

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ENNATURE BIO PHARMA PRIVATE LIMITED

Report on the Audit of the Ind AS financial statements for the period ended 31st March, 2022

Opinion

We have audited the accompanying Ind AS financial statements of **Ennature Bio Pharma Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the period then ended, and notes to Ind AS financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, total comprehensive Loss, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Information Other than the Ind AS financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Ind AS financial statements and our auditor's report thereon.

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



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

Responsibilities of Management and Those Charged with Governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of company Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS financial statements

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



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

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

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



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and



- 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, no remuneration was paid by the Company to its directors during the period, therefore, the provisions of Section 197 read with Schedule V of the Act is not applicable.

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

- i) The Company does not have any pending litigation which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended 31st March, 2022.
- iv)
 - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



**K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS**

- c. Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v) The Company has neither declared nor paid any dividend during the period.

**PLACE: NOIDA
DATE: 26.05.2022**

**For K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 304153E**



(B.R. GOYAL)

PARTNER

M. NO. 012172

UDIN: 22012172 ALCLU B5797



ANNEXURE “A” TO THE INDEPENDEDNT AUDITOR’S REPORT

[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditor’s Report of even date, to the Members of **Ennature Bio Pharma Private Limited** on the financial statements for the period ended March 31, 2022]

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that,

- i. a) The Company did not hold any Property, Plant and Equipment and Intangible Assets during the period under report. Accordingly, provisions of paragraph 3 clause i(a), (b), (c) and (d) of the order are not applicable.
b) In our opinion and according to the information and explanation given to us, no proceedings have been initiated during the period or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a) The company does not have any inventory and accordingly, reporting under paragraph 3 (ii) (a) of the order is not applicable to the company.
b) According to the information and explanations given to us, at any point of time of the period, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the order is not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the period. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any investments, given any loans, guarantees, or security which attracts compliance of section 185 and section 186 of Companies act. Accordingly, Clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from public within the meaning of section 73 to section 76 of the act and rules framed there under to the extent notified and hence paragraph 3(v) of the Order is not applicable to the Company.



- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there were no undisputed statutory dues including Goods and Services tax, Income Tax, Provident Fund, Employees' State Insurance, Sales tax, duty of Customs, duty of Excise, Value added tax, cess and other material statutory dues were payable by the Company during the period.
- b) There were no undisputed amounts payable in respect of Goods and Service tax, Income tax, Provident Fund, Employees' State Insurance, Sales tax, duty of Customs, duty of Excise, Value added tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the period. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. a) As the Company did not have any loans or other borrowings from any lender during the period, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Ind AS financial statements of the Company, the Company has not raised funds on short term basis and hence reporting under clause 3(ix)(d) of the Order is not applicable.
- e) The company did not have any subsidiary or associate or joint venture and hence reporting under clause 3(ix)(e) of the Order is not applicable.
- f) The company did not have any subsidiary or associate or joint venture and hence reporting under clause 3(ix)(f) of the Order is not applicable.



- x. a) The Company has not raised any money by way of any initial public offer or further public offer (including debt instrument) during the period and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the period, nor have we been informed of any such case by the Management.
- b) During the period, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) The Company is not required by statute to implement vigil mechanism under Companies Act, hence reporting under clause 3(xi) (c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence 3 (xii) of the Order is not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- xiv. The provisions of Internal Audit under Companies Act, 2013 are not applicable to the Company. Accordingly, provisions of Paragraph 3 clause xiv(a) and (b) of the Order are not applicable.
- xv. In our opinion, during the period, the Company has not entered into any non-cash transaction with Director or person connected with him. Hence paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi. a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.



- b) The Company has not conducted non-banking financial /housing finance activities during the period. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India (RBI). Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d) According to the information and explanations provided to us during the course of audit, the Company does not have any CIC. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses of Rs. 36,767/- for the period ended 31st March, 2022.
- xviii. There has been no resignation of the statutory auditors of the Company during the period and accordingly the reporting under clause (xviii) is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company is not covered under Section 135 of the Companies Act. Accordingly, provisions of Paragraph 3 clause xx(a) and (b) of the Order are not applicable.

PLACE: NOIDA
DATE: 26.05.2022



For **K.N. GUTGUTIA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No. 304153E



(B.R. GOYAL)
PARTNER
M. NO. 012172

UDIN: 22012172ALCLU85797

Annexure 'B' to the Independent Auditor's Report of even date on the financial statements of Ennature Bio Pharma Private Limited

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

We have audited the internal financial controls with reference to financial statements of **ENNATURE BIO PHARMA PRIVATE LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control 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 with reference to financial statements

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

Opinion

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

For **K N GUTGUTIA & CO.**

Chartered Accountants

Firm's Registration No. 304153E




(B. R. GOYAL)

Partner

Membership No. 012172

Place: Noida

Date: 26.05.2022

Ennature Bio Pharma Private Limited
Balance Sheet as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022
ASSETS		
CURRENT ASSETS:		
(a) Financial Assets		
(i) Cash and cash equivalents	2	0.73
TOTAL ASSETS		0.73
EQUITY AND LIABILITIES		
EQUITY:		
(a) Equity Share capital	3	1.00
(b) Other Equity	3A	(0.37)
		0.63
LIABILITIES:		
CURRENT LIABILITIES:		
(a) Financial Liabilities		
(i) Other financial liabilities	4	0.10
		0.10
TOTAL EQUITY AND LIABILITIES		0.73

Company Overview & Summary of significant accounting policies 1

The accompanying notes are an integral part of these financial statements.

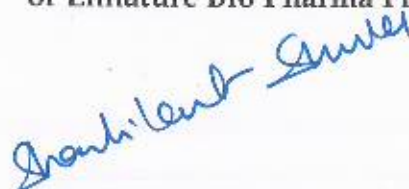
As per our report of even date

For K N GUTGUTIA & CO.
 CHARTERED ACCOUNTANTS
 FRN: 304153E


B R GOYAL
 PARTNER
 M. NO. 012172



For and on behalf of the board
 of Ennature Bio Pharma Private Limited



Shashi Kant Shukla
 Director
 DIN - 07117368



Bhupendar Pal Singhal
 Director
 DIN - 08850152

Place - Noida (UP)
 Date - 26 May 2022

Ennature Bio Pharma Private Limited**Statement of Profit & Loss for the period from October 1, 2021 to March 31, 2022**

Particulars	Note No.	Period from October 1, 2021 to March 31, 2022
Revenue from operations		-
Other income		-
Total Income		-
Expenses:		
Other expenses	5	0.37
Total Expenses		0.37
Profit/ (Loss) before tax		(0.37)
Tax Expense:		
- Current Tax		-
- Tax for earlier years		-
Profit/ (Loss) for the period		(0.37)
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		-
Other comprehensive Income/ (Loss) for the period		-
Total Comprehensive Income for the period		(0.37)
Earnings per Equity share (face value of Rs. 10 each) Basic/ diluted (in Rs.)	10	(3.70)

Company Overview & Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For K N GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN: 304153E


B R GOYAL
PARTNER
M. NO. 012172



Place - Noida (UP)
Date - 26 May 2022

For and on behalf of the board
of Ennature Bio Pharma Private Limited


Shashi Kant Shukla
Director
DIN - 07117368


Bhupendar Pal Singhal
Director
DIN - 08850152

Ennature Bio Pharma Private Limited

Statement of Changes in Equity for the period from October 1, 2021 to March 31, 2022

A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance as at October 1, 2021	Changes in equity share capital during the period	Balance as at 31st March 2022
10,000 Equity Shares of Rs. 10/- each fully paid up	-	1.00	1.00
		1.00	1.00

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus	
	Retained Earnings	Total
Balance As at October 1, 2021	-	-
Profit / (Loss) for the period	(0.37)	(0.37)
Other Comprehensive Income for the period	-	-
Balance As at March 31, 2022	(0.37)	(0.37)

As per our report of even date

For K N GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN: 304153E

For and on behalf of the board
of Ennature Bio Pharma Private Limited

B.R.Goyal
Partner
M.No. 012172



Shashi Kant Shukla
Director
DIN - 07117368

Bhupendar Pal Singhal
Director
DIN - 08850152

Place - Noida (UP)
Date - 26 May 2022

Ennature Bio Pharma Private Limited

Cash Flow Statement for the period from October 1, 2021 to March 31, 2022

(₹ in Lakhs)

Particulars		Period ended March 31, 2022
A	Cash Flow from Operating Activities	
	Net Profit/(Loss) Before Tax	(0.37)
	Operating Profit/(Loss) before Working Capital Changes	(0.37)
	Adjustments For:	
	Increase / (Decrease) in Trade & Other Payables	0.10
	Cash Generated from / (Used in) Operations	(0.27)
	Income Tax Paid (Net)	-
	Net Cash flow generated from / (Used in) Operating Activities	(0.27)
B	Cash Flow from Investing Activities	
	Net Cash flow generated from / (Used in) Investing Activities	-
C	Cash Flow from Financing Activities	
	Proceeds from Issue of Share Capital	1.00
	Net Cash flow generated from / (Used in) Financing Activities	1.00
	Net Increase/(Decrease) in Cash & Cash Equivalents [A+B+C]	0.73
	Opening Cash & Cash Equivalents (refer note 2)	-
	Closing Cash & Cash Equivalents (refer note 2)	0.73

Note:-

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Standard (Ind AS-7) - Statement of Cash Flows.

As per our report of even date
For K N GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN: 304153E

For and on behalf of the board
of Ennature Bio Pharma Private Limited


B R GOYAL
PARTNER
M. NO. 012172




Shashi Kant Shukla
Director
DIN - 07117368


Bhupendar Pal Singhal
Director
DIN - 08850152

Place - Noida (UP)
Date - 26 May 2022

ENNATURE BIO PHARMA PRIVATE Limited

Notes to the financial statements for the period from Oct 1, 2021 to 31 March 2022

1.1 Corporate Information

Ennature Bio Pharma Private Limited is a limited company domiciled in India, incorporated under the provisions of Companies Act, 2013. It is subsidiary company of India Glycols Limited, a company incorporated in India.

The financial statements of the Company for the period 1 October, 2021 to 31 March 2022 were authorized for issue in accordance with resolution of the board of directors on May 26, 2022.

1.2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation and Presentation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The Financial statements have been prepared and presented under the historical cost convention, on accrual and going concern basis, except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period as required by relevant Ind- AS. The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakhs (00,000) and two decimals thereof, except as stated otherwise.

The accounting policies are applied consistently to all the periods presented in the financial statements. The Company has been incorporated on October 1, 2021, hence, financial statements does not provide comparative information in respect to the previous year. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements.

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 1.3 on significant accounting estimates, assumptions and judgments).

B. Financial instruments - initial recognition, subsequent measurement and impairment

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



ENNATURE BIO PHARMA PRIVATE Limited

Notes to the financial statements for the period from Oct 1, 2021 to 31 March 2022

recognised when the Company becomes a party to the contractual provision of the instrument.

a) Financial Assets

Financial assets include cash and cash equivalent, other receivables, investments in securities.

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash-flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The company derecognizes a financial assets when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and the transfer qualifies for the derecognition under Ind AS 109.

The company assesses impairment based on expected credit loss (ECTL) model to all its financial assets measured at amortised cost.

b) Financial liabilities

Financial liabilities include short term loan and other payables.

All financial liabilities recognized initially at fair value and, in the case of loans and borrowing and other payable, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at amortised cost

After initial recognition, such financial liabilities are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of financial liability. The EIR amortization is included in finance expense in the statement of profit and loss.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.



ENNATURE BIO PHARMA PRIVATE Limited

Notes to the financial statements for the period from Oct 1, 2021 to 31 March 2022

C. Revenue recognition and other income

Revenue from contracts with Customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

D. Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the period. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(i) Current tax:

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred tax :

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

E. Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period including potential equity shares on compulsory convertible debentures.

Diluted earnings per share is computed by adjusting the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.



ENNATURE BIO PHARMA PRIVATE Limited

Notes to the financial statements for the period from Oct 1, 2021 to 31 March 2022

F. Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the provision is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognized in the financial statements.

G. Cash and Cash Equivalent (for the purpose of cash flow statements)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less), which are subject to insignificant risk of changes in value.

H. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the period are classified by operating, investing and financing activities.

1.3 Critical accounting estimates, assumptions and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the period presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



Ennature Bio Pharma Private Limited

Notes to financial statements for the period from October 1, 2021 to March 31, 2022

2. CASH & CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022
(i) Balance with Banks - On Current Accounts	0.73
	0.73



Ennature Bio Pharma Private Limited

Notes to financial statements for the period from October 1, 2021 to March 31, 2022

3. EQUITY SHARE CAPITAL

₹ in Lakhs except as otherwise stated

Particulars	As at March, 31
	2022
Authorised :	
50000 Equity Shares of Rs.10/- each (Previous Year NIL Equity Shares of Rs.10/- each)	5.00
	5.00
Issued, Subscribed and paid up :	
10000 Equity Shares of Rs.10/- each fully paid-up * *shares held by the holding Company, namely India Glycols Limited	1.00
	1.00

a) Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of shareholders holding more than 5% equity shares in the company

Name of Shareholders	As at March 31, 2022	
	No. of Shares	% of holding
INDIA GLYCOLS LIMITED with Nominees	10000	100%
Total	10000	100%

c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	No. of Shares As at March 31, 2022
Shares outstanding as at the beginning of the period	
Shares Issued during the period	10,000
Shares bought back during the period	-
Shares outstanding as at the end of the period	10,000



d) Details of shares held by promoters of the company

Promoters Name	As at March 31, 2022		
	No. of shares	% of total shares	% change during the year
INDIA GLYCOLS LIMITED	10000	100%	0%

3A. Other Equity

(₹ in Lakhs)

Particulars	Reserve & Surplus	
	Retained Earnings	Total
Balance As at October 1, 2021	-	-
Profit / (Loss) for the period	(0.37)	(0.37)
Other Comprehensive Income for the period	-	-
Balance As at March 31, 2022	(0.37)	(0.37)

Nature & purpose of reserves

Retained Earnings - Retained earnings are the profits/ (losses) that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



Ennature Bio Pharma Private Limited

Notes to financial statements for the period from October 1, 2021 to March 31, 2022

4. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022
Other Payables	0.10
	0.10



Ennature Bio Pharma Private Limited

Notes to financial statements for the period October 1, 2021 to March 31, 2022

(₹ in Lakhs)

5. OTHER EXPENSES	Period ended March 31, 2022
Audit Fees	0.10
Legal & Professional fees	0.17
Miscellaneous Expenses	0.10
	0.37



ENNATURE BIO PHARMA PRIVATE Limited

Notes to the financial statements for the period from Oct 1, 2021 to 31 March 2022

6. Contingent Liabilities not Provided For (As Certified by the Management): NIL.

7. Financial risk management objectives and Policies

• **Market Risk:**

Currently, the company has no business and hence company is not exposed to market risk.

• **Credit Risk:**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as advance and other receivables. The Company does not have exposure to credit risk.

• **Liquidity Risk:**

Liquidity risk is the risk, where 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 is not exposed to liquidity risk.

• **Capital risk management**

The Company does not have capital risk.

8. Expenditure & Earning in Foreign Currency -NIL.

9. Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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.

(₹ in Lakhs)

Particular	As at 31.03.2022	
	Carrying amount	Fair Value
(A) Financial Assets		
1. At fair value through profit & Loss	-	-
2. At Amortized Cost		
- Cash and cash equivalents	0.73	0.73
Total Financial Assets	0.73	0.73
(B) Financial Liabilities		
1. At fair value through profit & Loss	-	-
2. At Amortized Cost		
- Others	0.10	0.10
Total Financial Liabilities	0.10	0.10



ENNATURE BIO PHARMA PRIVATE Limited

Notes to the financial statements for the period from Oct 1, 2021 to 31 March 2022

The methods and assumptions were used to estimate the fair values: Fair value of cash and bank balance, receivables, payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 - Inputs which are not based on observable market data.

(₹ in Lakhs)

Assets/ Liabilities measured at fair value through P\I.(Accounted)	As at March 31, 2022		
	Level 1	Level 2	Level 3
Financial liabilities	-	-	-
Financial Assets	-	-	-

10. Earnings per share (EPS)

Particulars	For the period October 1, 2021 to 31 March 2022
Net profit\ (loss) for the year attributable to equity shareholders (₹ in Lakhs)	(0.37)
Weighted average number of equity shares outstanding	10000
Basic and diluted earnings per share (face value of Rs 10 each)*	(3.70)

*Earning per share is calculated by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

11. Related Party Disclosures as per Ind AS-24

Relationship

- India Glycols Limited (100% holding company)
- Shahshi Kant Shukla (Director)
- Bhupendar Pal Singhal (Director)
- Manish Chandra Pant (Director)

Related party transaction

Nature of transactions	Related Party	(₹ in lakhs)
		Oct 21 to Mar 22
Proceeds from issue of Share Capital	India Glycols Limited	1.00



ENNATURE BIO PHARMA PRIVATE Limited

Notes to the financial statements for the period from Oct 1, 2021 to 31 March 2022

12. Financial Ratio Analysis

S. NO.	Particulars	From October 1, 2021 to March 31, 2022
1	Current Ratio (Current assets/current liabilities)	7.30
2	Debt-to-Equity Ratio (D/E) (in times) (Total Debt/Total Shareholder's equity)	NA
3	Debt service coverage ratio (in times) (Profit after tax+depreciation+interest on term loan)/(Debt repayment including interest)	NA
4	Return on equity ratio (Net Profit after tax/ Total Shareholder's Equity)	(0.59)
5	Inventory Turnover ratio (in times) (Cost of Goods Sold/ Average Inventory)	NA
6	Trade receivable turnover ratio (Net Credit Sales/ Average Trade Receivables)	NA
7	Trade payable turnover ratio (Net Credit purchases/ (Average Trade payables)	NA
8	Net Capital Turnover ratio (Net Sales/ (Average Working capital)	NA
9	Net Profit Ratio (Net profit after tax/ Net Sales)	NA
10	Return on Capital employed (Profit before interest and tax)/Capital employed	(0.59)
11	Return on investment (Net return on investment/cost of investment)*100	NA

13. Other Statutory information

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) There are no transactions and / or balance outstanding with companies struck off under section 248 of the Companies Act, 2013.
- c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:



ENNATURE BIO PHARMA PRIVATE Limited

Notes to the financial statements for the period from Oct 1, 2021 to 31 March 2022

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- i) 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
- ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- g) The Company does not any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the reporting period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- h) The company does not have any investments through more than two layers of investment companies as per section 2(87) (d) and section 186 of Companies Act, 2013.

In terms of our report of even date attached

For K N GUTGUTIA & CO.
Chartered Accountants
ICAI'S FRN 304153E


B.R. Goyal
Partner
M.No: 012172



Place: Noida (UP)
Date: May 26, 2022

For and on behalf of the Board of
Ennature Bio Pharma Private Limited


Shashi Kant Shukla
(Director)
DIN-07117368


Bhupendar Pal Singhal
(Director)
DIN-08850152