M Raghunath & Co
Chartered Accountants

New No.22, Millers Road
Kilpauk, Chennai 600 010
Phone: 044-25323463/98402 91563
E-Mail: mraghunathcochennai@gmail.com

INDEPENDENT AUDITOR'S REPORT

To
The Members
Caplin Onco Limited, Chennai

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Caplin Onco Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period then ended, and 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, (changes in equity) and its cash flows for the period ended on that date.

Basis for Opinion:

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of 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 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 financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the IndAS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

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

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

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, based on our audit we report to the extent applicable that:

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

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

   c) The financial statements dealt with by this report are in agreement with the relevant books of account;

   d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting; 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, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i. The Company does not have any pending litigations which would impact financial position in the financial statements

   ii. The Company does not have any long term contracts including any Derivative Contracts for which there are no 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 31 March 2022;

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year, hence reporting under section 123 of the Act is not applicable.

For M Raghunath & Co
Chartered Accountants
Firm Registration Number: 03347S

-sd-

S. RamaLakshmi
Partner
Membership No.210334
UDIN:22210334AIUWGQ5386

Place: Chennai
Date: 11-05-2022

M Raghunath & Co **New No.22, Millers Road**
Chartered Accountants **Kilpauk, Chennai 600 010**
Phone: 044-25323463/98402 91563
E-Mail: mraghunathcochennai@gmail.com

Annexure -A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, Capital work in Progress on the basis of available information. The Company has maintained proper records showing full particulars of intangible assets.

b) The Property, plant and equipment, Capital Work in progress were physically verified by the Management according to a phased programme designed to cover all the items over a period, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, we report that, the Company does not hold any freehold land as at the balance sheet date. According to the information and explanations given to us and the records examined by us, we report that, the Company does not hold any leasehold land as at the balance sheet date.

(d) The Company has not revalued the Property, Plant and equipment or Intangible assets during the year.

(e) According to information and explanation given to us, no proceeding has been initiated or are pending against the company for holding any Benami property under the Benami Transactions (prohibitions) Act,1988(45 of 1988) and rules made thereunder.

ii) The Company neither has any inventory nor sanctioned Working Capital limits. Thus, clause 3(ii) of the order is not applicable.

iii) According to the information and explanations given to us, during the year, the Company has not made any guarantee or security or granted any advances in the nature of loan, secured or unsecured to companies, firms, limited liability partnerships or any other parties.

iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, guarantee or security to parties covered under Section 185. The company has not made any investments or given any loan or any guarantee or security in connection with the loan to any person or body corporate covered under section 186 of the act, hence provisions of clause 3(iv) of the Order is not applicable to the Company.

v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, reporting under clause (v) of the Order does not arise.

vi) In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148(1) of the Companies Act, 2013 are not applicable to the Company for the year under audit , since the Company is yet to commence its commercial operations.

vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, Goods and Services Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of statutory dues which are outstanding as at 31st March 2022 for a period of more than six months from the date they become payable.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, Employees State Insurance, income-tax, sales tax, Service Tax, duty of customs, duty of excise, value added tax, and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there were no dues that have not been deposited by the company on account of disputes of Goods and Services Tax, provident fund, Employees State Insurance, income-tax, sales tax, duty of customs, duty of excise, value added tax, and Service tax

viii) According to the information and explanations given by the management, we have not come across any transactions not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the Order is not applicable.

ix) (a) According to information and explanation given to us, the company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the order does not arise.

(b) According to the information and explanations given to us, we report that the company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on overall examination of the Balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, Joint Ventures or Associate Companies and hence reporting on clause 3(ix)(f) of the order is not applicable.

x) (a) Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause (x)(a) of the Order is not applicable to the Company.
(b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

xi) (a) In our opinion and according to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has is required to be filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c According to the information and explanations given to us, clause 3(xi) (c), is not applicable to the company.

xii) The Company is not a Nidhi Company and accordingly, paragraph (xii)(a) to (xii)(c) of the order is not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. The details of transactions during the year have been disclosed in Note 20 of the financial statements as required by the applicable Accounting Standards.

xiv) The company does not have an internal audit system. hence, clause 3(xiv)(a) to (xiv)(b), of the Order are not applicable to the company

xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into non-cash transactions with directors or persons connected with its Directors and hence provisions of Section 192 of the Companies Act 2013 are not applicable to the company.

xvi) a) According to the information and explanations given to us the company is not required to be registered under section 45-IA of The Reserve Bank of India Act, 1934, hence clause 3(xvi)(a) to (c) of the Order is not applicable.

b) According to the information and explanations given to us clause 3(xvi)(d) of the Order is not applicable

xvii) According to information and explanation given to us, the Company has incurred cash loss of Rs.86.00 lakhs current period.

xviii) According to information and explanation given to us, there has been no resignation of Statutory Auditors during the year and accordingly this clause is not applicable.

xix) According to the information and explanations given to us , on the basis of Financial Ratios ageing and expected dates of realization of Financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and the 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 on the date of audit report that the Company is not capable of meeting its liabilities as on date of the Balance Sheet and when they fall due within a period of one year from 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) In our opinion, and according to information and explanations given to us provision of Section 135 is not applicable and hence provisions of Clause 3 (xx)(a) and (b) is not applicable.

xxi) In our opinion and according to the information and explanations given to us, the Company does not have investment in subsidiaries / associates or joint venture companies. Accordingly, paragraph 3 (xxi) of the Order is not applicable.

For M Raghunath & Co
Chartered Accountants
Firm Registration Number: 03347S

-sd-

S.RamaLakshmi
Partner
Membership No.210334
UDIN:22210334AIUWGQ5386

Place: Chennai
Date: 11-05-2022

M Raghunath & Co **New No.22, Millers Road**
Chartered Accountants **Kilpauk, Chennai 600 010**
Phone: 044-25323463/98402 91563
E-Mail: mraghunathcochennai@gmail.com

Annexure B to The Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory requirements' section of our report to the Members of Caplin Onco Limited of even date)

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")

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by 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 the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over financial Reporting

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

Opinion

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

For M Raghunath & Co
Chartered Accountants
Firm Registration Number: 03347S

-sd-

S.RamaLakshmi
Partner
Membership No.210334
UDIN:22210334AIUWGQ5386

Place: Chennai
Date: 11-05-2022

CAPLIN ONCO LIMITED
BALANCE SHEET AS AT MARCH 31, 2022
(All amounts are in Rs. Lakhs unless otherwise stated)

Particulars	Notes	As at March 31, 2022
ASSETS		
(1) Non-Current Assets		
(a) Property, plant and equipment	2A	20.16
(b) Capital work-in-progress	2B	204.34
(c) Other intangible assets	2C	2.28
(d) Intangible assets under development	2D	2.64
(e) Financial assets		
(i) Other financial Assets	3	1.00
(f) Other non current Assets	4	3,078.96
Sub-total-Non current assets		**3,309.38**
(2) Current Assets		
(a) Financial assets		
(i) Cash and cash equivalents	5	23.74
(b) Other current assets	6	39.20
Sub-total-Current assets		**62.94**
Total		**3,372.32**
EQUITY AND LAIBILITIES		
(1) Equity		
(a) Equity share capital	7	3,425.80
(b) Other equity	8	(86.63)
Sub-total-Equity		**3,339.17**
(2) Liabilities		
(A) Non-Current Liabilities		
(a) Other non current liabilities	9	0.61
Sub-total-Non current liabilities		**0.61**
(B) Current Liabilities		
(a) Financial liabilities		
(i) Trade payables		
(a) total outstanding dues of micro and small enterprises		-
(b) total outstanding dues other than (i) (a) above		-
(ii) Other financial liabilities	10	29.09
(b) Other current liabilities	11	3.19
(c) Current tax liabilities	12	0.26
Sub-total-Current liabilities		**32.54**
Total		**3,372.32**

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For **M Raghunath & Co.**
Chartered Accountants
Firm Registration No : 003347S

Sd/-
S.Ramalakshmi
Partner
ICAI Membership No. 210334
UDIN: 22210334AIUWGQ5386

For and on behalf of the Board of Directors of Caplin Onco Limited
CIN: U24299TN2021PLC143869

Sd/-
Sridhar Ganesan
Whole Time Director
DIN: 6819026

Sd/-
Muralidharan D
Chief Financial Officer

Sd/-
Arihant Kumar Nahar
Company Secretary

Place : Chennai
Date : 11-May-2022

CAPLIN ONCO LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM 02ND JUNE 2021 TO 31ST MARCH 2022

(All amounts are in Rs. Lakhs unless otherwise stated)

Particulars	Notes	For the Period from 02nd June 2021 to 31st March 2022
I . INCOME		
(a) Revenue from operations		-
(b) Other income	**13**	1.70
Total Income		**1.70**
II . EXPENSES		
(a) Cost of materials Consumed		-
(b) Changes in inventories of finished goods including stock-in-trade and work-in-progress		-
(c) Employee benefits expense	**14**	0.06
(d) Finance costs		-
(e) Depreciation and amortisation expenses	**15**	0.20
(f) Other expenses	**16**	87.64
Total Expenses		**87.90**
III . Loss before exceptional items and tax		(86.20)
IV. Exceptional items		-
V . Loss before tax		(86.20)
VI . Tax expense		
- Current tax		(0.43)
- Deferred tax (benefits)/charge		-
VII . Loss after tax for the period		(86.63)
VIII. Other comprehensive income		-
IX.Total comprehensive income for the period		**(86.63)**
Earning per equity share (Nominal value per share Rs.10/-)		
Basic (Annualized) In Rupees		**(0.85)**
Diluted (Annualized) in Rupees		**(0.85)**

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For **M Raghunath & Co.**
Chartered Accountants
Firm Registration No : 003347S

For and on behalf of the Board of Directors of Caplin Onco Limited
CIN: U24299TN2021PLC143869

Sd/-
S.Ramalakshmi
Partner
ICAI Membership No. 210334
UDIN: 22210334AIUWGQ5386

Sd/-
Sridhar Ganesan
Whole Time Director
DIN: 6819026

Sd/-
Muralidharan D
Chief Financial Officer

Sd/-
Arihant Kumar Nahar
Company Secretary

Place : Chennai
Date : 11-May-2022

CAPLIN ONCO LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2022

(All amounts are in Rs. Lakhs unless otherwise stated)

Particulars	**For the year ended Mar 31, 2022**
A. Cash Flow from Operating Activities	
Loss before tax	**(86.20)**
Adjustments for:	
Depreciation and amortisation	0.20
Interest income	(1.70)
Fees for increase in authorised share capital	75.80
Operating Loss before Working Capital changes	**(11.90)**
Adjustments for :	
(Increase) / Decrease in other non current & current assets	(40.20)
Increase / (Decrease) in other non current & current liabilities	3.80
CASH GENERATED FROM OPERATIONS	**(48.30)**
Income tax paid (TDS)	(0.17)
Net outflow from operating activities	**(48.47)**
B. Cash Flow from Investing Activities	
Interest received	1.70
Sale/(Purchase) of property, plant and equipment; capital advances & capital creditors (including CWIP)	(3,279.50)
Net Cash outflow from Investing activities	**(3,277.80)**
C. Cash Flow from Financing Activities	
Issuance of equity share capital for cash	3,425.81
Fees for increase in authorised share capital	(75.80)
Net cash inflow from financing activities	**3,350.01**
Effect of exchange rate changes on cash and cash equivalents **(D)**	-
Net decrease in cash and cash equivalents during the year (E= A+B+C+D)	23.74
Cash and cash equivalents as at the beginning of the year (F)	**-**
Cash and cash equivalents as at the end of the period (G=E +F)	**23.74**
Less: Deposit under lien (H)	**-**
Net cash and cash equivalents as at the end of the period (I=G -H)	**23.74**
Notes:	
a) Reconciliation of cash and cash equivalents	
Cash and cash equivalents	23.74
Total cash and cash equivalents as per balance sheet	**23.74**
	-
Total cash and cash equivalents as per the statement of cash flows	**23.74**

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

The accompanying notes form part an integral part of the financial statements

As per our report of even date attached
For **M Raghunath & Co.**
Chartered Accountants
Firm Registration No : 003347S

Sd/-
S.Ramalakshmi
Partner
ICAI Membership No. 210334
UDIN: 22210334AIUWGQ5386

Place : Chennai
Date : 11-May-2022

For and on behalf of the Board of Directors of
Caplin Onco Limited

Sd/-
Sridhar Ganesan
Whole Time Director
DIN: 6819026

Sd/-
Muralidharan D
Chief Financial Officer

Sd/-
Arihant Kumar Nahar
Company Secretary

CAPLIN ONCO LIMITED
(All amounts are in Rs. Lakhs unless otherwise stated)
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2022

A. EQUITY SHARE CAPITAL

Particulars	As at 31st March 2022	
	No of Equity Shares of ₹ 10/- each	Amount Rs.
Balance at the beginning of the reporting period	-	-
Changes in equity share capital during the year	3,42,58,000	3,425.80
Balance at the end of the reporting period	**3,42,58,000**	**3,425.80**

B. OTHER EQUITY (Refer Note 8)

Particulars	Reserves and Surplus	Total Other Equity
	Retained Earnings	
Balance as at 31st March 2021	-	**-**
Profit for the Period	(86.63)	**(86.63)**
Balance as at 31st March 2022	**(86.63)**	**(86.63)**

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For **M Raghunath & Co.**
Chartered Accountants
Firm Registration No : 003347S

Sd/-
S.Ramalakshmi
Partner
ICAI Membership No. 210334
UDIN: 22210334AIUWGQ5386

For and on behalf of the Board of Directors of
Caplin Onco Limited
CIN: U24299TN2021PLC143869

Sd/-
Sridhar Ganesan
Whole Time Director
DIN: 6819026

Sd/-
Muralidharan D
Chief Financial Officer

Sd/-
Arihant Kumar Nahar
Company Secretary

Place : Chennai
Date : 11-May-2022

Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in lakhs unless otherwise stated)

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1A. Company Overview:

Caplin Onco Limited ("Caplin Onco" or "the Company") incorporated in 2021, headquartered and having its registered office in Chennai, Tamil Nadu, India. The company is incorporated during the year and in the process of setting up a sophisticated operational unit and yet to commence its operations. Caplin Onco is a R&D driven company focusing on the development and manufacturing of high quality Oncology products for Regulated and Non Regulated Markets. Caplin Onco is a wholly owned subsidiary of fast growing Pharmaceutical company Caplin Point Laboratories Ltd. The Company's principal manufacturing facility is located in Tamil Nadu;

1B. SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS:

a) Basis of accounting and preparation of Financial Statements:

i) *Statement of Compliance*

These financial statements of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the '1X AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

ii) *Basis of Preparation*

The financial statements have been prepared on accrual and going concern basis. Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle as per paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents the Company has ascertained its normal operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a noncash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. Cash and cash equivalents for the purpose of the statement of cash flows comprise cash and cash on deposit with banks and financial institutions. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalent.

These financial statements are prepared under the historical cost convention except in case of certain class of financial assets/liabilities, share based payments and net liability for defined benefit plan that are measured at fair value.

The Company has decided to round off the figures to the nearest lakhs.

These financial statements were authorized for issue by the Company's Board of Directors on May 11, 2022.

iii) *Functional and Presentation Currency*
These financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information presented in Indian rupees (₹) has been rounded off to the nearest lakhs, except otherwise indicated.

iv) *Use of Estimates and Judgments*
The preparation of the 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 judgments 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, given as under:

- Measurement of defined benefit obligations
- Measurement and likelihood of occurrence of provisions and contingencies
- Recognition of deferred tax assets
- Useful lives of property, plant, equipment and Intangibles
- Impairment of Assets
- Impairment of financial assets

b) Property, Plant and Equipment:

i) *Recognition and Measurement*
Property, plant and equipment are stated at their cost of acquisition / installation / construction net of accumulated depreciation, and impairment losses, if any, except freehold land which is carried at cost less impairment losses. Subsequent expenditures are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred. The present value of the expected cost for the decommissioning of an

asset after its use is included in the cost of the respective asset if the recognition criteria for provisions are met.

Spares which meet the definition of property, plant and equipment are capitalized as on the date of acquisition. The corresponding old spares are decapitalized on such date with consequent impact in the statement of profit and loss.

Property, plant and equipment not ready for their intended use as on the balance sheet date are disclosed as “Capital work-in-progress”. Such items are classified to the appropriate category of property, plant and equipment when completed and ready for their intended use. Advances given towards acquisition / construction of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under “Other non-current assets”.

An item of property, plant and equipment and any significant part thereof is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss in “other income / (expenses)” when the asset is derecognized.

ii) *Depreciation*

Depreciation is provided as per the useful life of assets which are determined based on technical parameters / assessment. Depreciation on tangible assets is provided on a straight line method over the useful lives of the assets.

Estimated useful lives of the assets, are as follows:

Asset Category	Estimated useful life (Years)
Factory Building	30
Building other than factory building	60
Plant & Machinery	5-15
Furniture & Fixtures	10
Office Equipment	5
Computers	3
Electrical Fittings and installation	10
Motor Vehicles	6
Motor Cycle	10

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed during each financial year and adjusted prospectively, if appropriate.
Depreciation on additions is provided pro-rata basis for the number of days available for use. Depreciation on sale / disposal of assets is provided pro-rata basis up to the date of sale / disposal.

An asset purchased where the actual cost does not exceed Rs 5,000 is depreciated at the rate of 100%.

c) Intangible Assets:

i) Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Expenditure on research and development eligible for capitalization are carried as Intangible assets under development where such assets are not yet ready for their intended use.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, if any, are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

ii) Amortization

Intangible assets are amortized over their estimated useful life on Straight Line Method as follows:

Asset Category	Estimated useful life
Computer Software	6 Years or use full life whichever is lower

The estimated useful lives of intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern, if any.

d) Leases

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

i) Company as Lessee

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and leases of low value assets.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset and the average lease terms. The Right-of-use assets is also subject to impairment. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The Company uses the incremental borrowing rate as the discount rate.

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low value assets recognition exemption to leases that are considered of low value (range different for different class of assets). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

ii) Company as Lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

In respect of assets provided on finance leases, amounts due from lessees are recorded as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. In respect of assets given on operating lease, lease rentals are accounted in the Statement of Profit and Loss, on accrual basis in accordance with the respective lease agreements.

e) Impairment of Assets:

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

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

f) Research and Development:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred. Fixed assets utilised for research and development are capitalized and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

Expenditure on in-licensed development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalized, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset.

g) Inventories

Inventories are valued at lower of cost or net realizable value. Cost is determined as follows;

i) Raw materials, Stores and Spares and Packing materials

Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and taxes for which credit is not available. Cost is determined on FIFO basis.

ii) Work-in-progress and Finished goods

Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity, but excluding borrowing costs.

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

h) Government Grants and Assistance

Grants from the Government are recognized when the Company will comply with all the conditions attached to them and there is a reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grants relating to an asset are initially recognized as deferred income and subsequently recognized in the Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.

i) Borrowing Costs

Borrowing cost directly attributable to acquisition and construction of assets that necessarily take substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of such assets up to the date when such assets are ready for intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) Fair Value Measurement

The Company measures some of its financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the statement of profit and loss are recognized immediately in the statement of profit and loss.

I. Financial Assets

The Company's Financial Assets mainly comprise of;

- Current financial assets mainly consist of trade receivables, investments in liquid mutual funds, cash and bank balances, fixed deposits with banks and financial institutions, incentive receivable from Government and other current receivables.

- Non-current financial assets mainly consist of financial investments in equity, fixed deposits and non-current deposits.

❖ **Initial Recognition and measurement of Financial Assets**

The Company recognizes a financial asset when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis, i.e. the date that the Company commits to purchase or sell the asset.

❖ **Subsequent Measurement of Financial Assets**

For purposes of subsequent measurement, financial assets are classified in the following categories:

i) Financial Assets at Amortized Cost;

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.

Financial assets at amortized cost category is the most relevant to the Company. It comprises of current financial assets such as trade receivables, cash and bank balances, fixed deposits with bank and financial institutions, other current receivables and non-current financial assets such as non-current receivables and deposits.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment, if any are recognized in the statement of profit and loss.

ii) Financial Assets at Fair Value through Profit and Loss

All equity investments in scope of Ind AS 109 "Financial Instruments" are measured at FVTPL with all changes in fair value recognized in the statement of profit and loss. The Company has designated its investments in equity instruments as FVTPL category.

iii) Financial Assets at Fair Value through Other Comprehensive Income

The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has not designated investments in any equity instruments as FVTOCI.

❖ **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

i) The rights to receive cash flows from the asset have expired, or

ii) 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:

- the Company has transferred substantially all the risks and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

❖ **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:

i) Trade Receivables

ii) Other financial assets that are measured at amortized cost.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance

II. Financial Liabilities and Equity Instruments

i) Financial Liabilities

The Company's Financial Liabilities mainly comprise of;

- Current financial liabilities mainly consist of trade payables and liability for capital expenditure.

- Non-current financial liabilities mainly consist of Borrowings.

- **Initial Recognition and measurement of Financial Liabilities**

The Company recognizes a financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are initially recognized and measured at amortized cost

- **Subsequent Measurement of Financial Liabilities at Amortized Cost**

The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest rate method. Interest expense that is not capitalized as part of cost of an asset is included in the 'Finance costs' line item. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

- **Derecognition of Financial Liability**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. 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 recognized in the statement of profit and loss.

ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

III. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

l) Foreign Currency Transactions

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

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

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in the statement of profit and loss.

m) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities and contingent assets are not recognized in the financial statements. Contingent liabilities are disclosed in the financial statements unless the possibility of any outflow in settlement is remote. Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

n) Revenue Recognition

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. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

i) Sale of Goods

Revenue from the sale of goods is recognized when delivery has taken place and control of the goods has been transferred to the customer, and when there are no longer any unfulfilled obligations. The customer obtains control of the goods when the significant risks and reward of products sold are transferred according to the specific delivery term that have been agreed with the customer.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates.

In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

ii) Profit Sharing Revenues

The company has entered into arrangements with its business partners for sale of products in certain markets whereby the company is eligible for a share of profit over and above the base selling price. The share of profits is dependent on the ultimate sales made by the business partner and subject to any reductions or adjustments that are required by the terms of the arrangement. Such arrangements typically require the business partner to provide confirmation of units sold and net sales or net profit computations for the products covered under the arrangement. The profit share component is recognized as revenue only to the extent that it is highly probable that a significant reversal will not occur.

iii) Service Fee

Revenue from services rendered is recognized in the profit or loss as the underlying services are performed. Upfront non-refundable payments received under these arrangements are recognized as revenue upon satisfaction of performance obligations.

iv) Interest and Dividend Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognized when right to receive is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

o) Export Incentive

Export incentives comprise of Duty draw back and MEIS (Merchandise Exports from India Scheme) scrips.

Duty drawback is recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports entitled for this benefit made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

MEIS scrips are freely transferable and can be utilised for the payment of customs duty. MEIS scrips are recognised either on transfer/sale of such scrips or when it is reasonably certain that such scrips can be utilised against import duties

p) Employee Benefits

i) Short term employee benefits

Short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Accumulated compensated absences, which are expected to be availed or encased within 12 months from the end of the year are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid is as a result of the unused entitlement as at the year end.

ii) Post-*Employment* Benefits:

- ***Defined contribution plans***

Employee benefits in the form of contribution to Provident Fund managed by Government Authorities, Employees State Insurance Corporation and Labor Welfare Fund are considered as defined contribution plans and the same are charged to the statement of profit and loss for the year in which the employee renders the related service.

- ***Defined benefit plans***

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

❖ ***Gratuity***

The Company's gratuity benefit scheme is a defined benefit plan, covering eligible employees. During the year, the Company recognized the liability for gratuity benefits payable in future under Non-Current Liabilities in Balance Sheet. Every eligible employee who completes five years of service or more is entitled to Gratuity on departure at 15 days' salary for each completed year of service.

❖ ***Compensated absences:***

The expected cost of accumulated compensated absences is determined in full for the current year and has accumulated at the Balance Sheet date. Accumulated compensated absences, which are expected to be availed or en-cashed beyond 12 months from the end of the year end are treated as other long term employee benefits.

q) Share based Payments

The holding Company of the Company operates various Employee stock option plans (ESOP), which are granted to certain specified employees of the Company and the said ESOP forms part of the remuneration.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost of equity settled transactions is recognized in the Statement of Profit and Loss, together with a corresponding increase in equity, representing contribution received from the holding company, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and Company's best estimate of the number of equity instruments that will ultimately vest.

In case of forfeiture/lapse stock option, which is not vested, amortized portion is reversed by credit to employee compensation expense.

r) Taxation

Tax expense comprises current income tax and deferred income tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

i) Current Tax

Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

ii) Deferred Tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized 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 utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

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

s) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are computed by dividing the profit 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.

t) Operating Segments

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's board of directors to make decisions about resources to be allocated to the segments and assess their performance.

u) Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On

March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework
The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use
The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract
The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements

Ind AS 109 – Annual Improvements to Ind AS (2021)
The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)
The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Caplin Onco Limited

(All amounts are in Rs. Lakhs unless otherwise stated)

NOTE 2A: Property, Plant & Equipment

Particulars	Gross block				Depreciation Reserve				Net Block	
	As at 1-04-2021	Additions during the period	Deletions during the period	As at 31-03-2022	As at 1-04-2021	Additions during the period	Deletions during the period	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021
Tangible Assets										
Air Conditioner	-	2.13	-	2.13	-	0.01	-	0.01	2.12	-
Furniture & Fixtures	-	1.18	-	1.18	-	0.01	-	0.01	1.17	-
Office Equipment	-	3.13	-	3.13	-	0.03	-	0.03	3.10	-
Computers	-	6.02	-	6.02	-	0.07	-	0.07	5.95	-
Electrical Fittings	-	7.86	-	7.86	-	0.04	-	0.04	7.82	-
Total Tangible Assets	**-**	**20.32**	**-**	**20.32**	**-**	**0.16**	**-**	**0.16**	**20.16**	**-**

NOTE 2B: Capital Work-in-Progress

Particulars	As at 31-03-2022
Opening Balance	-
Additions	224.66
Less:	
Capitalization	20.32
Closing Balance	**204.34**

Ageing for capital work-in-progress as at March 31, 2022

Particulars	Amount in Capital Work-in-Progress for a period of				Total
	< 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in Progress	204.34	-	-	-	204.34

Note: 2C: Other Intangible assets

Particulars	Gross block				Depreciation Reserve				Net Block	
	As at 1-04-2021	Additions during the period	Deletions during the period	As at 31-03-2022	As at 1-04-2021	Additions during the period	Deletions during the period	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021
Intangible Assets										
Computer Software	-	2.32	-	2.32	-	0.04	-	0.04	2.28	-
TOTAL	**-**	**2.32**	**-**	**2.32**	**-**	**0.04**	**-**	**0.04**	**2.28**	**-**

NOTE 2D: Intangible Assets under development

Particulars	As at 31-03-2022
Opening Balance	-
Additions	4.96
Less:	
Capitalization	2.32
Closing Balance	**2.64**

Ageing for Intangible Assets under development as at March 31, 2022

Particulars	Amount in Intangible Assets under development for a period of				Total
	< 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in Progress	2.64	-	-	-	2.64

CAPLIN ONCO LIMITED
Notes to the financial statements for the period ended March 31, 2022
(All amounts are in Rs. Lakhs unless otherwise stated)

NOTE 3	As at March 31, 2022
OTHER FINANCIAL ASSET	
Unsecured, considered good	
Security Deposit	1.00
	1.00

NOTE 4	As at March 31, 2022
OTHER NON CURRENT ASSET	
Unsecured, considered good	
Capital Advances	3,078.96
	3,078.96

NOTE 5	As at March 31, 2022
CASH AND CASH EQUIVALENTS	
Cash on Hand	-
Balance with Banks	
- Current accounts	23.74
Total	**23.74**

NOTE 6	As at March 31, 2022
OTHER CURRENT ASSETS	
Unsecured, considered good	
Prepaid Expenses	0.40
Balance with Statutory Authorities	38.80
Total	**39.20**

NOTE 7	As at March 31, 2022
SHARE CAPITAL	
AUTHORISED	
10,00,00,000 Equity Shares of ₹ 10/- each	10,000.00
ISSUED, SUBSCRIBED AND PAID UP	
3,42,58,000 equity shares of ₹ 10/- each fully paid up issued for cash	3,425.80
Total	**3,425.80**

a) Reconciliation of equity shares outstanding at the beginning and at the end of the Year

Equity Shares	As at March 31, 2022
Equity shares outstanding at the beginning of the Year	-
Add: Equity shares allotted during the year	3,42,58,000
Equity shares outstanding at the end of the Year	**3,42,58,000**

b) Rights, preference & restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one Vote per Share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

CAPLIN ONCO LIMITED
Notes to the financial statements for the period ended March 31, 2022
(All amounts are in Rs. Lakhs unless otherwise stated)

c) Equity Shares held by Holding Company:

Particulars	As at March 31, 2022
Caplin Point Laboratories Limited and its nominees 3,42,58,000 Equity Shares of Rs. 10/- each	3,42,58,000

d) Details of shareholders holding more than 5% shares in the company:

Name of the Shareholder	As at March 31, 2022	
	No. of Shares	% of Holding
Caplin Point Laboratories Limited and its nominees (Holding company)	3,42,58,000	100%

e) Shares held by promoters as defined in the Companies Act, 2013 at the end of the year:

Name of the Shareholder	% of Holding	
	No. of Shares	% of Holding
Caplin Point Laboratories Limited and its nominees (Holding company)	3,42,58,000	100%

NOTE 8	As at March 31, 2022
OTHER EQUITY	
Retained Earnings	
Balance at the beginning of the year	-
Add : Profit/(Loss) for the period	(86.63)
Balance at the end of the Year	**(86.63)**

Note 9	As at March 31, 2022
OTHER NON CURRENT LIABILITIES	
Provisions	
Provision for Employee Benefits	0.61
Total	**0.61**

Note 10	As at March 31, 2022
OTHER FINANCIAL LIABILITIES	
Creditors for Capital Goods	29.09
Total	**29.09**

Note 11	As at March 31, 2022
OTHER CURRENT LIABILITIES	
Statutory Dues payable	1.56
Expenses Payable	1.63
Total	**3.19**

NOTE 12	As at March 31, 2022
CURRENT TAX LIABILITIES	
Provision for Tax (Net of Tax deducted at source)	0.26
Total	**0.26**

CAPLIN ONCO LIMITED
Notes to the financial statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs unless otherwise stated)

NOTE 13	**For the Period from 02nd June 2021 to 31st March 2022**
OTHER INCOME	
Interest Income	1.70
Total	**1.70**

NOTE 14	**For the Period from 02nd June 2021 to 31st March 2022**
EMPLOYEE BENEFITS EXPENSE	
Staff Welfare Expenses	0.06
Total	**0.06**

NOTE 15	**For the Period from 02nd June 2021 to 31st March 2022**
DEPRECIATION AND AMORTISATION	
Depreciation on property, plant and equipment (Refer note: 2A)	0.16
Amortisation of Intangible Assets (Refer note: 2C)	0.04
Total	**0.20**

NOTE 16	**For the Period from 02nd June 2021 to 31st March 2022**
OTHER EXPENSES	
Electricity Charges	0.09
Communication Expenses	0.03
Professional and Consultancy charges	0.50
Rates & taxes	76.12
Travelling Expenses	0.17
Auditor's Remuneration (Refer note 16(i))	1.00
Repairs and Maintenance	-
a) Building	0.90
b) Others	0.67
Rent & Amenities	7.57
Bank charges	0.08
Software maintenance charges	0.21
Sundry Expenses	0.30
Total	**87.64**

NOTE 16(i)	**For the Period from 02nd June 2021 to 31st March 2022**
Payment to Statutory Auditors (Excluding GST)	
For Statutory Audit	1.00
Total	1.00

(All amounts are in Rs. Lakhs unless otherwise stated)

17 INCOME TAXES

a. Components of Income Tax Expense

Particulars	For the period ended March 31, 2022
Tax Expense recognised in Profit and Loss section	
Current Tax	(0.43)
Deferred Tax	-
Total Tax expense recognised in Statement of Profit and Loss	**(0.43)**

b. Reconciliation of Effective Tax Rate

Particulars	For the period ended March 31, 2022
Income for Tax Purpose	**1.70**
Income Tax expense calculated at 25.168%	(0.43)
Tax Expenses Recognised in Statement of Profit and Loss	**(0.43)**

Note:

i. The tax rate used for reconciliation is the general corporate tax rate of 25.168%. Income tax is paid on "Interest Income on Fixed Deposits" as per Income Tax Act, 1961

18 EARNINGS PER SHARE

Earnings Per Share has been computed as under

Particulars	For the period ended March 31, 2022
a. Loss for the period	(86.63)
b. Weighted average number of equity shares outstanding during the period	1,01,41,922
c. Earnings Per Share (Rs.) - Basic (Face value of Rs. 10 per share) (a/b)	**(0.85)**
d. Add: Weighted average number of potential equity on account of Cumulative Convertible Preference Shares*	-
e. Weighted average number of equity shares (Including Dilutive Shares) outstanding during the period ((b+d)	1,01,41,922
f. Earnings Per Share (Rs.) - Diluted (Face value of Rs. 10 per share) (a/e)	**(0.85)**

19 **EMPLOYEE BENEFITS**

(i) Defined Contribution Plan:

Contributions to defined contributions schemes such as employees' state insurance, labour welfare fund, etc. are made, based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contributions are made to a Government administered fund.
As the company is incorporated during the year and are yet to commence the operations; the Contributions amounts to the specified schemes are grouped under Capital Work In Progress and will be capitalised upon commencement of Operations. The contributions payable to these plans are at the rates specified in the rules of the schemes.

The Company contributed ₹ 0.23 Lakhs towards provident and pension fund during the year.

(ii) Defined Benefit Plan:

a. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. During the year, the Company recognized the liability for gratuity benefits payable in future under Non-Current Liabilities in Balance Sheet. Every eligible employee who completes five years of service or more is entitled to Gratuity on departure at 15 days salary for each completed year of service.

b. Compensated Absences

The expected cost of accumulated compensated absences is determined in full for the current year and has accumulated at the Balance Sheet date.

The Company is exposed to various risks in providing the above benefits which are as follows:
- Salary Escalation Risk
- Demographic Risk
- Longevity risk

CAPLIN ONCO LIMITED
Notes to the financial statements for the year ended March 31, 2022
(All amounts are in Rs. Lakhs unless otherwise stated)

20 RELATED PARTY DISCLOSURES

a. Name of the related party and description of relationship with the company

Name of the Related parties	Nature of Relationship
Caplin Point Laboratories Limited	Holding Company

Key Management Personnel	Designation
Dr. Sridhar Ganesan	Whole Time Director from 21.02.2022
Mr. D Muralidharan	Chief Financial Officer from 21.02.2022
MR. Arihant Kumar Nahar *	Company Secretary from 11.05.2022

* Appointed on 11.05.2022, the date of adoption of Financial Statements.

b. Disclosure of transaction between the Company and Related parties

Particulars	For the period ended March 31, 2022
	Caplin Point Laboratories Limited
Purchase of Asset	0.40
Rent Paid	6.55

c. Disclosure of Balance Outstanding as at Year end

Particulars	As at March 31, 2022
	Caplin Point Laboratories Limited
Amount Receivable/(Payable)	-

d. Disclosure of transaction with Key Management Personnel

Particulars	For the Year ended March 31, 2022
Dr. Sridhar Ganesan	-
Mr. D Muralidharan	-
Mr. Arihant Kumar Nahar	-
Total	**-**

21 CONTINGENT LIABILITIES AND COMMITMENTS

a. Contingent Liabilities (to the extent not provided for): Nil

b. Commitments (to the extent not provided for)

Particulars	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account	6,749.24
Other Commitments (Raw material, Packing Material, Finished Goods, Other services)	-

(All amounts are in Rs. Lakhs unless otherwise stated)

22 CAPITAL MANAGEMENT

a. The Company's objectives when managing capital are to maximise shareholders value through an efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of balance surplus funds on the back of an effective portfolio management of funds within a well defined risk management framework. The management of the Company reviews the capital structure of the Company on regular basis to optimise cost of capital. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

b. The capital structure of the Company consists of total equity. Total Equity includes all capital and reserves of the company that are managed as capital.

c. The following table summarises the capital of the company

Particulars	As at March 31, 2022
Total Equity	3,425.80

23 FINANCIAL INSTRUMENTS

23.1 Classification of Financial Instruments

Particulars	Note No.	As at March 31, 2022
A. Financial Assets		
ii. Measured at Amortised Cost		
Cash and Cash Equivalents	5	23.74
Other Non Current Financial Assets	3	1.00
B. Financial Liabilities		
i. Measured at Amortised Cost		
Other Financial Liabilities	10	29.09

23.2 Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

• Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
• Level 2 - Inputs are 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 are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels in fair value hierarchy

As at March 31, 2022	Note No.	Carrying Amount	Fair Value			
			Level 1	Level 2	Level 3	Total
A. Financial Assets						
ii. Measured at Amortised Cost						
Cash and Cash Equivalents	5	23.74	-	23.74	-	23.74
Other Non Current Financial Assets	3	1.00	-	1.00	-	1.00
B. Financial Liabilities						
i. Measured at Amortised Cost						
Other Financial Liabilities	10	29.09	-	29.09	-	29.09

(All amounts are in Rs. Lakhs unless otherwise stated)

23.3 **Financial Risk and Management Objectives**

The company's activities expose it to a variety of financial risks viz; Credit Risk, Liquidity Risk and Market Risk.

The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management framework. The Company's risk management policies are established to set appropriate risk limits and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market condition 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.

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.

Cash and Cash Equivalents and Other Bank Balances: Credit risks on cash and cash equivalents and other bank balances is limited as the company generally transacts with banks and financial institutions with high credit ratings assigned by International and Domestic Credit Rating Agencies. Credit risk from balances with banks, borrowings from related parties and financial institutions is managed by the Company's treasury department in accordance with the guidelines framed by the board of directors of the Company.

ii. Liquidity Risk: Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach in managing liquidity is to ensure 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 damage to the Company's reputation.

The Company has not availed any fund based working capital facilities from banks and financial institutions. The Company invests its surplus funds in bank fixed deposit which carry no/low mark to market risks. The Company monitors funding options available in the debt and capital markets with a view to maintain financial flexibility.

The table below provides the details regarding the contractual maturities of significant financial liabilities;

As at March 31, 2022	0-12 months	1-2 years	2-3 Years	3-5 Years	More than 5 Years	Total
Other Financial Liabilities	29.09	-	-	-	-	**29.09**
Total	**29.09**	**-**	**-**	**-**	**-**	**29.09**

iii. Market Risk: Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - which 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 receivable and payable. We are exposed to market risk primarily related to foreign exchange rate risk. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company does not use any derivative to manage market risk.

Foreign Currency Risks: The Company is exposed to currency risk on account of its export and import of pharmaceuticals and import of raw material, capital goods,etc. The functional currency of the Company is Indian Rupee, where as majority of its export and imports are settled through USD($). At the end of the year 31st March 2022, the company does not have any foreign currency receivables or payables.

Interest rate risk: Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/ borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Commodity rate risk: The Company's operating activity involve purchase of Active Pharmaceutical Ingredients (API) and other direct materials, whose prices are exposed to the risk of fluctuation over short period of time. The commodity price risk exposure is evaluated and managed through procurement and other related operating policies. As on 31 March 2022, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

24 FINANCIAL RATIOS

Ratio	Numerator	Denominator	As at March 31, 2022	% Variance	Reason (If variation is more than 25%)
Current Ratio (in times)	Current Assets	Current Liabilities	1.93	NA	NA
Debt - Equity Ratio (in times)	Total Debt	Shareholder’s Equity	NA	NA	NA
Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	NA	NA	NA
Return on Equity Ratio (in %)	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder’s Equity	-3%	NA	NA
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	NA	NA	NA
Trade receivables turnover ratio (in times)	Net Sales	Avg. Accounts Receivable	NA	NA	NA
Trade Payables turnover ratio (in times)	Net Purchases	Average Trade Payables	NA	NA	NA
Net Capital turnover ratio (in times)	Net Sales	Working Capital	NA	NA	NA
Net Profit ratio (in %)	Net Profit	Net Sales	NA	NA	NA
Return on Capital employed (in %)	Earning before interest and taxes	Capital Employed	-3%	NA	NA

25 SEGMENT REPORTING

The company has incorporated during the year and yet to commence the operations. Hence the segment reporting is not applicable to the company.

26 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

27 DISCLOSURE OF TRANSACTION WITH STRUCK OFF COMPANIES

The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

28 DETAILS OF BENAMI PROPERTIES HELD

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

29 DISCLOSURE RELATING TO BORROWED FUNDS

(i) The company is not declared as a wilful defaulter by Reserve Bank of India, Banks, Financial Institutions or any other Lenders.

(ii) The company does not have any current assets that were provided as security on borrowings.

(iii) The company does not borrow any funds during the year.

30 UTILISATION OF BORROWED FUNDS AND SECURITIES PREMIUM

(i) 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:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) There have been no funds that have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

31 UNDISCLOSED INCOME

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

32 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

33 CORPORATE SOCIAL RESPONSIBILITY

In view of absence of Profits as per the computation of Section 198 of the Companies Act 2013, Company is not required to spend towards CSR Activity as per Section 135 of Companies Act, 2013.

34 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

35 **NOTE ON COVID - 19**

The COVID-19 outbreak has developed rapidly in India and across the globe. Measures taken by the Government to curtail the virus, like lockdowns, travel bans and other measures, have affected economic activity and has caused disruption to regular business operations of the company.

The management has evaluated the possible impact that may result from the pandemic relating to COVID-19 on the financial statements, using the available internal and external sources of information and no material adjustment is required at this stage in the financial statements of the Company for the year ended March 31, 2022. However, the Company will continue to monitor the impact which is a continuing process, given the uncertainties with its nature and duration of COVID - 19 and the impact may be different from the estimates considered while preparing the financial Statements.

36 **NOTE ON SOCIAL SECURITY CODE 2020**

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

37 EVENTS AFTER REPORTING DATE: Nil

38 The Board of Directors has reviewed the realizable value of all current assets of the Company and has confirmed that all the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. Further, the board, duly taking into account all relevant disclosures made, has approved these financial statement for the year ended 31 March 2022 in its meeting held on May 11, 2022.

39 Current Years figures have been given for the period from 02nd June 2021 to 31st March 2022. Previous years figures not given since this is the first year of operation.

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached
For **M Raghunath & Co.**
Chartered Accountants
Firm Registration No : 003347S

Sd/-
S.Ramalakshmi
Partner
ICAI Membership No. 210334
UDIN:22210334AIUWGQ5386

Place : Chennai
Date : 11-May-2022

For and on behalf of the Board of Directors of Caplin Onco Limited; CIN: U24299TN2021PLC143869

Sd/-
Sridhar Ganesan
Whole Time Director
DIN: 6819026

Sd/-
Muralidharan D
Chief Financial Officer

Sd/-
Arihant Kumar Nahar
Company Secretary