

*Certificate on translated version of Material Subsidiary audited financial statements*

July 23, 2024

To,

The Board of Directors  
**Rubicon Research Limited**  
(formerly known as Rubicon Research Private Limited)  
B-75 Medone House, Road No Z-33,  
Wagle Industrial Estate.  
Thane 400604.

The Board of Directors  
**ADVAGEN PHARMA LTD.**  
50, Millstone Road, Building 200,  
1<sup>st</sup> Floor, Suite 180, East Windsor,  
NJ 08520, USA

**Re: Proposed initial public offering of equity shares (the "Equity Shares") of Rubicon Research Limited - formerly known as Rubicon Research Private Limited, (the "Company" and such offering, the "Offer")**

Dear Sirs,

We have verified the translated version of the audited standalone financial statements of **Advagen Pharma Ltd.** (the "Company") for the years ended March 31, 2024, March 31, 2023, March 31, 2022 ("Financial years" ). These financial statements have been translated by the Company in Indian Rupees in accordance with Ind AS 21. 'The effect of Changes in Foreign Currency Rates'. The work carried out by us is in accordance with the Standard on Related Services (SRS) 4400, "Engagements to perform Agreed-Upon Procedures regarding Financial Information" issued by the Institute of Chartered Accountants of India.

As required under Schedule VI Part A item no. (11)(I)(A)(ii)(b) of Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) regulations, 2018, as Amended ("SEBI ICDR Regulations"), we have verified the translated financial information contained in the Annexure attached to this certificate which is proposed to be uploaded on the website of Rubicon Research Limited in connection with its proposed initial public offering of equity shares of Re. 1/- each (the "offer").

We did not audit the standalone financial statements of Advagen Pharma Ltd for the year ended March 31, 2023 and March 31, 2024. These financial statements have been audited by other firms, whose reports have been furnished to us by the Company.



These translated financials should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports, nor should these be construed as a new opinion on any of the audited standalone financial statements referred to herein.

These translated financials are intended solely for use of the management for uploading on website of Rubicon Research Limited in connection with its proposed initial public offering of equity shares of Re. 1/- each.

Based on our examination, we confirm that the information in this certificate is true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate is not intended for general circulation on publication and is not to be reproduced or used for any other purpose without our prior consent in writing, other than for the purpose stated above. Additionally, we hereby give our consent for submission of this certificate to any other regulatory authority as may be required under applicable law in connection with the proposed Offer, as the case may be.

Yours Sincerely,

for Joshi Gadgil & Co.  
Chartered Accountants

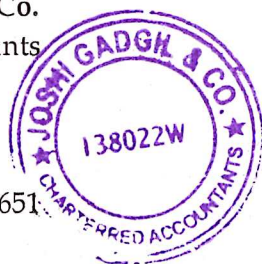
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Partner

Membership no.120651

FRN.138022W

UDIN: 24120651BKBJUA3523



Particulars	Note	Amounts in USD			Amounts in INR (millions)		
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
<b>I ASSETS</b>							
<b>1 NON-CURRENT ASSETS</b>							
(a) Property, Plant and Equipment	2	86,066	2,02,304	3,02,777	7.17	16.62	22.86
(b) Right of Use assets	2	6,16,189	17,064	51,191	51.35	1.40	3.87
(c) Other non current assets	3	8,516	5,896	5,793	0.71	0.48	0.44
<b>Total Non-Current Assets</b>		<b>7,10,771</b>	<b>2,25,264</b>	<b>3,59,761</b>	<b>59.24</b>	<b>18.50</b>	<b>27.17</b>
<b>2 CURRENT ASSETS</b>							
(a) Inventories	4	1,69,09,367	1,86,41,645	1,28,05,155	1,409.24	1,531.47	966.92
(b) Financial Assets							
(i) Trade Receivables	5	2,39,08,244	1,45,26,747	10,11,370	1,992.54	1,193.42	76.37
(ii) Cash and Cash Equivalents	6	6,14,397	12,98,998	6,65,912	51.20	106.72	50.28
(c) Other Current Assets	7	2,62,906	2,10,558	1,75,497	21.93	17.30	13.27
<b>Total Current Assets</b>		<b>4,16,94,914</b>	<b>3,46,77,948</b>	<b>1,46,57,934</b>	<b>3,474.91</b>	<b>2,848.91</b>	<b>1,106.84</b>
<b>TOTAL ASSETS</b>		<b>4,24,05,685</b>	<b>3,49,03,212</b>	<b>1,50,17,695</b>	<b>3,534.15</b>	<b>2,867.41</b>	<b>1,134.01</b>
<b>II EQUITY AND LIABILITIES</b>							
<b>1 EQUITY</b>							
(a) Equity Share Capital	8	12,85,000	12,85,000	12,85,000	87.56	87.56	87.56
(b) Other Equity	9	(43,89,749)	(91,37,820)	(80,98,931)	(346.31)	(732.68)	(602.07)
<b>Total Equity</b>		<b>(31,04,749)</b>	<b>(78,52,820)</b>	<b>(68,13,931)</b>	<b>(258.75)</b>	<b>(645.12)</b>	<b>(514.51)</b>
<b>LIABILITIES</b>							
<b>2 NON-CURRENT LIABILITIES</b>							
(a) Financial Liabilities							
(i) Borrowings	10	1,24,89,000	-	55,00,000	1,040.85	-	415.31
(ii) Lease liabilities	13	5,47,355	-	17,817	45.62	-	1.35
(iii) Other financial Liabilities	11	16,09,410	16,27,376	16,09,411	134.13	133.69	121.53
<b>Total Non-Current Liabilities</b>		<b>1,46,45,765</b>	<b>16,27,376</b>	<b>71,27,228</b>	<b>1,220.60</b>	<b>133.69</b>	<b>538.19</b>
<b>3 CURRENT LIABILITIES</b>							
(a) Financial Liabilities							
(i) Borrowings	12	-	55,00,000	-	-	451.84	-
(ii) Lease liabilities	13	1,05,991	17,817	34,715	8.83	1.46	2.62
(iii) Trade Payables	14	2,50,82,930	3,34,14,029	1,42,57,270	2,090.44	2,745.07	1,076.57
(b) Other current liabilities	15	4,34,806	6,91,740	2,35,695	36.24	56.83	17.79
(c) Provisions	16	50,28,381	15,04,320	1,75,968	419.07	123.58	13.29
(d) Current tax liabilities	34	2,12,561	750	750	17.72	0.06	0.06
<b>Total Current Liabilities</b>		<b>3,08,64,669</b>	<b>4,11,28,656</b>	<b>1,47,04,398</b>	<b>2,572.30</b>	<b>3,378.84</b>	<b>1,110.33</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,24,05,685</b>	<b>3,49,03,212</b>	<b>1,50,17,695</b>	<b>3,534.15</b>	<b>2,867.41</b>	<b>1,134.01</b>

The accompanying notes 1 to 36 are an integral part of the Financial Statements

In terms of our report attached

For Joshi Gadgil & Co  
Chartered Accountants  
Firm Registration no.- 138022W



Ketaki Karve  
Partner

Mem. No.- 120651

UDIN: 24120651BKB JUA3523

Thane, 23 July 2024

For and on behalf of Board of Directors of  
AdvaGen Pharma Ltd.  
Reg. No.- 0450182788

Parag Sancheti  
Director

Thane, 23 July 2024

AdvaGen Pharma Ltd.  
Translated Version of Audited Statement of Profit and Loss

Particulars	Note	Amounts in USD			Amounts in INR (millions)		
		Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
I Revenue from operations	17	7,51,21,686	2,52,77,360	34,75,370	6,216.10	1,992.66	258.47
II Other Income	18	1,023	428	198	0.08	0.03	0.01
III Total Revenue (I + II)		7,51,22,709	2,52,77,788	34,75,568	6,216.18	1,992.69	258.48
IV EXPENSES							
(a) Purchases		5,59,93,687	2,64,83,573	1,42,78,264	4,654.44	2,192.20	1,061.92
(b) Changes in inventory of stock-in-trade	19	17,32,278	(58,36,490)	(1,05,01,321)	122.23	(564.55)	(798.20)
(c) Employee benefit expense	20	22,49,793	18,17,723	12,99,711	186.16	143.29	96.66
(d) Finance costs	21	9,53,657	3,39,390	89,288	78.91	26.75	6.63
(e) Depreciation and amortisation expense	2	2,15,394	1,45,300	73,537	17.82	11.45	5.47
(f) Other expenses	22	89,86,577	33,62,575	28,28,780	743.61	265.08	210.39
Total Expenses		7,01,31,386	2,63,12,071	80,68,259	5,803.17	2,074.22	582.87
V Profit/(Loss) before tax (III - IV)		49,91,323	(10,34,283)	(45,92,691)	413.01	(81.53)	(324.39)
VI Tax Expense							
- Current tax	33	2,44,002	4,606	4,646	20.19	0.36	0.35
- Tax adjustment for earlier years	33	(750)	-	-	(0.06)	-	-
Total tax expense		2,43,252	4,606	4,646	20.13	0.36	0.35
VII Profit/(Loss) for the year		47,48,071	(10,38,889)	(45,97,337)	392.88	(81.89)	(324.74)
VIII Other comprehensive income		-	-	-	-	-	-
IX Total comprehensive income/ (loss)		47,48,071	(10,38,889)	(45,97,337)	392.88	(81.89)	(324.74)
X Earnings per equity share (Face value of USD 1 each): Basic and diluted	25	3.69	(0.93)	(5.05)	305.74	(73.68)	(356.86)

The accompanying notes 1 to 36 are an integral part of the Financial Statements

In terms of our report attached

For Joshi Gadgil & Co  
Chartered Accountants  
Firm Registration no.- 138022W

Ketaki Karve  
Partner  
Membership No. 107723  
UDIN:

Thane, 23 July 2024



For and on behalf of Board of Directors of  
AdvaGen Pharma Ltd.  
Reg. No.- 0450182788

Parag Sancheti  
Director

Thane, 23 July 2024

Particulars	Amounts in USD			Amounts in INR (millions)		
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>A. Cash flow from operating activities</b>						
Profit/(Loss) before tax	49,91,323	(10,34,283)	(45,92,691)	413.01	(81.53)	(324.39)
Adjustments for:						
Depreciation and amortisation expense	2,15,394	1,45,300	73,537	17.82	11.45	5.47
Interest Income	(1,023)	(428)	(198)	(0.08)	(0.03)	(0.01)
Finance costs	9,53,657	3,39,390	89,288	78.91	26.75	6.63
Operating cash flows before working capital changes	61,59,351	(5,50,021)	(44,30,064)	509.66	(43.36)	(312.30)
Changes in working capital:						
Adjustments for (increase) / decrease in operating assets:						
Inventories	17,32,278	(58,36,490)	(1,05,01,321)	122.23	(564.55)	(798.19)
Trade receivables	(93,81,497)	(1,35,15,377)	(9,58,391)	(799.12)	(1,117.05)	(108.57)
Non current assets	(2,620)	(103)	3	(0.23)	(0.04)	(0.01)
Current assets	(52,348)	(35,061)	(59,914)	(4.59)	(4.03)	(4.79)
Adjustments for increase / (decrease) in operating liabilities:						
Trade payables	(83,31,099)	1,91,56,759	1,15,30,875	(661.14)	1,656.32	886.49
Other current liabilities	1,62,449	1,28,357	1,07,285	13.86	11.51	10.94
Current provisions	35,24,061	13,28,352	1,75,968	295.49	110.29	13.29
Other Non-current financial Liabilities	(17,966)	17,965	-	0.44	12.16	-
Cash (used in)/ generated from operations	(62,07,391)	6,94,381	(41,35,559)	(523.40)	61.25	(313.14)
Net Income tax paid	(31,441)	(4,606)	(3,896)	(2.47)	(0.36)	(0.35)
Net cash flow (used in)/ generated from operations	(62,38,832)	6,89,775	(41,39,455)	(525.87)	60.89	(313.49)
<b>B. Cash flow from investing activities</b>						
Capital expenditure on property, plant and equipment	(5,069)	(12,050)	(1,45,968)	(0.55)	(2.83)	(11.58)
Proceeds from sale of property, plant and equipments	-	1,350	2,421	-	0.08	0.18
Interest received	1,023	428	198	0.08	0.03	0.01
Net cash flow used in investing activities	(4,046)	(10,272)	(1,43,349)	(0.47)	(2.72)	(11.39)
<b>C. Cash flow from financing activities</b>						
Proceeds from non current borrowings	1,94,89,000	-	45,00,000	1,624.24	-	342.07
Repayment of non current borrowings	(1,25,00,000)	-	-	(1,035.23)	-	-
Payment of lease liabilities	(57,683)	(34,715)	(39,000)	(4.83)	(2.50)	(2.56)
Finance costs	(13,73,040)	(11,702)	(8,236)	(113.36)	0.78	(0.68)
Net Cash flow generated from/ (used in) financing activities	55,58,277	(46,417)	44,52,764	470.82	(1.72)	338.84
Net (decrease) /increase in cash and cash equivalents	(6,84,601)	6,33,086	1,69,960	(55.52)	56.44	13.96
Cash and cash equivalents as at the beginning of the year	12,98,998	6,65,912	4,95,952	106.72	50.28	36.32
Cash and cash equivalents as at end of the reporting year (Refer note 6)	6,14,397	12,98,998	6,65,912	51.20	106.72	50.28

**Note:**

The Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flows" prescribed under the Companies Act (Indian Accounting Standards) Rules, 2015 of the Companies Act, 2013.

The accompanying notes 1 to 36 are an integral part of the Financial Statements

In terms of our report attached

For Joshi Gadgil & Co  
Chartered Accountants  
Firm Registration no.- 138022W

Ketaki Karve  
Partner  
Membership No. 107723  
UDIN:

Thane, 23 July 2024



For and on behalf of Board of Directors of  
AdvaGen Pharma Ltd.  
Reg. No.- 0450182788

*(Signature)*  
Parag Sancheti  
Director

Thane, 23 July 2024

AdvaGen Pharma Ltd.  
Translated Version of Audited Statement of Changes in Equity

A. Equity share capital

	No. of Shares	Amounts in USD	Amounts in INR (millions)
As at 31 March 2021	9,10,000	9,10,000	61.68
Changes in equity share capital during the year	-	-	-
As at 31 March 2022	9,10,000	9,10,000	61.68
Changes in equity share capital during the year	3,75,000	3,75,000	25.88
As at 31 March 2023	12,85,000	12,85,000	87.56
Changes in equity share capital during the year	-	-	-
As at 31 March 2024	12,85,000	12,85,000	87.56

B. Other Equity - Reserves and Surplus

Particulars	Retained Earnings		Foreign Currency Translation Reserve	Total Other Equity
	Amounts in USD	Amounts in INR (millions)	Amounts in INR (millions)	Amounts in INR (millions)
As at 31 March 2021	(35,01,594)	(251.78)	1.02	(250.76)
(Loss) for the year	(45,97,337)	(324.74)	(26.57)	(351.31)
As at 31 March 2022	(80,98,931)	(576.52)	(25.55)	(602.07)
(Loss) for the year	(10,38,889)	(81.89)	(48.72)	(130.61)
As at 31 March 2023	(91,37,820)	(658.41)	(74.27)	(732.68)
Profit for the year	47,48,071	392.88	(6.51)	386.37
As at 31 March 2024	(43,89,749)	(265.53)	(80.78)	(346.31)

The accompanying notes 1 to 36 are an integral part of the Financial Statements

For Joshi Gadgil & Co  
Chartered Accountants  
Firm Registration no.- 138022W

For and on behalf of Board of Directors of  
AdvaGen Pharma Ltd.  
Reg. No.- 0450182788

Ketaki Karve  
Partner  
Membership No. 107723  
UDIN:



Thane, 23 July 2024

Parag Sancheti  
Director

Thane, 23 July 2024

**1A. OVERVIEW:**

AdvaGen Pharma Limited ('the Company') incorporated in 2017, is in the business of serving consumers with healthcare products which are innovative, easy to use in day-to-day life.

**1B. MATERIAL ACCOUNTING POLICIES:**

- a) Basis of accounting and preparation of Standalone Financial Statements:

**Basis of accounting**

- i) The Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities (including derivative instruments) which have been measured at fair value amount. These financial statements for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) as notified under the Companies Act, 2013 (the Act) and other accounting principles generally accepted in India.
- ii) These standalone financial statements are presented in US dollars, unless otherwise stated.

**Basis of measurement**

- iii) These standalone financial statements are prepared under the historical cost convention except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments, 'c' below)

**Statement of material accounting policies**

- iv) Accounting policy information is material, if when considered together with other information included in entity's financial statements, it can reasonably be expected to influence decisions that the primary users of the financial statements make on the basis of those financial statements.

Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

**Use of Estimates and Judgements**

- v) The preparation of the Standalone Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize. Estimates and underlying assumptions are reviewed on an ongoing basis.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the accounting policies.

- Measurement and likelihood of occurrence of provisions and contingencies



- Recognition of deferred tax assets
- Useful lives of property, plant, equipment and Intangibles
- Impairment of financial assets

**b) Property, Plant and Equipment & Depreciation**

*I. Recognition and Measurement:*

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

*II. 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 and only when it meets the recognition criteria as per Ind AS 16 – Property, Plant and Equipment.

*III. Depreciation*

Depreciable amount for assets is the cost of an asset, less its estimated residual value and the estimated residual values are materially insignificant.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Act.

Depreciation method, useful life and residual values are reviewed at each financial year end and adjusted if appropriate.

Leasehold improvements are amortised over the period of the lease.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e from (upto) the date on which asset is ready for use (disposed off).

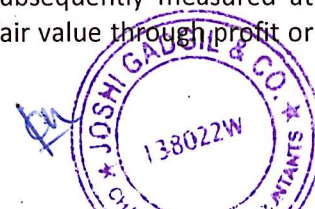
Individual assets with cost upto \$ 500 are fully depreciated in the year of acquisition.

**c) Financial Instruments**

*I. Financial Assets*

Classification

On initial recognition the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or





**AdvaGen Pharma Limited**  
**Translated version of Notes to the financial statements**

loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Trade Receivables that does not contain significant finance component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

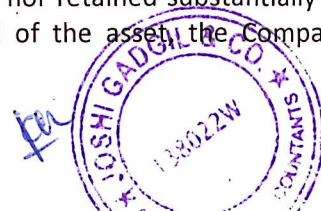
Financial assets included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company



**AdvaGen Pharma Limited**  
**Translated version of Notes to the financial statements**

continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- ii) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

*II. Financial Liabilities*

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, at amortised cost (loans, borrowings and payables). All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.



**AdvaGen Pharma Limited**  
**Translated version of Notes to the financial statements**

**Intercompany Borrowing -**

Holding company has sanctioned a loan to be given in tranches. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

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

**d) Income tax**

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in OCI.

*Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- i) has a legally enforceable right to set off the recognised amounts; and
- ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

*Deferred tax*

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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



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

Deferred tax assets and liabilities are offset only if:

- i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

**e) Inventories**

Inventories of Stock-in-Trade are valued at the lower of cost (on moving weighted average basis) and the net realisable value.

**f) Cash and cash equivalents**

Cash and Cash Equivalents comprise balances with banks including demand deposits and other short term highly liquid investments that are subject to an insignificant risk of change in value, are easily convertible into a known amount of cash and have a maturity of three months or less from the date of acquisition or investment. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks.

**g) Revenue Recognition**

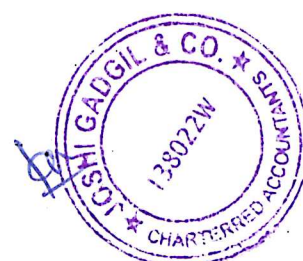
*Sale of Goods*

The majority of the Company's contracts related to product sales include only one performance obligation, which is to deliver products to customers based on purchase orders received. Revenue from sales of products is recognized at a point in time when control of the products is transferred to the customer, generally upon delivery, which the Company has determined is when physical possession, legal title and risks and rewards of ownership of the products transfer to the customer and the Company is entitled to payment. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreements. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, chargebacks sales tax/GST and applicable trade discounts and allowances. Revenue includes shipping and handling costs billed to the customer.

**h) Provisions and Contingent Liabilities**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**i) Borrowing costs**



Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

**j) Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

**k) Segment reporting**

The Company operates in one reportable business segment i.e. "Healthcare Products".

**l) Operating cycle**

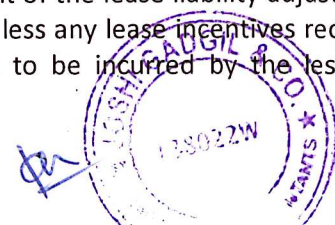
Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**m) Leases**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in

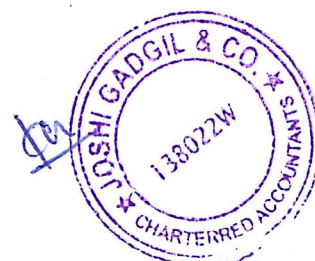


dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, If that rate cannot be readily determined, the Company uses incremental borrowing rate, Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

#### 1C. RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Standalone Financial information is required to be disclosed.



## 2 Property Plant &amp; Equipment

Amounts in USD

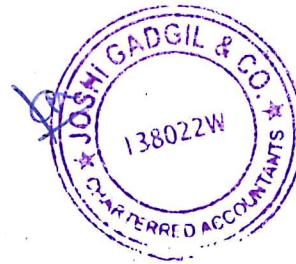
Description of Assets	Computers	Furniture and Fixtures	Office Equipment	Leasehold Improvement	Total of Tangible Assets	Right of Use	TOTAL
<b>I. Gross Carrying Amount</b>							
Balance as at 1 April 2021	22,234	12,707	1,619	-	36,560	1,02,382	1,38,942
Additions	2,98,264	9,437	-	8,150	3,15,851	-	3,15,851
Disposals	2,724	-	-	-	2,724	-	2,724
Balance as at 31 Mar 2022	3,17,774	22,144	1,619	8,150	3,49,687	1,02,382	4,52,069
Additions	4,734	-	7,316	-	12,050	-	12,050
Disposals	-	-	-	1,350	1,350	-	1,350
Balance as at 31 Mar 2023	3,22,508	22,144	8,935	6,800	3,60,387	1,02,382	4,62,769
Additions	5,069	-	-	-	5,069	6,93,212	6,98,281
Disposals	-	-	-	-	-	1,02,382	1,02,382
Balance as at 31 March 2024	3,27,577	22,144	8,935	6,800	3,65,456	6,93,212	10,58,668
<b>II. Accumulated depreciation</b>							
Balance as at 1 April 2021	2,277	4,447	1,079	-	7,803	17,064	24,867
Depreciation expense for the year	34,782	1,622	324	2,682	39,410	34,127	73,537
Disposals/ Adjustments	303	-	-	-	303	-	303
Balance as at 31 March 2022	36,756	6,069	1,403	2,682	46,910	51,191	98,101
Depreciation expense for the year	1,05,779	2,214	704	2,476	1,11,173	34,127	1,45,300
Disposals/ Adjustments	-	-	-	-	-	-	-
Balance as at 31 March 2023	1,42,535	8,283	2,107	5,158	1,58,083	85,318	2,43,401
Depreciation expense for the year	1,07,066	8,148	4,451	1,642	1,21,307	94,087	2,15,394
Disposals	-	-	-	-	-	1,02,382	1,02,382
Balance as at 31 March 2024	2,49,601	16,431	6,558	6,800	2,79,390	77,023	3,56,413
<b>III. Net carrying amount (I-II)</b>							
Balance as at 31 March 2024	77,976	5,713	2,377	-	86,066	6,16,189	7,02,255
Balance as at 31 March 2023	1,79,973	13,861	6,828	1,642	2,02,304	17,064	2,19,368
Balance as at 31 March 2022	2,81,018	16,075	216	5,468	3,02,777	51,191	3,53,968



Property Plant & Equipment

Amounts in INR (millions)

Description of Assets	Computers	Furniture and Fixtures	Office Equipment	Leasehold Improvement	Total of Tangible Assets	Right to Use	TOTAL
<b>I. Gross Carrying Amount</b>							
Balance as at 1 April 2021	1.63	0.93	0.12	-	2.68	7.50	10.18
Additions	22.52	0.71	-	0.62	23.85	-	23.85
Disposals	0.21	-	-	-	0.21	-	0.21
Effect of foreign currency translation	0.05	0.03	0.00	-	0.08	0.23	0.32
<b>Balance as at 31 Mar 2022</b>	<b>24.00</b>	<b>1.67</b>	<b>0.12</b>	<b>0.62</b>	<b>26.40</b>	<b>7.73</b>	<b>34.14</b>
Additions	0.39	-	0.60	-	0.99	-	0.99
Disposals	-	-	-	0.11	0.11	-	0.11
Effect of foreign currency translation	2.11	0.15	0.01	0.05	2.32	0.68	3.00
<b>Balance as at 31 Mar 2023</b>	<b>26.50</b>	<b>1.82</b>	<b>0.73</b>	<b>0.56</b>	<b>29.61</b>	<b>8.41</b>	<b>38.02</b>
Additions	0.42	-	-	-	0.42	57.77	58.20
Disposals	-	-	-	-	-	8.53	8.53
Effect of foreign currency translation	0.38	0.03	0.01	0.01	0.43	0.12	0.55
<b>Balance as at 31 March 2024</b>	<b>27.30</b>	<b>1.85</b>	<b>0.74</b>	<b>0.57</b>	<b>30.46</b>	<b>57.77</b>	<b>88.23</b>
<b>II. Accumulated depreciation</b>							
Balance as at 1 April 2021	0.17	0.33	0.08	-	0.57	1.25	1.82
Depreciation expense for the year	2.59	0.12	0.02	0.20	2.93	2.54	5.47
Disposals/ Adjustments	0.02	-	-	-	0.02	-	0.02
Effect of foreign currency translation	0.04	0.01	0.00	0.00	0.06	0.08	0.14
<b>Balance as at 31 March 2022</b>	<b>2.78</b>	<b>0.46</b>	<b>0.11</b>	<b>0.20</b>	<b>3.54</b>	<b>3.87</b>	<b>7.41</b>
Depreciation expense for the year	8.34	0.17	0.06	0.20	8.76	2.69	11.45
Disposals/ Adjustments	-	-	-	-	-	-	-
Effect of foreign currency translation	0.60	0.05	0.01	0.03	0.68	0.45	1.13
<b>Balance as at 31 March 2023</b>	<b>11.71</b>	<b>0.68</b>	<b>0.17</b>	<b>0.42</b>	<b>12.99</b>	<b>7.01</b>	<b>20.00</b>
Depreciation expense for the year	8.86	0.67	0.37	0.14	10.04	7.79	17.82
Disposals	-	-	-	-	-	8.53	8.53
Effect of foreign currency translation	0.23	0.01	0.01	0.01	0.26	0.16	0.42
<b>Balance as at 31 March 2024</b>	<b>20.80</b>	<b>1.37</b>	<b>0.55</b>	<b>0.57</b>	<b>23.28</b>	<b>6.42</b>	<b>29.70</b>
<b>III. Net carrying amount (I-II)</b>							
Balance as at 31 March 2024	6.50	0.48	0.20	-	7.17	51.35	58.53
Balance as at 31 March 2023	14.79	1.14	0.56	0.13	16.62	1.40	18.02
Balance as at 31 March 2022	21.22	1.21	0.02	0.41	22.86	3.87	26.73





AdvaGen Pharma Ltd.  
Translated Version of Notes to the Financial Statements

	Amounts in USD			Amounts in INR (millions)		
	As at 31 Mar 2024	As at 31 March 2023	As at 31 March 2022	As at 31 Mar 2024	As at 31 March 2023	As at 31 March 2022
<b>3 Other non current assets</b>						
Deposits	8,516	5,896	5,793	0.71	0.48	0.44
	<b>8,516</b>	<b>5,896</b>	<b>5,793</b>	<b>0.71</b>	<b>0.48</b>	<b>0.44</b>
<b>4 Inventories</b> (Valued at lower of cost and net realisable value)						
Work-in-process	1,03,085			8.59		
Finished Goods	1,68,06,282	1,86,41,645	1,28,05,155	1,400.65	1,531.47	966.92
(Includes inventory in transit as on 31 March 2024 USD 44,64,761 (31 March 2023 USD 43,33,229))						
	<b>1,69,09,367</b>	<b>1,86,41,645</b>	<b>1,28,05,155</b>	<b>1,409.24</b>	<b>1,531.47</b>	<b>966.92</b>
<b>5 Trade Receivables</b>						
Unsecured						
-Considered Good (Refer Note 29)	2,39,08,244	1,45,26,747	10,11,370	1,992.54	1,193.42	76.37
	<b>2,39,08,244</b>	<b>1,45,26,747</b>	<b>10,11,370</b>	<b>1,992.54</b>	<b>1,193.42</b>	<b>76.37</b>
<b>6 Cash and bank balances</b>						
Balances with banks in current accounts	6,14,397	12,98,998	6,65,912	51.20	106.72	50.28
	<b>6,14,397</b>	<b>12,98,998</b>	<b>6,65,912</b>	<b>51.20</b>	<b>106.72</b>	<b>50.28</b>
<b>7 Other current assets</b>						
Prepaid expenses	2,59,059	2,10,458	1,75,298	21.61	17.29	13.25
Deposits	3,847	100	199	0.32	0.01	0.02
	<b>2,62,906</b>	<b>2,10,558</b>	<b>1,75,497</b>	<b>21.93</b>	<b>17.30</b>	<b>13.27</b>
<b>8 Share capital</b>						
12,85,000 equity shares of USD 1 each, fully paid-up	12,85,000	12,85,000	9,10,000	87.56	87.56	61.68
Capital Contribution	-	-	3,75,000	-	-	25.88
	<b>12,85,000</b>	<b>12,85,000</b>	<b>12,85,000</b>	<b>87.56</b>	<b>87.56</b>	<b>87.56</b>



AdvaGen Pharma Ltd.  
Translated Version of Notes to the Financial Statements

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

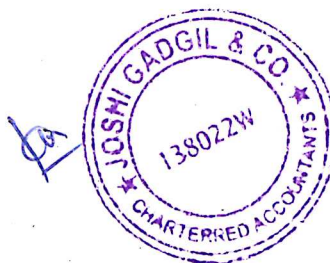
Particulars	As at 31 March 2024		As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount in USD	No. of shares	Amount in USD	No. of shares	Amount in USD
Equity shares outstanding at the beginning of the year	12,85,000	12,85,000	9,10,000	9,10,000	9,10,000	9,10,000
Equity shares issued during the year	-	-	3,75,000	3,75,000	-	-
Equity shares outstanding at the end of the year	12,85,000	12,85,000	12,85,000	12,85,000	9,10,000	9,10,000

(ii) Details of shares held by the holding company

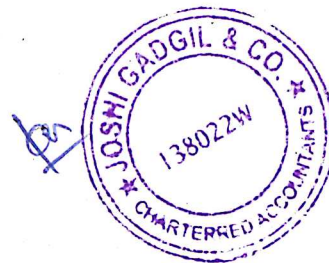
Particulars	No. of shares		No. of shares		No. of shares	
	No. of shares	Amount in USD	No. of shares	Amount in USD	No. of shares	Amount in USD
Equity shares of USD 1 each, fully paid-up held by:						
Advagen Holding ,INC	12,85,000	12,85,000	-	-	-	-
Rubicon Research Private Limited	-	-	12,85,000	12,85,000	9,10,000	9,10,000



	Amounts in USD			Amounts in INR (millions)		
	As at 31 Mar 2024	As at 31 March 2023	As at 31 March 2022	As at 31 Mar 2024	As at 31 March 2023	As at 31 March 2022
<b>9 Reserves and surplus</b>						
(i) Balance in Statement of Profit and Loss						
At the commencement of the year	(91,37,820)	(80,98,931)	(35,01,594)	(658.41)	(576.52)	(251.78)
Add : Profit / (Loss) for the year	47,48,071	(10,38,889)	(45,97,337)	392.88	(81.89)	(324.74)
	<b>(43,89,749)</b>	<b>(91,37,820)</b>	<b>(80,98,931)</b>	<b>(265.53)</b>	<b>(658.41)</b>	<b>(576.52)</b>
(ii) Foreign currency translation reserve						
	-	-	-	(80.78)	(74.27)	(25.55)
<b>Total</b>	<b>(43,89,749)</b>	<b>(91,37,820)</b>	<b>(80,98,931)</b>	<b>(346.31)</b>	<b>(732.68)</b>	<b>(602.07)</b>
<b>10 Non-Current Borrowings</b>						
Unsecured, considered good:						
Loans from related Parties	1,24,89,000	-	55,00,000	1,040.85	-	415.31
These loan carries interest rate SOFR + 2% and are repayable within 24 months.						
	<b>1,24,89,000</b>	<b>-</b>	<b>55,00,000</b>	<b>1,040.85</b>	<b>-</b>	<b>415.31</b>
<b>11 Other Non- Current financial Liabilities</b>						
Related party- Payable to Holding Company towards ESOP	16,09,410	16,27,376	16,09,411	134.13	133.69	121.53
	<b>16,09,410</b>	<b>16,27,376</b>	<b>16,09,411</b>	<b>134.13</b>	<b>133.69</b>	<b>121.53</b>
<b>12 Current Borrowings</b>						
Current maturities of long-term borrowings	-	55,00,000	-	-	451.84	-
	<b>-</b>	<b>55,00,000</b>	<b>-</b>	<b>-</b>	<b>451.84</b>	<b>-</b>
<b>13 Lease liabilities</b>						
Lease liabilities						
Non-current	5,47,355	-	17,817	45.62	-	1.35
Current	1,05,991	17,817	34,715	8.83	1.46	2.62
	<b>6,53,346</b>	<b>17,817</b>	<b>52,532</b>	<b>54.45</b>	<b>1.46</b>	<b>3.97</b>
<b>14 Trade payables</b>						
Trade payables	2,50,82,930	3,34,14,029	1,42,57,270	2,090.44	2,745.07	1,076.57
	<b>2,50,82,930</b>	<b>3,34,14,029</b>	<b>1,42,57,270</b>	<b>2,090.44</b>	<b>2,745.07</b>	<b>1,076.57</b>
<b>15 Other current financial liabilities</b>						
Employee related payable	4,34,806	2,72,357	1,44,000	36.24	22.38	10.87
Interest accrued	-	4,19,383	91,695	-	34.45	6.92
	<b>4,34,806</b>	<b>6,91,740</b>	<b>2,35,695</b>	<b>36.24</b>	<b>56.83</b>	<b>17.79</b>
<b>16 Current Provisions</b>						
Provision for Sale Returns	50,28,381	15,04,320	1,75,968	419.07	123.58	13.29
	<b>50,28,381</b>	<b>15,04,320</b>	<b>1,75,968</b>	<b>419.07</b>	<b>123.58</b>	<b>13.29</b>
<b>16.1 Provision for Sale Returns</b>						
Opening balance	15,04,320	1,75,968	-	125.37	14.46	-
Additions	35,25,644	13,31,043	1,75,968	293.83	109.35	13.29
Amount utilised	(1,583)	(2,691)	-	(0.13)	(0.22)	-
Closing balance	<b>50,28,381</b>	<b>15,04,320</b>	<b>1,75,968</b>	<b>419.07</b>	<b>123.59</b>	<b>13.29</b>

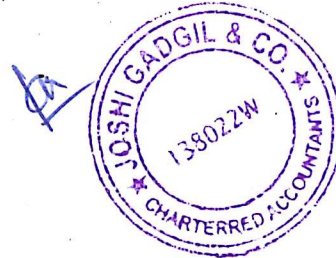


	Amounts in USD			Amounts in INR (millions)		
	Year Ended 31 March 2024	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2024	Year Ended 31 March 2023	Year Ended 31 March 2022
<b>17 Revenue from operations</b>						
<b>Sale of Products</b>						
Gross Sales (Contracted Price)	18,58,72,086	6,02,95,542	90,18,252	15,380.39	4,753.20	670.71
Less: Discount, chargeback, return and rebates	(11,08,24,640)	(3,55,25,114)	(64,28,928)	(9,170.43)	(2,800.50)	(478.14)
Net Sales	7,50,47,446	2,47,70,428	25,89,324	6,209.96	1,952.70	192.57
Sale of Services (Support Service Charge)	74,240	5,06,932	8,86,046	6.14	39.96	65.90
	<b>7,51,21,686</b>	<b>2,52,77,360</b>	<b>34,75,370</b>	<b>6,216.10</b>	<b>1,992.66</b>	<b>258.47</b>
<b>18 Other Income</b>						
Interest income	1,023	428	198	0.08	0.03	0.01
	<b>1,023</b>	<b>428</b>	<b>198</b>	<b>0.08</b>	<b>0.03</b>	<b>0.01</b>
<b>19 Changes in inventories of finished goods and work-in-progress</b>						
<b>Finished goods &amp; work-in-progress</b>						
Opening Stock						
Finished goods	1,86,41,645	1,28,05,155	23,03,834	1,531.47	966.92	168.72
Work in progress	-	-	-	-	-	-
	<b>1,86,41,645</b>	<b>1,28,05,155</b>	<b>23,03,834</b>	<b>1,531.47</b>	<b>966.92</b>	<b>168.72</b>
Closing stock						
Finished goods	1,68,06,282	1,86,41,645	1,28,05,155	1,400.65	1,531.47	966.92
Work in progress	1,03,085	-	-	8.59	-	-
	<b>1,69,09,367</b>	<b>1,86,41,645</b>	<b>1,28,05,155</b>	<b>1,409.24</b>	<b>1,531.47</b>	<b>966.92</b>
Changes in inventory						
Finished goods	18,35,363	(58,36,490)	(1,05,01,321)	130.82	(564.55)	(798.20)
Work in progress	(1,03,085)	-	-	(8.59)	-	-
	<b>17,32,278</b>	<b>(58,36,490)</b>	<b>(1,05,01,321)</b>	<b>122.23</b>	<b>(564.55)</b>	<b>(798.20)</b>
Note: Includes provision for inventory written back during the year of USD 2,80,833 (previous year inventory charge of USD 4,07,775)						
<b>20 Employee benefits expense</b>						
Salaries, wages and bonus	20,03,106	16,01,918	11,59,986	165.75	126.28	86.27
Payroll Taxes	1,31,597	1,10,635	63,426	10.89	8.72	4.72
Staff Welfare	1,33,056	87,204	76,299	11.01	6.87	5.67
Stock Options	(17,966)	17,966	-	(1.49)	1.42	-
	<b>22,49,793</b>	<b>18,17,723</b>	<b>12,99,711</b>	<b>186.16</b>	<b>143.29</b>	<b>96.66</b>



AdvaGen Pharma Ltd.  
Translated Version of Notes to the Financial Statements

	Amounts in USD			Amounts in INR (millions)		
	Year Ended 31 March 2024	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2024	Year Ended 31 March 2023	Year Ended 31 March 2022
<b>21 Finance costs</b>						
Interest on financial liabilities - borrowing carried at amortised cost	9,09,584	3,27,688	78,574	75.27	25.83	5.84
Interest cost on Finance lease obligation (refer note 27)	29,398	1,285	2,478	2.43	0.10	0.18
Other Borrowing Costs (includes bank charges, etc.)	14,675	10,417	8,236	1.21	0.82	0.61
	<b>9,53,657</b>	<b>3,39,390</b>	<b>89,288</b>	<b>78.91</b>	<b>26.75</b>	<b>6.63</b>
<b>22 Other expenses</b>						
Consultancy Charges	6,91,517	5,96,399	7,30,861	57.22	47.02	54.36
Research and Development expenses	70,704	80,759	4,39,895	5.85	6.37	32.72
Rent	15,151	199	200	1.25	0.02	0.01
Utilities Expenses	2,879	4,706	6,025	0.24	0.37	0.45
Computer Software and Maintenance	1,62,378	2,88,620	2,15,172	13.44	22.75	16.00
Insurance	3,12,595	1,36,368	1,20,224	25.87	10.75	8.94
License Fees	1,72,369	1,14,401	75,797	14.26	9.02	5.64
Travelling expenses	1,61,731	82,257	68,976	13.38	6.48	5.13
Legal and professional charges	4,30,790	5,33,750	6,29,643	35.65	42.08	46.83
Advertisement Expenses	13,712	17,786	-	1.13	1.40	-
Donations	8,92,247	3,90,838	-	73.83	30.81	-
Audit Fees	16,154	17,650	596	1.34	1.39	0.04
Telephone and communication expenses	11,994	8,282	8,149	0.99	0.65	0.61
Rates and Taxes	1,81,538	46,045	2,050	15.02	3.63	0.15
Freight Expenses	57,72,516	9,91,517	1,55,398	477.66	78.16	11.56
Miscellaneous expenses	78,302	52,998	3,75,794	6.48	4.18	27.95
	<b>89,86,577</b>	<b>33,62,575</b>	<b>28,28,780</b>	<b>743.61</b>	<b>265.08</b>	<b>210.39</b>



23 Revenue (Ind AS 115)

(a) The operations of the Company are sale of pharmaceutical products, and Market analysis services.

Nature of segment	Amounts in USD			Amounts in INR (millions)		
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
<b>A. Major Product/Service line:</b>						
- Sale of products	7,50,47,446	2,47,70,428	25,89,324	6,209.96	1,952.70	192.57
- Sale of services	74,240	5,06,932	8,86,046	6.14	39.96	65.90
<b>Total revenue from contracts with customers</b>	<b>7,51,21,686</b>	<b>2,52,77,360</b>	<b>34,75,370</b>	<b>6,216.10</b>	<b>1,992.66</b>	<b>258.47</b>
<b>B. Primary geographical market:</b>						
- India	74,240	5,06,932	8,86,046	6.14	39.96	65.90
- USA	7,50,47,446	2,47,70,428	25,89,324	6,209.96	1,952.70	192.57
<b>Total revenue from contracts with customers</b>	<b>7,51,21,686</b>	<b>2,52,77,360</b>	<b>34,75,370</b>	<b>6,216.10</b>	<b>1,992.66</b>	<b>258.47</b>
<b>C. Timing of the revenue recognition:</b>						
- Goods/Services transferred at a point in time	7,50,47,446	2,47,70,428	25,89,324	6,209.96	1,952.70	192.57
- Services transferred over time	74,240	5,06,932	8,86,046	6.14	39.96	65.90
<b>Total revenue from contracts with customers</b>	<b>7,51,21,686</b>	<b>2,52,77,360</b>	<b>34,75,370</b>	<b>6,216.10</b>	<b>1,992.66</b>	<b>258.47</b>

24 Segment Reporting

The Company has only one reportable segment, i.e. Pharmaceuticals, and it operates mainly in one Geographical segment, USA. Hence there is no requirement of reporting segment information.

Single Customer who contributed 10% or more of the revenue for the year are:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Customer 1	20%	24%	12%
Customer 2	18%	14%	9%
Customer 3	14%		

25 Earnings per share

Particulars	Amounts in USD			Amounts in INR (millions)		
	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Net profit/ (loss) after tax attributable to equity shareholders (A)	47,48,071	(10,38,889)	(45,97,337)	392.88	(81.89)	(324.74)
Weighted average number of equity shares outstanding at the end of the year for ( Basic and Diluted )(B)	12,85,000	11,11,370	9,10,000	12,85,000	11,11,370	9,10,000
Basic and diluted earnings per share (A)/(B)	3.69	(0.93)	(5.05)	305.74	(73.68)	(356.86)
Face value per share (USD)	1	1	1			

26 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A. Names of the related parties and related party relationship

i) Party where control exists:

Category I: Holding Company:

Advagen Holdings, INC (w.e.f 30 August 2023)  
Rubicon Research Private Limited (Upto 29 August, 2023)

Category II: Intermediate Holding Company:

Rubicon Research Private Limited (w.e.f 30 August 2023)

Category III: Ultimate Holding Company:

General Atlantic Singapore RR PTE Ltd

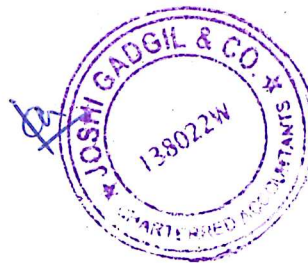
Category IV: Fellow subsidiaries:

Advagen Pharma Europe OÜ  
Advatech Biopharma Ltd



## ii) Parties with whom transactions have taken place during the year:

Transactions with related parties: Particulars	Amounts in USD			Amounts in INR (millions)		
	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022
<b>Transactions with Intermediate Holding Company</b>						
<b>Rubicon Research Private Limited</b>						
Purchase of Goods	4,89,11,541	2,64,19,551	1,42,26,396	4,047.29	2,186.93	1,058.06
Sale of Services	74,240	5,06,932	8,86,046	6.14	39.96	65.90
Reimbursement of Expenses	36,595	-	-	3.03	-	-
Royalty Expense	3,86,069	-	-	31.95	-	-
ESOP Expenses	(17,966)	17,966	-	(1.49)	1.42	-
Interest Expenses	2,35,772	3,27,688	78,574	19.51	25.83	5.84
Loan Taken	50,00,000	-	45,00,000	413.74	-	334.68
Loan Repaid	1,05,00,000	-	-	868.85	-	-
Services received	1,78,322	-	-	14.76	-	-
Legal and professional charges	27,961	16,469	4,840	2.31	1.30	0.36
<b>Transactions with Holding Company Advagen Holdings, INC</b>						
Interest Expenses	6,73,812	-	-	55.76	-	-
Loan taken	1,44,89,000	-	-	1,198.92	-	-
Loan Repaid	20,00,000	-	-	165.49	-	-
Reimbursement of Expenses	6,986	-	-	0.58	-	-
<b>Transaction with fellow subsidiary Advagen Pharma Europe OU</b>						
Purchase of Goods	3,87,760	-	-	32.09	-	-
<b>Transaction with fellow subsidiary Advatech Biopharma Ltd</b>						
Reimbursement of Expenses	3,939	-	-	0.33	-	-
<b>Balances:</b>						
<b>Advagen Holdings, INC</b>						
Loan Payable	1,24,89,000	-	-	1,040.85	-	-
Trade Payables	6,986	-	-	0.58	-	-
<b>Rubicon Research Private Limited</b>						
Loan Payable	-	55,00,000	55,00,000	-	451.84	415.31
Payable towards ESOP	16,09,410	16,27,376	16,09,411	134.13	133.69	121.53
Other payable	120	-	-	0.01	-	-
Interest accrued	-	4,19,383	91,695	-	34.45	6.92
Trade Payables	1,87,14,324	3,25,23,262	1,36,08,449	1,559.67	2,671.89	1,027.57
Trade Receivable	16,778	28,19,260	6,67,695	1.40	231.61	50.42
<b>Advatech Biopharma Ltd</b>						
Trade Receivable	6,682	-	-	0.56	-	-
<b>Advagen Pharma Europe OU</b>						
Trade Payables	3,87,760	-	-	32.32	-	-



27 Lease

Information about leases for which the Company is lessee is presented below:

i) Right of use assets

Particulars	Amounts in USD			Amounts in INR (millions)		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Carrying amount of:						
Right-of-Use: Buildings	6,16,189	17,064	51,191	51.35	1.40	3.87

Information about leases for which the Company is lessee is presented below:

i) Right of use assets

Particulars	Amounts in USD	Amounts in INR (millions)
	Right-of-Use: Buildings	Right-of-Use: Buildings
<b>Cost:</b>		
Balance at 01 April 2021	1,02,382	7.50
Additions	-	-
Disposal / Derecognized during the year	-	-
Effect of foreign currency translation	-	0.23
Balance at 31 March 2022	1,02,382	7.73
Additions	-	-
Disposal / Derecognized during the year	-	-
Effect of foreign currency translation	-	0.68
Balance at 31 March 2023	1,02,382	8.41
Additions	6,93,212	57.77
Disposal / Derecognized during the year	(1,02,382)	(8.53)
Effect of foreign currency translation	-	0.12
Balance at 31 March 2024	6,93,212	57.77
<b>Accumulated depreciation:</b>		
Balance at 01 April 2021	17,064	1.25
Additions	34,127	2.54
Disposal / Derecognized during the year	-	-
Effect of foreign currency translation	-	0.08
Balance at 31 March 2022	51,191	3.87
Additions	34,127	2.69
Disposal / Derecognized during the year	-	-
Effect of foreign currency translation	-	0.45
Balance at 31 March 2023	85,318	7.01
Additions	94,087	7.79
Disposal / Derecognized during the year	(1,02,382)	(8.53)
Effect of foreign currency translation	-	0.16
Balance at 31 March 2024	77,023	6.42
<b>Balance at 31 March 2024</b>	<b>6,16,189</b>	<b>51.35</b>
Balance at 31 March 2023	17,064	1.40
Balance at 31 March 2022	51,191	3.87





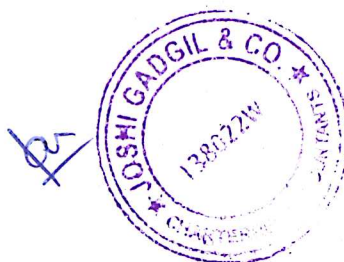
Particulars	Amounts in USD	Amounts in INR (millions)
	Right-of-Use: Buildings	Right-of-Use: Buildings
Balance at 01 April 2021	89,054	6.52
Accreditation of interest	2,478	0.18
Principal and Interest payments	(39,000)	(2.94)
Effect of foreign currency translation	-	0.21
Balance at 31 March 2022	52,532	3.97
Accreditation of interest	1,285	0.10
Principal and Interest payments	(36,000)	(2.96)
Effect of foreign currency translation	-	0.35
Balance at 31 March 2023	17,817	1.46
Additions	6,93,212	57.77
Accreditation of interest	29,398	2.43
Principal and Interest payments	(87,081)	(7.26)
Effect of foreign currency translation	-	0.04
Balance at 31 March 2024	6,53,346	54.45

Particulars	Amounts in USD			Amounts in INR (millions)		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Current	1,05,991	17,817	34,715	8.83	1.46	2.62
Non-current	5,47,355	-	17,817	45.62	-	1.35

Particulars	Amounts in USD			Amounts in INR (millions)		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Depreciation expense of right-of-use assets	94,087	34,127	34,127	7.79	2.69	2.54
Interest expense on lease liabilities	29,398	1,285	2,478	2.43	0.10	0.18
Total	1,23,485	35,412	36,605	10.22	2.79	2.72

Table showing contractual maturities of lease liabilities on an undiscounted basis:

Particulars	Amounts in USD			Amounts in INR (millions)		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Less than One year	1,50,312	17,817	34,715	12.53	1.46	2.62
One to Five years	6,26,678	-	17,817	52.23	-	1.35
More than Five years	-	-	-	-	-	-
Total	7,76,990	17,817	52,532	64.76	1.46	3.97



Trade Payable Ageing as on 31st March 2024						Amounts in USD	
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Others	2,45,88,020	3,48,030	1,46,880	-	-	2,50,82,930	
ii Disputed dues - Others	-	-	-	-	-	-	
	2,45,88,020	3,48,030	1,46,880	-	-	2,50,82,930	

Trade Payable Ageing as on 31st March 2024						Amounts in INR (millions)	
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Others	2,049.19	29.01	12.24	-	-	2,090.44	
ii Disputed dues - Others	-	-	-	-	-	-	
	2,049.19	29.01	12.24	-	-	2,090.44	

Trade Payable Ageing as on 31st March 2023						Amounts in USD	
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Others	71,48,174	2,62,65,855	-	-	-	3,34,14,029	
ii Disputed dues - Others	-	-	-	-	-	-	
	71,48,174	2,62,65,855	-	-	-	3,34,14,029	

Trade Payable Ageing as on 31st March 2023						Amounts in INR (millions)	
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Others	587.25	2,157.83	-	-	-	2,745.07	
ii Disputed dues - Others	-	-	-	-	-	-	
	587.25	2,157.83	-	-	-	2,745.07	

Trade Payable Ageing as on 31st March 2022						Amounts in USD	
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Others	92,69,085	49,88,185	-	-	-	1,42,57,270	
ii Disputed dues - Others	-	-	-	-	-	-	
	92,69,085	49,88,185	-	-	-	1,42,57,270	

Trade Payable Ageing as on 31st March 2022						Amounts in INR (millions)	
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Others	699.91	376.66	-	-	-	1,076.57	
ii Disputed dues - Others	-	-	-	-	-	-	
	699.91	376.66	-	-	-	1,076.57	

29 Trade Receivable

Trade Receivable Ageing as on 31st March 2024							Amounts in USD	
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Undisputed Trade Receivables - considered good	2,03,15,534	33,35,652	2,17,332	39,726	-	-	2,39,08,244	
ii Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
iii Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	
iv Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
	2,03,15,534	33,35,652	2,17,332	39,726	-	-	2,39,08,244	

Trade Receivable Ageing as on 31st March 2024							Amounts in INR (millions)	
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Undisputed Trade Receivables - considered good	1,693.12	278.00	18.11	3.31	-	-	1,992.54	
ii Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
iii Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	
iv Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
	1,693.12	278.00	18.11	3.31	-	-	1,992.54	



Trade Receivable Ageing as on 31st March 2023							Amounts in USD	
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Undisputed Trade Receivables - considered good	1,44,16,380	1,10,367	-	-	-	-	1,45,26,747	
ii Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
iii Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	
iv Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
	1,44,16,380	1,10,367	-	-	-	-	1,45,26,747	

Trade Receivable Ageing as on 31st March 2023							Amounts in INR (millions)	
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Undisputed Trade Receivables - considered good	1,184.35	9.07	-	-	-	-	1,193.42	
ii Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
iii Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	
iv Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
	1,184.35	9.07	-	-	-	-	1,193.42	

Trade Receivable Ageing as on 31st March 2022							Amounts in USD	
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Undisputed Trade Receivables - considered good	2,15,296	7,94,379	1,695	-	-	-	10,11,370	
ii Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
iii Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	
iv Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
	2,15,296	7,94,379	1,695	-	-	-	10,11,370	

Trade Receivable Ageing as on 31st March 2022							Amounts in INR (millions)	
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
i Undisputed Trade Receivables - considered good	16.26	59.98	0.13	-	-	-	76.37	
ii Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
iii Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	
iv Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
	16.26	59.98	0.13	-	-	-	76.37	

### 30 Financial Instruments

#### Financial Instruments – Fair values and risk management

##### A Accounting classification and fair values

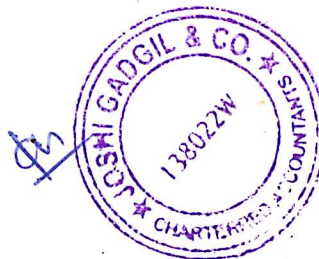
Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

##### Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - 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).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



Fair value As at 31 March 2024	FVTPL	Amortised Cost	Total	Level 1	Level 2	Amounts in USD	
						Level 3	Total
<b>Financial assets :</b>							
Trade Receivables	-	2,39,08,244	2,39,08,244	-	-	-	-
Cash and Cash Equivalents	-	6,14,397	6,14,397	-	-	-	-
<b>Financial liabilities :</b>							
Non-Current Borrowings	-	1,24,89,000	1,24,89,000	-	-	-	-
Non-Current Lease liabilities	-	5,47,355	5,47,355	-	-	-	-
Current Borrowings	-	-	-	-	-	-	-
Trade Payables Current	-	2,50,82,930	2,50,82,930	-	-	-	-
Current Lease liabilities	-	1,05,991	1,05,991	-	-	-	-

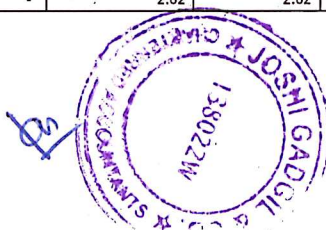
Fair value As at 31 March 2024	FVTPL	Amortised Cost	Total	Level 1	Level 2	Amounts in INR (millions)	
						Level 3	Total
<b>Financial assets :</b>							
Trade Receivables	-	1,992.54	1,992.54	-	-	-	-
Cash and Cash Equivalents	-	51.20	51.20	-	-	-	-
<b>Financial liabilities :</b>							
Non-Current Borrowings	-	1,040.85	1,040.85	-	-	-	-
Non-Current Lease liabilities	-	45.62	45.62	-	-	-	-
Current Borrowings	-	-	-	-	-	-	-
Trade Payables Current	-	2,090.44	2,090.44	-	-	-	-
Current Lease liabilities	-	8.83	8.83	-	-	-	-

Fair value As at 31 March 2023	FVTPL	Amortised Cost	Total	Level 1	Level 2	Amounts in USD	
						Level 3	Total
<b>Financial assets :</b>							
Trade Receivables	-	1,45,26,747	1,45,26,747	-	-	-	-
Cash and Cash Equivalents	-	12,98,998	12,98,998	-	-	-	-
<b>Financial liabilities :</b>							
Current Borrowings	-	55,00,000	55,00,000	-	-	-	-
Trade Payables Current	-	3,34,14,029	3,34,14,029	-	-	-	-
Current Lease liabilities	-	17,817	17,817	-	-	-	-

Fair value As at 31 March 2023	FVTPL	Amortised Cost	Total	Level 1	Level 2	Amounts in INR (millions)	
						Level 3	Total
<b>Financial assets :</b>							
Trade Receivables	-	1,193.42	1,193.42	-	-	-	-
Cash and Cash Equivalents	-	106.72	106.72	-	-	-	-
<b>Financial liabilities :</b>							
Current Borrowings	-	451.84	451.84	-	-	-	-
Trade Payables Current	-	2,745.07	2,745.07	-	-	-	-
Current Lease liabilities	-	1.46	1.46	-	-	-	-

Fair value As at 31 March 2022	FVTPL	Amortised Cost	Total	Level 1	Level 2	Amounts in USD	
						Level 3	Total
<b>Financial assets :</b>							
Trade Receivables	-	10,11,370	10,11,370	-	-	-	-
Cash and Cash Equivalents	-	6,65,912	6,65,912	-	-	-	-
<b>Financial liabilities :</b>							
Non-Current Borrowings	-	55,00,000	55,00,000	-	-	-	-
Non-Current Lease liabilities	-	17,817	17,817	-	-	-	-
Trade Payables Current	-	1,42,57,270	1,42,57,270	-	-	-	-
Current Lease liabilities	-	34,715	34,715	-	-	-	-

Fair value As at 31 March 2022	FVTPL	Amortised Cost	Total	Level 1	Level 2	Amounts in INR (millions)	
						Level 3	Total
<b>Financial assets :</b>							
Trade Receivables	-	76.37	76.37	-	-	-	-
Cash and Cash Equivalents	-	50.28	50.28	-	-	-	-
<b>Financial liabilities :</b>							
Non-Current Borrowings	-	415.31	415.31	-	-	-	-
Non-Current Lease liabilities	-	1.35	1.35	-	-	-	-
Trade Payables Current	-	1,076.57	1,076.57	-	-	-	-
Current Lease liabilities	-	2.62	2.62	-	-	-	-



## B Financial risk management

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

- Credit risk;
- Liquidity risk; and
- Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

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

The Board of Directors oversees how management monitors compliance with the company's risk management procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

## 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 investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

## Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows

Particulars	Amounts in USD			Amounts in INR (millions)		
	As at	As at	As at	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2022	31 March 2024	31 March 2023	31 March 2022
- Not past due	2,03,15,534	1,44,16,380	2,15,296	1,693.12	1,184.35	16.26
- 1-180 days	33,35,652	1,10,367	7,94,379	278.00	9.07	59.98
- 181-365 days	2,17,332	-	1,695	18.11	-	0.13
- more than 365 days	39,726	-	-	3.31	-	-
<b>Total</b>	<b>2,39,08,244</b>	<b>1,45,26,747</b>	<b>10,11,370</b>	<b>1,992.54</b>	<b>1,193.42</b>	<b>76.37</b>

## Cash and cash equivalents

As at the year end, the Company held cash and cash equivalents of \$ 6,14,397, INR 51.20 millions (31 March 2023- \$ 12,98,998, INR 106.72 millions) (31 March 2022- \$ 6,65,912, INR 50.28 millions). The cash and cash equivalents are held with bank.

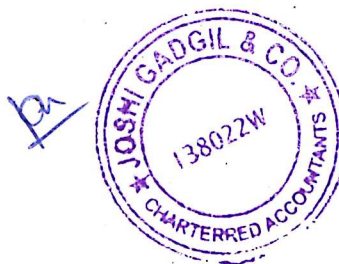
## ii Liquidity risk

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

The Company gets working capital funding from its Parent Company.

## Exposure to liquidity risk

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



As at 31 March 2024	Total amount	0-12 months	1-2 years	Amounts in USD	
				2-5 years	>5 years
<b>Non-derivative financial liabilities</b>					
Non-Current Borrowings	1,24,89,000	-	1,24,89,000	-	-
Lease Liabilities	6,53,346	1,05,991	2,74,780	2,72,575	-
Current Borrowings	-	-	-	-	-
Trade Payables	2,50,82,930	2,50,82,930	-	-	-
<b>Total</b>	<b>3,82,25,276</b>	<b>2,51,88,921</b>	<b>1,27,63,780</b>	<b>2,72,575</b>	-

As at 31 March 2024	Total amount	0-12 months	1-2 years	Amounts in INR (millions)	
				2-5 years	>5 years
<b>Non-derivative financial liabilities</b>					
Non-Current Borrowings	1,040.85	-	1,040.85	-	-
Lease Liabilities	54.45	8.83	22.90	22.72	-
Current Borrowings	-	-	-	-	-
Trade Payables	2,090.44	2,090.44	-	-	-
<b>Total</b>	<b>3,185.74</b>	<b>2,099.27</b>	<b>1,063.75</b>	<b>22.72</b>	-

As at 31 March 2023	Total amount	0-12 months	1-2 years	Amounts in USD	
				2-5 years	>5 years
<b>Non-derivative financial liabilities</b>					
Current Borrowings	55,00,000	55,00,000	-	-	-
Trade Payables	3,34,14,029	3,34,14,029	-	-	-
Lease Liabilities	17,817	17,817	-	-	-
<b>Total</b>	<b>3,89,31,846</b>	<b>3,89,31,846</b>	-	-	-

As at 31 March 2023	Total amount	0-12 months	1-2 years	Amounts in INR (millions)	
				2-5 years	>5 years
<b>Non-derivative financial liabilities</b>					
Current Borrowings	451.84	451.84	-	-	-
Trade Payables	2,745.07	2,745.07	-	-	-
Lease Liabilities	1.46	1.46	-	-	-
<b>Total</b>	<b>3,198.38</b>	<b>3,198.38</b>	-	-	-

As at 31 March 2022	Total amount	0-12 months	1-2 years	Amounts in USD	
				2-5 years	>5 years
<b>Non-derivative financial liabilities</b>					
Non-Current Borrowings	55,00,000	-	55,00,000.00	-	-
Trade Payables	1,42,57,270	1,42,57,270	-	-	-
Lease Liabilities	52,532	34,715	17,817	-	-
<b>Total</b>	<b>1,98,09,802</b>	<b>1,42,91,985</b>	<b>55,17,817</b>	-	-

As at 31 March 2022	Total amount	0-12 months	1-2 years	Amounts in INR (millions)	
				2-5 years	>5 years
<b>Non-derivative financial liabilities</b>					
Non-Current Borrowings	415.31	-	415.31	-	-
Trade Payables	1,076.57	1,076.57	-	-	-
Lease Liabilities	3.97	2.62	1.35	-	-
<b>Total</b>	<b>1,495.84</b>	<b>1,079.19</b>	<b>416.65</b>	-	-

iii Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables, which is not existing during the year since the company is operating in its functional currency alone.

31 Capital Management

The Company's policy is to build a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents, other bank balances and current investments.

The Company is in initial setup phase and intends to keep the ratio in a stable state. The Company's adjusted net debt to total equity ratio was as follows

Particulars	Amounts in USD			Amounts in INR (millions)		
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Total borrowings	1,24,89,000	55,00,000	55,00,000	1,040.85	451.84	415.31
Less : Cash and cash equivalent	6,14,397	12,98,998	6,65,912	51.20	106.72	50.28
Adjusted net debt	1,18,74,603	42,01,002	48,34,088	989.65	345.12	365.03
Total equity	(31,04,749)	(78,52,820)	(68,13,931)	(258.75)	(645.12)	(514.51)
Adjusted net debt to total equity ratio	-	-	-	-	-	-

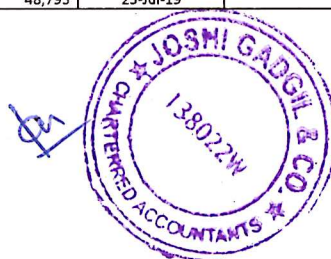
32 Intermediate holding Company's Share-based payment arrangements

The Intermediate holding Company implemented "Rubicon Employees Stock Option – Scheme – A under clause 4 of the "Rubicon Employees Stock Option Plan" ("the Plan") effective from 04 April 2019.

The management of Intermediate holding company determines which eligible employees of its subsidiaries will receive options, the number of options to be granted, the vesting period and the exercise period. The options are granted at an exercise price at the time of such grants. The ESOP charge on the options issued under the above schemes to its subsidiaries are cross charged at the fair value of the options as on the date of grant over the vesting period.

The following share based payment arrangements were in existence during the current and prior years:

Option series	Number	Grant date	Cancelled date	Expiry date	Fair value of option at grant date (USD)
Scheme A	48,793	25-Jul-19		24-Jul-29'	32.98



33 Income taxes

Particulars	Amounts in USD			Amounts in INR (millions)		
	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Current Tax Expense for the year	2,44,002	4,606	4,646	20.19	0.36	0.35
Tax adjustment for earlier years	(750)	-	-	(0.06)	-	-
Net Current Tax Expense	2,43,252	4,606	4,646	20.13	0.36	0.35

Reconciliation of effective tax rate

Particulars	Amounts in USD			Amounts in INR (millions)		
	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Profit/(Loss) before tax	49,91,323	(10,34,283)	(45,92,691)	413.01	(81.53)	(324.39)
Tax Rate (federal tax)	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
Derived Tax	10,48,178	(2,17,199)	(9,64,465)	86.73	(17.12)	(68.12)
Tax effect of:						
- Expenses disallowed	2,239	1,442	-	0.19	0.11	-
- (Utilisation) of unrecognised deferred tax assets	(8,06,415)	-	-	(67.21)	-	-
- Unrecognised deferred tax assets	-	2,20,363	9,69,111	-	18.10	73.18
Effect of foreign currency translation	-	-	-	0.48	(0.74)	(4.71)
Current Tax expense (excluding prior year taxes)	2,44,002	4,606	4,646	20.19	0.36	0.35

Note: The company has not recognized deferred tax assets (net) of USD 21,77,932 in respect of deductible temporary differences, unused tax losses and unused tax credits.

34 Current tax liabilities

Particulars	Amounts in USD			Amounts in INR (millions)		
	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2024	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Tax liability at the year end *	2,12,561	750	750	17.72	0.06	0.06
Total	2,12,561	750	750	17.72	0.06	0.06
	31,441	3,856	3,896	2.47	0.30	0.29

\* Tax liability is net of advance tax paid for 31st March 2024: USD 31,441, INR 2.47 millions ( 31st March 2023: USD 3,856, INR 0.30 millions) ( 31st March 2022: USD 3,896, INR 0.29 millions)

35 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

36 Foreign Currency translation In Indian Rupees:

Monetary Assets and liabilities and Long term investments of the Company have been translated to the Indian currency using exchange rates prevailing on the balance sheet date. Statement of profit and loss has been translated using average exchange rates. Share capital are translated into Indian currency at exchange rate prevalent on the date of transaction. Translation adjustments have been reported as foreign currency translation reserve which is presented within equity.

For Joshi Gadgil & Co  
Chartered Accountants  
Firm Registration no.- 138022W

Ketaki Karve  
Partner  
Mem. No.- 120651  
UDIN:

Thane, 23 July 2024



For and on behalf of Board of Directors of  
AdvaGen Pharma Ltd.  
Reg. No.- 0450182788

*(Signature)*  
Parag Sancheti  
Director

Thane, 23 July 2024