairment losses if any.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

(c) Amortisation

The IP acquired and capitalised by the company have estimated useful lives ranges from 9 to 20 years and the company amortizes intangible assets with a finite useful life using the straight-line method and is included in amortisation in Statement of Profit and loss. The estimated useful life and the amortisation method for intangible assets with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(d) Derecognition

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use or disposal. Losses arising on such de-recognition are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible asset as on the date of de-recognition.

(e) Impairment

The company assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the company estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is immediately recognised in the statement of profit and loss. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised in the profit or loss. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation, if no impairment loss had been recognised.



2.10 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers regularly monitors and reviews the operating result of the whole company taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

2.11 Earnings per share

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

2.12 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

2.13 Provisions, contingent liabilities and contingent assets

The company recognizes provisions when there is present obligation as a result of past events and it is probable that there will be an outflow of resources and reliable estimate (legal or constructive) of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period taking into account the risk and uncertainties surrounding the obligation. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed for

- possible obligation which will be confirmed only by future events not wholly within the control of the company
- present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

2.14 Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

(a) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(b) Financial assets

- Cash and cash equivalents

Cash and cash equivalents includes balances with banks that are restricted for withdrawal and usage.

- Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and 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.

- Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if such financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell such financial assets and 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.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are carried at fair value through profit and loss.

The company in respect of investments which are not held for trading has made an election to present it at fair value through profit and loss. Such an election is made by the company on an instrument by instrument basis at the time of initial recognition. These investments are held for medium or long-term strategic purpose.



Impetis Biosciences Limited
Notes forming part of financial statements

- **Derecognition of financial assets**
The company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.
- **Interest income**
Interest income from the financial asset is recognised when it is probable that the economic benefits will flow to the company and can be measured reliably. Interest income is recognised on a time proportion basis taking into account the amount outstanding and at the effective interest rate applicable.

(c) Financial liabilities

- **Classification as debt or equity**
Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.
- **Equity instruments**
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.
- **Financial liabilities**
Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.
- **Derecognition of financial liabilities**
The company de-recognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

2.15 Foreign currency transactions and translation

The functional currency of the company is the Indian Rupee.

Transactions in foreign currencies are translated into the respective functional currencies of the company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit and loss, except exchange differences arising from the translation of the following items which are recognised in Other Comprehensive Income (OCI):

- equity investments at fair value through OCI (FVOCI);
- qualifying cash flow hedges to the extent that the hedges are effective.

2.16 Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.17 Dividend

Final dividend on shares are recorded as a liability, on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

2.18 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.



3 Other intangible assets

As at 31st March, 2024

| Particulars | Gross block | | Accumulated amortization | | | Net block |
|------------------------------|-----------------------|------------------------|--------------------------|---------------|------------------------|------------------------|
| | As at 1st April, 2023 | As at 31st March, 2024 | As at 1st April, 2023 | For the year | As at 31st March, 2024 | As at 31st March, 2024 |
| Intellectual property rights | 2,051.12 | 2,051.12 | 1,375.13 | 125.13 | 1,500.26 | 550.86 |
| Total | 2,051.12 | 2,051.12 | 1,375.13 | 125.13 | 1,500.26 | 550.86 |

As at 31st March, 2023

| Particulars | Gross block | | Accumulated amortization | | | Net block |
|------------------------------|-----------------------|------------------------|--------------------------|---------------|------------------------|------------------------|
| | As at 1st April, 2022 | As at 31st March, 2023 | As at 1st April, 2022 | For the year | As at 31st March, 2023 | As at 31st March, 2023 |
| Intellectual property rights | 2,051.12 | 2,051.12 | 1,248.63 | 126.50 | 1,375.13 | 675.99 |
| Total | 2,051.12 | 2,051.12 | 1,248.63 | 126.50 | 1,375.13 | 675.99 |



Impetis Biosciences Limited
Notes forming part of financial statements
All amounts are in INR (Lakhs) otherwise stated

4 Other non-current assets

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|------------------|---------------------------|---------------------------|
| Prepaid expenses | 5.26 | 2.69 |
| Total | 5.26 | 2.69 |

5 Current financial assets - investments

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Investments measured at fair value through profit or loss (FVTPL) | | |
| Quoted | | |
| - Investments in mutual funds | | |
| 245.939 (previous year : 3,456.146) units of Tata Liquid Fund Direct Plan - Growth | 9.37 | 122.75 |
| 1,45,63,970.824 (previous year : 1,42,15,858.15) units of Tata Arbitrage Fund Direct Plan - Growth | 1,999.98 | 1,802.70 |
| Total | 2,009.35 | 1,925.45 |
| Aggregate book value of quoted investments | 2,009.35 | 1,925.45 |
| Aggregate market value of quoted investments | 2,009.35 | 1,925.45 |

6 Current financial assets - cash and cash equivalents

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Balances with banks in current accounts | 6.54 | 4.72 |
| Total | 6.54 | 4.72 |

7 Other current assets

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Prepaid expenses | 18.83 | - |
| Balances with government authorities | | |
| - Goods and service tax credit receivable | 70.62 | 17.39 |
| Total | 89.45 | 17.39 |



8 Equity share capital

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| Authorised 49,00,000 equity shares of Rs. 10/- each (previous year: 49,00,000 equity shares of Rs. 10/- each) | 490.00 | 490.00 |
| | 490.00 | 490.00 |
| Issued, subscribed and paid-up 37,32,155 equity shares of Rs. 10/- each (previous year 37,32,155 equity shares of Rs. 10/- each) fully paid-up | 373.22 | 373.22 |
| | 373.22 | 373.22 |

8.1 Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

| Particulars | Opening balance | Fresh issue | Buy-back | Closing balance |
|------------------------------------|-----------------|-------------|----------|-----------------|
| Equity shares | | | | |
| Year ended 31st March, 2024 | | | | |
| - Number of equity shares | 37,32,155 | - | - | 37,32,155 |
| Year ended 31st March, 2023 | | | | |
| - Number of equity shares | 37,32,155 | - | - | 37,32,155 |

8.2 Rights, preferences and restrictions attached to equity shares

The company has only one class of equity share having a par value of Rs.10 per share. Each holder of equity share is entitled for one vote per share. Accordingly, all the equity shares rank equally with regard to dividend and share in the company's residual assets. The equity shareholders are entitled to receive dividend as and when declared from time to time. On winding up of the company, the holder's of equity shares will be entitled to receive the residual assets of the company after distribution of all preferential amounts in proportion to the number of equity shares held.

8.3 Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the company

| Name of the shareholder | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---------------------------|------------------------|---------------|------------------------|---------------|
| | No. of shares held | % held | No. of shares held | % held |
| Tata Sons Private Limited | 16,59,375 | 44.46% | 16,59,375 | 44.46% |
| Tata Industries Limited | 12,82,892 | 34.37% | 12,82,892 | 34.37% |
| Rallis India Limited | 4,63,271 | 12.41% | 4,63,271 | 12.41% |
| Total | 34,05,538 | 91.25% | 34,05,538 | 91.25% |



8.4 Details of aggregate number of equity shares issued for consideration other than cash for period of five years immediately preceding the date of the balance sheet

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| <u>Allotted as fully paid up pursuant to contract without payment being received in cash</u> Equity shares were issued for consideration other than cash in the financial year 2018-2019 | - | 27.72 |

8.5 Details of equity shares bought back for period of five years immediately preceding the date of the balance sheet

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Number of equity shares bought back (Equity shares were bought back in the financial year 2020-2021) | 7.73 | 7.73 |

8.6 Details of shares held by promoters in the company

| Sr. no | Promoter name | Closing no. of shares held | % of total shares | % Change during the year |
|--------|---------------------------|----------------------------|-------------------|--------------------------|
| I | As at 31st March, 2024 | | | |
| | Tata Sons Private Limited | 16,59,375 | 44.46% | - |
| | Tata Industries Limited | 12,82,892 | 34.37% | - |
| II | As at 31st March, 2023 | | | |
| | Tata Sons Private Limited | 16,59,375 | 44.46% | - |
| | Tata Industries Limited | 12,82,892 | 34.37% | - |



Impetis Biosciences Limited
Notes forming part of financial statements
All amounts are in INR (Lakhs) otherwise stated

9 Other equity

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Securities premium (refer note (a) below) | | |
| Balance at the beginning of the year | 1,763.79 | 1,763.79 |
| Add/ (less) : movements during the year | - | - |
| Balance at the end of the year | 1,763.79 | 1,763.79 |
| Capital redemption reserve (refer note (b) below) | | |
| Balance at the beginning of the year | 77.29 | 77.29 |
| Add/ (less) : movements during the year | - | - |
| Balance at the end of the year | 77.29 | 77.29 |
| Other comprehensive income | | |
| Balance at the beginning of the year | 3.38 | 3.38 |
| Add/ (less) : movements during the year | - | - |
| Balance at the end of the year | 3.38 | 3.38 |
| Retained earnings | | |
| Balance at the beginning of the year | 334.27 | (203.75) |
| Add: Profit for the year | 258.36 | 538.02 |
| | 592.63 | 334.27 |
| (Less): Appropriations: | | |
| Dividend paid during the year | 261.25 | - |
| Balance at the end of the year | 331.38 | 334.27 |
| Total | 2,175.84 | 2,178.73 |

Notes:

(a) Securities premium:

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

(b) Capital redemption reserve:

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

10 Deferred tax liabilities

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Deferred tax liabilities (refer note no. 22) | 79.78 | 45.27 |
| Total | 79.78 | 45.27 |



Impetis Biosciences Limited
Notes forming part of financial statements
All amounts are in INR (Lakhs) otherwise stated

11 Current financial liabilities - Trade payables (refer note no. 17 for ageing)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| -Total outstanding dues of micro enterprises and small enterprises (refer note no. 18) | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 29.03 | 18.42 |
| Total | 29.03 | 18.42 |

12 Other current liabilities

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|----------------|------------------------|------------------------|
| Statutory dues | 0.50 | 1.91 |
| Total | 0.50 | 1.91 |

13 Current tax liabilities (net)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|-------------------------------|------------------------|------------------------|
| Current tax liabilities (net) | 3.09 | 8.69 |
| Total | 3.09 | 8.69 |



Impetis Biosciences Limited
Notes forming part of financial statements
All amounts are in INR (Lakhs) otherwise stated

14 Revenue from operations

| Particulars | For the year ended 31st March, 2024 | For the year ended 31st March, 2023 |
|--|-------------------------------------|-------------------------------------|
| Milestone payments towards the license agreement of intellectual property rights | 409.78 | 794.42 |
| Total | 409.78 | 794.42 |

15 Other income

| Particulars | For the year ended 31st March, 2024 | For the year ended 31st March, 2023 |
|--|-------------------------------------|-------------------------------------|
| Interest on delayed payment from customer | - | 14.43 |
| Gain on redemption of current investments | 26.81 | 32.80 |
| Net gain on investments measured at fair value through profit and loss | 120.68 | 60.81 |
| Net gain on foreign currency transaction and translation | 5.60 | 2.62 |
| Total | 153.09 | 110.66 |

16 Other expenses

| Particulars | For the year ended 31st March, 2024 | For the year ended 31st March, 2023 |
|--|-------------------------------------|-------------------------------------|
| Molecules storage charges | 6.32 | 10.84 |
| Rates and taxes | 33.36 | 0.10 |
| Legal and professional charges (refer note no. 16.1) | 41.72 | 48.67 |
| Establishment and administrative expenses | 2.05 | 3.39 |
| Contribution towards corporate social responsibility (refer note no. 16.2) | 4.75 | - |
| Brand equity business promotion contribution | 0.61 | - |
| Miscellaneous expenses | 1.04 | - |
| Total | 89.85 | 63.00 |



Impetis Biosciences Limited
Notes forming part of financial statements
All amounts are in INR (Lakhs) otherwise stated

| 16.1 | Particulars | For the year ended 31st March, 2024 | For the year ended 31st March, 2023 |
|------|---|-------------------------------------|-------------------------------------|
| | Payment to the auditors | | |
| | - Audit fees | 1.35 | 1.35 |
| | - Other services | 0.25 | - |
| | Total | 1.60 | 1.35 |
| 16.2 | Particulars | For the year ended 31st March, 2024 | For the year ended 31st March, 2023 |
| | (i) Amount required to be spent by the company during the year | 4.75 | - |
| | (ii) Amount of expenditure incurred | 4.75 | - |
| | (iii) Shortfall at the end of the year | Nil | Nil |
| | (iv) Total of previous years shortfall | NA | NA |
| | (v) Reason for shortfall | NA | NA |
| | (vi) Nature of CSR activities | Treatment for poor cancer patients | NA |
| | (vii) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard | NA | NA |
| | (viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately | NA | NA |
| | Total | 4.75 | - |



17 Trade payables ageing

17.1 Trade payables ageing as at 31st March, 2024

| Particulars | Unbilled | Outstanding for following periods from date of transaction | | | | Total |
|-----------------------------|----------|--|-------------|-------------|-------------------|-------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | 22.76 | 6.27 | - | - | - | 29.03 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

17.2 Trade payables ageing as at 31st March, 2023

| Particulars | Unbilled | Outstanding for following periods from date of transaction | | | | Total |
|-----------------------------|----------|--|-------------|-------------|-------------------|-------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | 4.04 | 14.38 | - | - | - | 18.42 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

18 Details of dues to micro, small and medium enterprises as per MSMED Act, 2006

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| The principal amount outstanding at the end of the year (not due) | - | - |
| Interest due thereon remaining unpaid to any suppliers as at 31st March. | - | - |
| The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006. | - | - |
| The amount of the payment made to the supplier beyond the appointed day during each accounting year in terms of section 16 of the MSMED Act, 2006. | - | - |
| The amount of interest due and payable for the period of delay in making payments. | - | - |
| The amount of interest accrued and remaining unpaid as at 31st March. | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |
| Total | - | - |

Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the statutory auditors.



19 Disclosures on financial instruments

This section gives an overview of the significance of financial instruments for the company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note no. 2.6 and 2.14 to the financial statements.

A. Accounting classification and fair values

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2024 and 31st March, 2023.

| Particulars | As at 31st March, 2024 | | As at 31st March, 2023 | |
|---|------------------------|-----------------|------------------------|-----------------|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | |
| <u>Amortised Cost</u> | | | | |
| Cash and cash equivalents | 6.54 | 6.54 | 4.72 | 4.72 |
| <u>Fair value through profit and loss</u> | | | | |
| Investments | 2,009.35 | 2,009.35 | 1,925.45 | 1,925.45 |
| Total | 2,015.89 | 2,015.89 | 1,930.17 | 1,930.17 |
| Financial liabilities | | | | |
| <u>Amortised cost</u> | | | | |
| Trade payables | 29.03 | 29.03 | 18.42 | 18.42 |
| Total | 29.03 | 29.03 | 18.42 | 18.42 |

B. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1):

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.

Valuation techniques with observable inputs (Level 2):

This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level of hierarchy includes derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3):

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes investments in unquoted equity shares and preference shares.

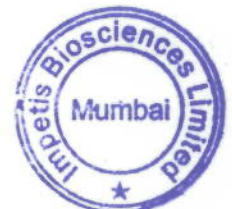
Fair value hierarchy as at 31st March, 2024

| Particulars | Level 1 | Level 2 | Level 3 | Total |
|-------------------------|----------|---------|---------|----------|
| Financial assets | | | | |
| Investments | 2,009.35 | - | - | 2,009.35 |

Fair value hierarchy as at 31st March, 2023

| Particulars | Level 1 | Level 2 | Level 3 | Total |
|-------------------------|----------|---------|---------|----------|
| Financial assets | | | | |
| Investments | 1,925.45 | - | - | 1,925.45 |

Current financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.



C. Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

- (i) Short-term financial assets and liabilities such as cash and cash equivalents, trade payables, other current financial assets and other current financial liabilities are stated at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.
- (ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

20 Financial Risk Management

In the course of its business, the company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the company's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and investments in debt securities. The carrying amounts of financial assets represent the maximum credit risk exposure.

Financial instruments and cash deposits

Credit risk from balances with banks is managed in accordance with the company's treasury risk management policy. Investments of surplus funds are made only in recognised Mutual Fund to avoid any risk of financial loss.

(ii) Market risk

Market risk is the risk of any loss in future earnings, in realising fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

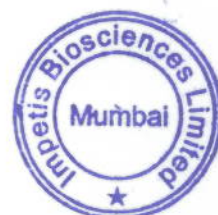
(a) Market risk - Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have a potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the company.

Since the company's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the company's performance. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

As at the end of the reporting period, the company does not have any financial assets and financial liabilities the settlement whereof is in foreign currencies.

The company has not hedged its foreign currency assets/ liabilities as risk related to outstanding exposure is very insignificant.



(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates.

As the company does not have exposure to any floating-interest bearing assets or liabilities or any significant long-term fixed-interest bearing assets and therefore the company is not exposed to related risk.

(iii) Liquidity risk

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The following are the remaining contractual maturities of financial liabilities at the reporting date.

Contractual maturities of non-derivative financial liabilities;

| Particulars | Upto 1 year | 1 to 2 year | 3 to 5 year | Above 5 year |
|----------------|--------------|-------------|-------------|--------------|
| Trade payables | 29.03 | - | - | - |
| Total | 29.03 | - | - | - |

| Particulars | Upto 1 year | 1 to 2 year | 3 to 5 year | Above 5 year |
|----------------|--------------|-------------|-------------|--------------|
| Trade payables | 18.42 | - | - | - |
| Total | 18.42 | - | - | - |

21 Capital management

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maximise the shareholders value. The company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders. The capital structure of the company is as follows:

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|----------------------|------------------------|------------------------|
| Equity share capital | 373.22 | 373.22 |
| Other equity | 2,175.84 | 2,178.73 |
| Total equity | 2,549.06 | 2,551.95 |



22 Income tax

22.1 The income tax expense consists of the following:

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|---------------------------|---------------------------|
| Current tax | 55.00 | 38.90 |
| Deferred tax charge | 34.51 | 138.65 |
| Total income tax expenses recognised for the year | 89.51 | 177.55 |

22.2 The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---------------------------|---------------------------|
| Profit before taxes | 347.89 | 715.58 |
| Applicable income tax rate | 25.17% | 25.17% |
| Expected income tax expense (A) | 87.56 | 180.10 |
| Tax effect of adjustments to reconcile expected income tax benefit to reported income tax expense | | |
| - Unabsorbed business losses and depreciation allowance | - | (0.36) |
| - Effect of tax rate on capital gains | (1.55) | - |
| - Effect of non-deductible expenses | 2.89 | - |
| - Other timing differences | 0.60 | (2.19) |
| (B) | 1.95 | (2.55) |
| (A) + (B) | 89.51 | 177.55 |

22.3 Reflected in Balance Sheet as follows:

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|-----------------------------------|---------------------------|---------------------------|
| Deferred tax liabilities | | |
| Investments in mutual fund | 48.33 | 18.06 |
| Intangible assets | 31.45 | 27.21 |
| Deferred tax (liabilities) | (79.78) | (45.27) |

22.4 Movement of deferred tax during the year ended 31st March, 2024

| Particulars | Opening balance as on 1st April, 2023 | Recognised in statement of profit and loss | Closing balance as on 31st March, 2024 |
|-----------------------------------|---|--|--|
| Deferred tax liabilities | | | |
| Investments in mutual fund | 18.05 | 30.27 | 48.33 |
| Intangible assets | 27.22 | 4.24 | 31.45 |
| Deferred tax (liabilities) | (45.27) | (34.51) | (79.78) |

22.5 Movement of deferred tax during the year ended 31st March, 2023

| Particulars | Opening balance as on 1st April, 2022 | Recognised in Statement of Profit and Loss | Closing balance as on 31st March, 2023 |
|--|---|--|--|
| Deferred tax assets | | | |
| Unabsorbed depreciation and carried forward losses | 111.63 | (111.63) | - |
| | 111.63 | (111.63) | - |
| Deferred tax liabilities | | | |
| Investments in mutual fund | 11.41 | 6.64 | 18.05 |
| Intangible assets | 6.84 | 20.38 | 27.22 |
| | 18.25 | 27.02 | 45.27 |
| Net deferred tax assets / (liabilities) | 93.38 | (138.65) | (45.27) |



Impetis Biosciences Limited**Notes forming part of financial statements**

All amounts are in INR (Lakhs) otherwise stated, except per share data

23 Dividend

The Board of Directors of the company had proposed a final dividend of Rs. 7/- per equity share (face value of Rs. 10/- each) for the financial year ended 31st March, 2023. The proposal was approved by shareholders at the Annual General Meeting held on 30th May, 2023 and the same was paid during the year ended 31st March, 2024. This has resulted in a total outflow of Rs. 261.25 lakhs.

24 Contingent liabilities and other commitments

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|----------------------------|------------------------|------------------------|
| (i) Contingent liabilities | - | - |
| (ii) Commitments | - | - |

25 Related party disclosures**Name of related party and its relationship with the company**

| Related parties and its relationship |
|---|
| Controlling party Tata Sons Private Limited |
| Investing party Tata Industries Limited |
| Party under common control Rallis India Limited |

25.1 Transactions with related parties

| Particulars | For the year ended 31st March, 2024 | For the year ended 31st March, 2023 |
|---|-------------------------------------|-------------------------------------|
| Dividend paid | | |
| Tata Sons Private Limited | 116.16 | - |
| Tata Industries Limited | 89.80 | - |
| Rallis India Limited | 32.43 | - |
| Brand equity business promotion contribution | | |
| Tata Sons Private Limited | 0.61 | - |

25.2 Outstanding balances with related parties

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Brand equity business promotion contribution payable | | |
| Tata Sons Private Limited | 0.55 | - |

Note:

Related parties have been identified by the Management and relied upon by the Statutory Auditors.

26 Segment reporting

The company is exclusively engaged in the business to acquire/develop Intellectual Property Assets (IP) and sale the "rights" to use it for which the consideration could be in the form of upfront and/or milestone payments and/or royalty payments. Accordingly, the company has only one reportable segment and hence separate disclosure of Ind AS -108 is not given.

27 Basic and diluted earnings per share

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---|------------------------|------------------------|
| Profit attributable to equity shareholders | 258.38 | 538.02 |
| Weighted average number of equity shares (Nos.) | 37,32,155 | 37,32,155 |
| Par value per share (rupees) | 10 | 10 |
| Basic and diluted earnings per share (rupees) | 6.92 | 14.42 |

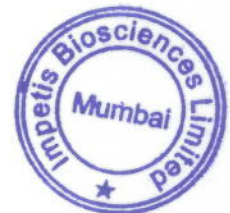


28 Disclosure of ratios

| Sr. no. | Particulars | Formula's used | Ratios | | Variance | Reason for variance |
|---------|--|---|------------------------|------------------------|----------------|---------------------|
| | | | As at 31st March, 2024 | As at 31st March, 2023 | | |
| 1 | Current ratio (in times) | Current assets | 64.54 | 67.11 | -3.83% | note no. 28.1 |
| | | Current liabilities | | | | |
| 2 | Debt equity ratio (in times) | Total debt | Not applicable | Not applicable | Not applicable | - |
| | | Shareholder's equity | | | | |
| 3 | Debt services coverage ratio (in times) | Earning available for debt services | Not applicable | Not applicable | Not applicable | - |
| | | Debt services | | | | |
| 4 | Return on equity (in %) | Net profit after taxes - Preference dividend (if any) | 10.13% | 23.57% | -57.01% | note no. 28.1 |
| | | Average shareholder's equity | | | | |
| 5 | Inventory turnover ratio (in times) | Cost of goods sold or sales | Not applicable | Not applicable | Not applicable | - |
| | | Average inventory | | | | |
| 6 | Trade receivable turnover ratio (in times) | Net credit sales | Not applicable | Not applicable | Not applicable | - |
| | | Average accounts receivables | | | | |
| 7 | Trade payable turnover ratio (in times) | Net credit purchase | Not applicable | Not applicable | Not applicable | - |
| | | Average trade payable | | | | |
| 8 | Net capital turnover ratio (in times) | Net sales | 0.21 | 0.52 | -60.77% | note no. 28.1 |
| | | Average working capital | | | | |
| 9 | Net profit ratio (in %) | Net profit (after tax) | 0.63 | 0.68 | -6.90% | note no. 28.1 |
| | | Net sales | | | | |
| 10 | Return on capital employed (in %) | Earnings before interest and taxes | 13.65% | 28.04% | -51.33% | note no. 28.1 |
| | | Capital employed | | | | |
| 11 | Return on investment (in %) | Income from invested funds including fair valuation | 7.50% | 6.18% | 21.33% | note no. 28.2 |
| | | Average invested funds | | | | |

28.1 The company's income from out-licensing agreements typically arises from the receipt of upfront, milestone and other similar payments from third parties for granting license to intellectual property rights (IPRs). The said income does not accrue evenly on a year to year basis. And hence, above ratios are not comparable.

28.2 Increase in fair value and redemption of investments has resulted in increase in ratio.



Impetis Biosciences Limited

Notes forming part of financial statements

All amounts are in INR (Lakhs) otherwise stated, except per share data

- 29 Following additional regulatory information in terms of clause L of note 6 and clause (n) of note 7 of Division II to Schedule III of the Act is disclosed to the extent applicable / regulatory in nature.**
- 29.1 Wilful defaulter**
As on 31st March, 2024 the company has not been declared wilful defaulter by any bank/financial institution or other lender.
- 29.2 Details of crypto currency or virtual currency**
The company is not engaged in the business of trading or investing in crypto currency or virtual currency and hence no disclosure is required.
- 29.3 Registration of charges or satisfaction with Registrar of Companies (ROC)**
The company does not have any charges or satisfaction yet to be registered with the registrar of companies(ROC) beyond the statutory period as at 31st March, 2024.
- 29.4 Utilisation of borrowed funds**
The company has not advanced any funds or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

The company has not received any funds from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that the company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
- 29.5 Benami property**
No proceedings have been initiated or are pending against the company as on 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 29.6 Relationship with struck off companies**
The company does not have any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and hence no disclosure is required.
- 29.7 Compliance with approved scheme(s) of arrangements**
The company has not entered into any scheme of arrangements in terms of sections 230 to 237 of the Companies Act, 2013.
- 29.8 Undisclosed income**
The company does not have any transactions not recorded in the books of account that has been surrendered or disclosed as income during the year in the assessments under Income Tax Act, 1961.
- 30** Figures of the previous year have been regrouped/reclassified wherever necessary to conform to the presentation of the current year.

As per our report of even date attached

For M A Parikh Shah & Associates LLP
Chartered Accountants
Firm Registration No : 107556W / W100897



Dhaval B. Selwadia
Partner
Membership No. 100023



Place : Mumbai
Date : 17th April, 2024

For and on behalf of the Board of Directors



KRS Jamwal
Director
DIN: 03129908



S. Sriram
Director
DIN: 05320597

Place : Mumbai
Date : 17th April, 2024



