

AUDITOR'S REPORT

TO
THE MEMBERS OF SAI LIFE SCIENCES INC.

Report on the Financial Statements

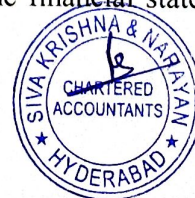
We have audited the accompanying financial statements of SAI LIFE SCIENCES INC, ('the Company'), which comprise the Balance Sheet as at 31st March 2023, the statement of Profit and Loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements are in US\$ and are converted into Indian INR based on the conversion rate applicable. Sai Life Sciences Inc., USA is a subsidiary of Sai Life Sciences Ltd., India

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Companies Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend upon the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Ind AS financial statements in order to design audit procedures that appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2023
- b) In the case of the statement of Profit and Loss, of the profit for the year ended on 31st March 2023

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.





f) 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, 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 its financial position
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For SIVA KRISHNA & NARAYANAN
CHARTERED ACCOUNTANTS

Reg No: 03883S

Partner:

R.V.N.Sastry

M.No 206635



ICAI UDIN 23206635BGVLEO2944

Place:Hyderabad
Date:04-08-2023

Sai Life Sciences Inc.,

Balance Sheet as at 31 March 2023

(All amounts in lakhs, except share data and where otherwise stated)

		As at		As at	
	Note	31 March 2023	31 March 2023	31 March 2022	31 March 2022
		USD	INR	USD	INR
ASSETS					
Non-current assets					
(a) Property, plant and equipment	3	47.37	3,892.75	49.09	3,720.52
(b) Right-of-use assets	4	77.43	6,369.28	86.31	6,541.54
(c) Intangible assets	5	1.28	105.13	1.70	128.92
(d) Deferred tax Asset (net)	6	9.81	806.20	7.22	570.60
Total non-current assets		135.89	11,173.36	144.32	10,961.58
Current assets					
(a) Inventories	8	1.72	141.01	1.27	96.08
(b) Financial assets					
(i) Trade receivables	9	16.42	1,349.41	17.13	1,298.48
(ii) Cash and cash equivalents	10	7.28	597.69	8.73	661.07
(c) Other current assets	7	2.33	191.37	3.25	246.26
Total current assets		27.75	2,279.48	30.38	2,301.89
Total assets		163.64	13,452.84	174.70	13,263.47
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	11	1.85	135.45	1.40	102.10
(b) Other equity	12	54.33	4,487.51	50.46	3,897.21
Total equity		56.18	4,622.96	51.86	3,999.30
Liabilities					
Non-current liabilities					
(a) Financial liabilities					
(i) Lease liabilities	13	72.82	5,983.38	78.29	5,892.97
(b) Other non-current liabilities					
Total non-current liabilities		72.82	5,983.38	78.29	5,892.97
Current liabilities					
(a) Financial liabilities					
(i) Lease liabilities	13	5.47	449.74	6.41	526.45
(i) Trade payables	14	19.74	1,622.13	15.56	1,179.14
(b) Other current liabilities	15	9.25	759.88	22.58	1,665.60
(d) Current tax liabilities (net)	16	0.18	14.75	-	-
Total current liabilities		34.64	2,846.50	44.55	3,371.20
Total equity and liabilities		163.64	13,452.84	174.70	13,263.47

See accompanying notes forming part of these standalone financial statements

In terms of our report attached

For SIVA KRISHNA & NARAYAN

Chartered Accountants

Firm's Registration Number: 0038838

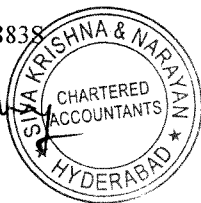
UDIN: 23206635BGVLEO2944

For and on behalf of the Board of Directors
Sai Life Sciences Inc

R.V.N. SASTRY

Partner

Membership No.: 206635



Krishna Raju
Director

Place: Hyderabad

Date: 04-08-2023

Place: Hyderabad

Date: 04-08-2023

Sai Life Sciences Inc.,
Statement of Profit and Loss for the year ended 31 March 2023
(All amounts in lakhs, except share data and where otherwise stated)

	Note	For the year ended			
		31 March 2023	31 March 2023	31 March 2022	31 March 2022
		USD	INR	USD	INR
Income					
Revenue from operations	17	130.28	10,468.35	99.83	7,440.70
Total income		130.28	10,468.35	99.83	7,440.70
Expenses					
Cost of materials consumed	18	26.82	2,154.72	19.87	1,480.40
Employee benefits expense	19	69.56	5,589.37	50.10	3,732.63
Finance costs	20	8.08	649.53	4.65	346.77
Depreciation and amortisation expense	21	14.61	1,174.75	14.16	1,055.51
Other expenses	22	29.46	2,366.20	27.97	2,083.44
Total expenses		148.53	11,934.57	116.75	8,698.75
Profit before tax		(18.25)	(1,466.22)	(16.92)	(1,258.05)
Tax expense	23				
(i) Current tax		0.02	1.94	(4.40)	(327.09)
(ii) Deferred tax		(2.59)	(208.39)	-	-
Total tax expense		(2.57)	(206.45)	(4.40)	(327.09)
Profit for the year		(15.68)	(1,259.77)	(12.52)	(930.96)
Total comprehensive income for the year		(15.68)	(1,259.77)	(12.52)	(930.96)
Earnings per equity share (in absolute \$ and ₹ terms)	24				
Basic		(8.49)	(681.83)	(8.95)	(665.69)
See accompanying notes forming part of these standalone financial statements					

In terms of our report attached
For SIVA KRISHNA & NARAYAN
Chartered Accountants
Firm's Registration Number: 003883S

R.V.N. SASTRY
Partner
Membership No.: 206920

Place: Hyderabad
Date: 04-08-2023



For and on behalf of the Board of Directors
Sai Life Sciences Inc

Krishna Raju
Director

Place: Hyderabad
Date: 04-08-2023

UDIN: 23206635BGVLEO2944

Sai Life Sciences Inc.,
Cash flows Statement for the year ended 31 March 2023
(All amounts in lakhs, except share data and where otherwise stated)

	For the year ended			
	31 March 2023(USD)	31 March 2023(INR)	31 March 2022(USD)	31 March 2022(INR)
Cash flow from operating activities				
Profit before tax	(18.25)	(1,466.22)	(16.92)	(1,258.05)
Adjustments for :				
Depreciation and amortisation expense	14.61	1,174.75	14.17	1,056.00
Interest income	-	-	-	-
Equity -settled share-based payments	-	-	-	-
(Gain)/loss on sale of PP&E, net	-	-	-	-
Finance costs	8.08	649.53	4.65	347.00
Operating cash flows before working capital changes	4.44	358.06	1.90	144.95
(Increase)/decrease in other non-current assets	-	-	(3.89)	(291.96)
(Increase)/decrease in inventories	(0.48)	(44.93)	2.86	205.87
(Increase)/decrease in trade receivables	0.71	(50.93)	1.17	39.39
(Increase)/decrease in other current assets	0.92	54.89	0.50	27.78
Increase/decrease in trade payables	4.18	442.99	9.97	770.00
Increase/decrease in other non-current and current liabilities	(13.33)	(905.72)	5.89	444.64
Increase/decrease in other financial liabilities and provisions	-	-	(8.24)	(416.00)
Net cash generated from / (used in) operating activities (A)	(3.56)	(145.64)	10.16	924.67
Income-taxes paid, net	0.20	16.69	4.40	327.09
Net cash generated from operating activities (A)	(3.36)	(128.95)	14.56	1,251.76
Cash flows from investing activities				
Purchase of property, plant and equipment and other intangible assets (including capital work in progress, capital advances and capital creditors)	(3.60)	(257.04)	(10.52)	(801.63)
Net cash used in investing activities (B)	(3.60)	(257.04)	(10.52)	(801.63)
Cash flows from financing activities				
Proceeds from issue of equity shares	20.00	1,485.00	-	-
Lease payments	(6.41)	(512.86)	(3.87)	(414.95)
Lease finance Cost	(8.08)	(649.53)	-	-
Net cash generated from/(used in) financing activities (C)	5.51	322.61	(3.87)	(414.95)
Net decrease in cash and cash equivalents during the year (A + B + C)	(1.45)	(63.38)	0.17	35.18
Cash and cash equivalents at the beginning of the year	8.73	661.07	8.56	626.00
Cash and cash equivalents at the end of the year (Note 1 below)	7.28	597.69	8.73	661.18

Sai Life Sciences Inc.,
Cash flows Statement for the year ended 31 March 2023
(All amounts in lakhs, except share data and where otherwise stated)

	As at			
	31 March		31 March 2022(INR)	
Note 1:				
Cash and cash equivalents includes				
Balances with banks	7.28	597.69	8.73	661.07
	7.28	597.69	8.73	661.07

In terms of our report attached
For SIVA KRISHNA & NARAYAN
Chartered Accountants
Firm's Registration Number: 0038835

R.V.N. SASTRY
Partner
Membership No.: 206920

For and on behalf of the Board of Directors of
Sai Life Sciences Inc

Krishna Raju
Director

Place: Hyderabad
Date: 04-08-2023

Place: Hyderabad
Date: 04-08-2023

Sai Life Sciences Inc.,
Statement of Changes in Equity for the year ended 31 March 2023
 (All amounts in lakhs, except share data and where otherwise stated)

A Share Capital

	Equity	
	Number of shares	Amount (INR)
As at 31 March 2021	1,39,849	1.40
Changes in share capital during the year	-	-
As at 31 March 2022	1,39,849	1.40
Changes in share capital during the year	44,913	0.45
As at 31 March 2023	1,84,762	1.85

B Other Equity

	USD		
	Reserves and Surplus (USD)		Other comprehensive income (USD)
	Securities premium reserve	Retained earnings	Foreign currency translation reserve
Balance as at 31 March 2021	68.65	(5.67)	-
Profit for the year	-	(12.52)	-
Foreign currency translation adjustments	-	-	-
Total comprehensive income	-	(12.52)	-
Balance as at 31 March 2022	68.65	(18.19)	50.46
Profit for the year	-	(15.68)	-
Other comprehensive income	-	-	-
Foreign currency translation adjustments	-	-	-
Total comprehensive income	-	(15.68)	(15.68)
Shares allotted during the year	19.55	-	19.55
Balance as at 31 March 2023	88.20	(33.87)	54.33

	INR		
	Reserves and Surplus (INR)		Other comprehensive income (INR)
	Securities premium reserve	Retained earnings	Foreign currency translation reserve
Balance as at 31 March 2021	5,080.57	(459.29)	18.40
Profit for the year	-	(930.95)	-
Foreign currency translation adjustments	-	-	188.47
Total comprehensive income	-	(930.95)	188.47
Balance as at 31 March 2022	5,080.57	(1,390.24)	206.87
Profit for the year	-	(1,259.77)	-
Other comprehensive income	-	-	398.43
Foreign currency translation adjustments	-	-	398.43
Total comprehensive income	-	(1,259.77)	398.43
Shares allotted during the year	1,451.65	-	-
Balance as at 31 March 2023	6,532.22	(2,650.01)	605.30

See accompanying notes forming part of these standalone financial statements

In terms of our report attached

For SIVA KRISHNA & NARAYAN

Chartered Accountants

Firm's Registration Number: 0038838



R.V.N. SASTRY
 Partner

Membership No.: 206920

For and on behalf of the Board of Directors of
Sai Life Sciences Inc

Krishna Raju

Krishna Raju
 Director

Place: Hyderabad
 Date: 04-08-2023

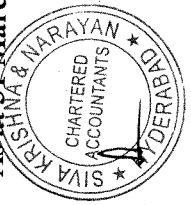
Place: Hyderabad
 Date: 04-08-2023

Notes to the financial statements for the year ended 31 March 2023 (continued)

(All amounts in lakhs, except share data and where otherwise stated)

3. Property, plant and equipment

	USD			INR		
	Plant and equipment	Furnitures and fixtures*	Computers	Total	Plant and equipment	Furnitures and fixtures*
Cost or deemed cost						
Balance as at 1 April 2021	40.03	0.10	0.46	40.59	2,926.51	7.19
Additions(refer note i below)	8.83	2.53	1.27	12.63	669.12	191.94
Adjustments	-	-	-	-	102.26	0.10
Disposals/retirement	-	-	-	-	-	-
Balance as at 31 March 2022	48.86	2.63	1.73	53.22	3,697.89	199.23
					129.14	4,026.26
Additions (refer note i & ii below)	2.42	0.10	0.01	2.53	198.85	8.22
Disposals/retirement	-	-	-	-	-	-
Adjustments	-	-	-	-	316.56	17.10
Balance as at 31 March 2023	51.28	2.73	1.74	55.75	4,213.30	224.55
					142.97	4,580.82
Accumulated depreciation						
Balance as at 1 April 2021	0.49	0.06	0.07	0.62	36.12	4.50
Charge for the year	2.94	0.16	0.39	3.49	219.09	11.94
Adjustments	-	-	-	-	-	-
Disposals/retirement	-	-	-	-	-	-
Balance as at 31 March 2022	3.43	0.22	0.46	4.11	255.21	16.44
Charge for the year	3.42	0.27	0.58	4.27	274.80	21.69
Disposals/retirement	-	-	-	-	-	-
Adjustments	-	-	-	-	32.77	2.08
Balance as at 31 March 2023	6.85	0.49	1.04	8.38	562.78	40.21
					85.08	688.07
Net carrying amount						
As at 31 March 2022	45.43	2.41	1.27	49.11	3,442.68	182.79
As at 31 March 2023	44.43	2.24	0.70	47.37	3,650.52	184.34
					95.25	3,720.72
					57.89	3,892.75



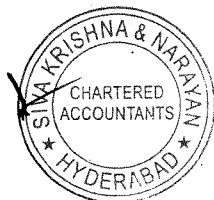
Sai Life Sciences Inc.,

Notes to the financial statements for the year ended 31 March 2023 (continued)

(All amounts in lakhs, except share data and where otherwise stated)

4. Right-of-use assets

	USD			INR		
	Buildings	Plant and equipment	Total	Buildings	Plant and equipment	Total
Cost or deemed cost						
Balance as at 1 April 2021	16.91	7.28	24.19	1,236.29	535.68	1,771.97
Additions during the year	84.86	0.42	85.28	6,431.75	31.83	6,463.58
Disposals/retirement	(0.78)	-	(0.78)	(58.13)	-	(58.13)
Balance as at 31 March 2022	100.99	7.70	108.69	7,609.91	567.51	8,177.42
Additions during the year	1.07	-	1.07	85.97	-	85.97
Disposals/retirement/adjustments	-	-	-	-	-	-
Adjustments	-	-	-	690.62	55.12	745.74
Balance as at 31 March 2023	102.06	7.70	109.76	8,386.50	622.63	9,009.13
Accumulated depreciation						
Balance as at 1 April 2021	11.52	0.61	12.13	842.23	48.04	890.27
Charge for the year	9.75	0.51	10.26	726.44	38.00	764.44
Disposals/retirement	-	-	-	-	-	-
Balance as at 31 March 2022	21.27	1.12	22.39	1,568.67	86.04	1,654.71
Charge for the year	9.44	0.50	9.94	758.50	40.18	798.68
Disposals/retirement/adjustments	-	-	-	-	-	-
Adjustments	-	-	-	189.77	(3.31)	186.46
Balance as at 31 March 2023	30.71	1.62	32.33	2,516.94	122.91	2,639.85
Net carrying amount						
As at 31 March 2022	79.72	6.58	86.30	6,041.24	481.47	6,522.71
As at 31 March 2023	71.35	6.08	77.43	5,869.56	499.72	6,369.28

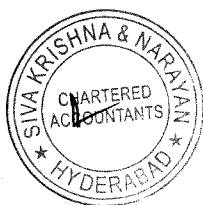


5. Intangible assets

	USD	INR
	Acquired software	Acquired software
Cost or deemed cost		
Balance as at 1 April 2021	3.01	221.12
Additions during the year	-	-
Disposals/retirement	-	-
Balance as at 31 March 2022	3.01	221.12
Additions during the year	-	-
Disposals/retirement	-	-
Adjustments	-	26.29
Balance as at 31 March 2023	3.01	247.41
Accumulated amortization		
Balance as at 1 April 2021	0.89	65.95
Charge for the year	0.42	31.40
Adjustments	-	(5.15)
Disposals/retirement	-	-
Balance as at 31 March 2022	1.31	92.20
Charge for the year	0.42	33.75
Disposals/retirement	-	-
Adjustments	-	16.33
Balance as at 31 March 2023	1.73	142.28
Net carrying amount		
As at 31 March 2022	1.70	128.92
As at 31 March 2023	1.28	105.13



	As at 31 Mar 2023 USD	As at 31 Mar 2023 INR	As at 31 March 2022 USD	As at 31 March 2022 INR			
6. Deferred tax Asset (net)	9.81	806.20	7.22	570.60			
7. Current	9.81	806.20	7.22	570.60			
Advance to suppliers	0.43	35.27	0.19	14.33			
Prepaid expenses	1.90	156.10	3.06	231.92			
8. Inventories	2.33	191.37	3.25	246.25			
Raw materials and packing materials	1.72	141.01	1.27	96.08			
9. Trade receivables	1.72	141.01	1.27	96.08			
(a) Considered good	-	-	-	-			
(b) Trade receivables - considered good unsecured	16.42	1,349.41	17.13	1,298.48			
Less: Allowance for doubtful receivables	16.42	1,349.41	17.13	1,298.48			
Trade receivables Aging: For the year ended 31 March 2023(INR)	16.42	1,349.41	17.13	1,298.48			
Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	116.65	1,013.98	54.13	159.99	4.66	-	1,349.41
Total	116.65	1,013.98	54.13	159.99	-	-	1,349.41
For the year ended 31 March 2022(INR)	-	1,260.34	31.56	6.58	-	-	1,298.48
Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	1,260.34	31.56	6.58	-	-	1,298.48
Total	-	1,260.34	31.56	6.58	-	-	1,298.48
10. Cash and cash equivalents and other bank balances	7.28	597.69	8.73	661.07	-	-	-
Cash and cash equivalents	7.28	597.69	8.73	661.07	-	-	-
Balances with banks	-	-	-	-	-	-	-
-in current accounts	-	-	-	-	-	-	-
11. Equity share capital	-	-	-	-	-	-	-
i. Authorised share capital	-	-	-	-	-	-	-
Equity shares of \$1 each	2,50,000	2.50	182.78	2,50,000	2.50	182.78	2,50,000
ii. Issued, subscribed and fully paid up	2,50,000	2.50	182.78	2,50,000	2.50	182.78	2,50,000
Equity shares of \$1 each	1,84,762	1.85	135.45	1,39,849	1.40	102.10	1,84,762
Equity shares of \$1 each	1,84,762	1.85	135.45	1,39,849	1.40	102.10	1,84,762
iii. Reconciliation of number of equity shares outstanding at the beginning and end of the year	-	-	-	-	-	-	-
Equity shares	-	-	-	-	-	-	-
Balance at the beginning of the year	1,39,849	1.40	102.10	1,39,849	1.40	102.10	1,39,849
Add: Shares issued during the year	44,913	0.45	33.35	-	-	-	44,913
Balance at the end of the year	1,84,762	1.85	135.45	1,39,849	1.40	102.10	1,84,762
iv. Rights and restrictions attached to equity shares:	The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.						
vi. Details of shareholders holding more than 5% equity shares in the Company	Name of the equity shareholders						
Sai Life Sciences Limited	Number	% holding	Number	% holding			
	1,84,762	100.00%	1,39,849	100.00%			



12. Other equity

Securities premium (Note a)
Retained earnings (Note b)
Foreign currency translation reserve (Note c)

Nature and purpose of reserves

(a) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. During the year ended 31 March 2016, the Company issued 705,510 equity shares and has incurred expenses of Rs. 40,201,794 towards the issue, primarily related to due-diligence, legal formalities and statutory filing fees. These expenses have been adjusted with the balance in securities premium account in accordance with the Companies Act, 2013.

(b) Retained earnings

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

(c) Foreign currency translation reserve

Foreign currency translation reserve represents the exchange differences accumulated when the financial statements of foreign operations are converted from their functional currency to presentation currency of the Company.

As at 31 Mar 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2022
USD	INR	USD	INR
As at 31 Mar 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2022
USD	INR	USD	INR
88.20	6,532.22	68.65	5,080.57
(33.87)	(2,443.14)	(18.19)	(1,371.14)
-	398.43	-	187.78
54.33	4,487.51	50.46	3,897.21

13. Lease liabilities *

Non-current
Current

72.82	5,983.38	78.29	5,892.97
5.47	449.74	6.41	526.45
78.29	6,433.12	84.70	6,419.42

14 Trade Payable

Acceptances

(A) Total outstanding dues of micro enterprises and small enterprises (Refer note 44)

(B) Total outstanding dues of creditors other than micro enterprises and small enterprises

19.74	1,622.12	15.56	1,179.14
19.74	1,622.12	15.56	1,179.14

For the year ended 31 March 2023(INR)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i). MSME	-	-	-	-	-
(ii) Others	1,523.52	98.60	-	-	1,622.12
(iii). Disputed Dues - MSME	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-
(v). Unbilled Dues	-	-	-	-	-
Total	1,523.52	98.60	-	-	1,622.12

For the year ended 31 March 2022(INR)

Particulars	Outstanding for following periods from due date of payment				Total
	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i). MSME	-	-	-	-	-
(ii) Others	1,144.68	6.12	-	28.34	1,179.14
(iii). Disputed Dues - MSME	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-
(v). Unbilled Dues	-	-	-	-	-
Total	1,144.68	6.12	-	28.34	1,179.14

15. Other liabilities

Current

Advance from customers
Payable to statutory authorities
Other Advances

2.30	188.66	4.09	271.62
1.56	128.42	1.17	88.74
5.39	442.81	17.32	1,305.23
9.25	759.89	22.58	1,665.59

Non-Current

16. Current tax liabilities (net)

Provision for income tax (net of advance tax)

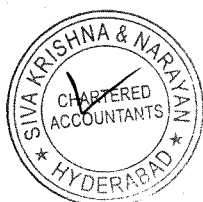
0.18	14.75	-	-
0.18	14.75	-	-



Sai Life Inc.,
Notes to the financial statements for the year ended 31 March 2023 (continued)

(All amounts in lakhs, except share data and where otherwise stated)

	Year ended 31 Mar. 2023	Year ended 31 Mar. 2023	Year ended 31 March 2022	Year ended 31 March 2022
	USD	INR	USD	INR
17. Revenue from operations				
Sale of goods and services				
Revenue from contract research and manufacturing activities*	130.28	10,468.35	99.83	7,440.70
	<u>130.28</u>	<u>10,468.35</u>	<u>99.83</u>	<u>7,440.70</u>
*Disaggregation of revenue from contract research and manufacturing activities into over time and at a point in time				
Timing of recognition				
At a point in time	130.28	10,468.35	99.83	7,440.70
Over time	-	-	-	-
Total	<u>130.28</u>	<u>10,468.35</u>	<u>99.83</u>	<u>7,440.70</u>
18. Cost of materials consumed				
Raw material and packing material at the beginning of the year	-	-	-	-
Add: Purchases/adjustments	26.82	2,154.72	19.87	1,480.40
Less: Raw material and packing material at the end of the year	-	-	-	-
	<u>26.82</u>	<u>2,154.72</u>	<u>19.87</u>	<u>1,480.40</u>
19. Employee benefits expense				
Salaries, wages and bonus	68.96	5,541.00	49.79	3,709.59
Staff welfare expenses	0.60	48.37	0.31	23.04
	<u>69.56</u>	<u>5,589.37</u>	<u>50.10</u>	<u>3,732.63</u>
20. Finance costs				
Interest on lease liabilities	8.08	649.53	4.65	346.77
	<u>8.08</u>	<u>649.53</u>	<u>4.65</u>	<u>346.77</u>
21. Depreciation and amortisation expense				
Depreciation of property, plant & equipment	4.24	341.01	3.49	260.22
Depreciation on right-of-use assets	9.95	799.87	10.25	763.88
Amortisation of intangible assets	0.42	33.87	0.42	31.41
	<u>14.61</u>	<u>1,174.75</u>	<u>14.16</u>	<u>1,055.51</u>
22. Other expenses				
Consumption of stores and spares	9.78	785.63	7.30	543.29
Rent	0.05	4.19	1.04	77.74
Repairs and maintenance - Others	2.20	176.65	1.50	111.57
Insurance	4.44	356.45	7.85	585.17
Travelling and conveyance	4.20	337.11	2.58	192.16
Communication expenses	0.78	62.80	0.95	70.63
Legal and professional fees	3.27	262.84	4.48	333.53
Printing and stationery	0.69	55.35	0.33	24.62
Bank charges	0.15	11.98	0.16	11.76
Membership and subscription	2.55	205.07	1.61	120.28
Miscellaneous expenses	1.35	108.13	0.17	12.70
	<u>29.46</u>	<u>2,366.20</u>	<u>27.97</u>	<u>2,083.45</u>
23. Income tax				
Tax expense comprises of:				
Current tax	0.02	1.94	(4.40)	(327.09)
Deferred tax	(2.59)	(208.39)	-	-
Income tax expense reported in the statement of profit or loss	<u>(2.57)</u>	<u>(206.45)</u>	<u>(4.40)</u>	<u>(327.09)</u>
24. Earnings per equity share [EPES]				
Profit attributable to equity shareholders	(15.68)	(1,259.77)	(12.52)	(930.96)
Weighted average number of equity shares outstanding during the year	1,84,762	1,84,762	1,39,849	1,39,849
Effect of dilution:				
Employee stock options	-	-	-	-
Weighted average number of equity shares adjusted for the effect of dilution	1,84,762	1,84,762	1,39,849	1,39,849
Earnings per equity share (in absolute ₹ terms) :				
Basic	(8.49)	(681.83)	(8.95)	(665.69)
Diluted	(8.49)	(681.83)	(8.95)	(665.69)
Nominal Value per share equity share	1 USD	1 INR	1 USD	1 INR



25. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
Sai Life Sciences Limited (SLSL)	Parent Company
Sai Life Sciences GMBH, Germany	Fellow Subsidiary Company
Sai Life Pharma Private Limited	Fellow Subsidiary Company
Sai Life Drugform Private Limited	Fellow Subsidiary Company, applied for strike off effective dt.25-03-2022
R R Kabel Limited	Entities in which investor director have significant
Sai Quest Syn Private Limited	Entities in which KMP have control or have significant
Dr. K Ranga Raju	
Krishnam Raju	
Jayant Bhalchandra Manmadkar (resigned as Chief Financial Officer on 1 July 2021)	Key management personnel ("KMP")
Sivaramakrishnan Chittor (appointed as Chief Financial Officer w.e.f. 1 July 2021)	
Runa Karan	

(b) Transactions with related parties

	Year ended 31 Mar. 2023	Year ended 31 Mar. 2023	Year ended 31 March 2022	Year ended 31 March 2022
	USD	INR	USD	INR
Transactions with Parent company				
Consultancy services Provided				
Sai Life Sciences Limited (SLSL)	37.62	3,022.99	52.40	3,904.19
	37.62	3,022.99	52.40	3,904.19
Research Services Received				
Sai Life Sciences Limited (SLSL)	6.84	549.20	-	-
	6.84	549.20	-	-
Issue of Standby Line of Credit				
Sai Life Sciences Limited (SLSL)	-	-	4.34	328.97
	-	-	4.34	328.97
Other transactions with Parent company				
Sai Life Sciences Limited (SLSL) (Sale of Lab consumables)	11.50	924.40	1.79	136.80
	11.50	924.40	1.79	136.80
(c) Balances outstanding				
Receivables				
Parent company				
- Sai Life Sciences Limited (SLSL)	(0.95)	(78.28)	1.79	136.80
	(0.95)	(78.28)	1.79	136.80
Payables				
Parent company				
- Sai Life Sciences Limited (SLSL)	8.04	660.83	7.30	552.93
	8.04	660.83	7.30	552.93
Advances payable				
Parent company				
- Sai Life Sciences Limited (SLSL)	5.39	442.81	21.40	1,576.85
	5.39	442.81	21.40	1,576.85



Sai Life Inc.,

Notes to the financial statements for the year ended 31 March 2023 (continued)

(All amounts in lakhs, except share data and where otherwise stated)

26 Leases

Company as a lessee : The Company has lease contracts for buildings and Plant & equipment, with lease period varying between 1 to 51 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Lease liabilities

Particulars	As at 31 Mar 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2022
	USD	INR	USD	INR
Opening balance	84.70	6,419.42	10.16	742.50
Additions	1.08	88.64	84.86	6,431.59
Deletions	-	526.56	(0.43)	(17.37)
Accretion of interest	8.08	649.53	4.65	346.77
Payments	(15.57)	(1,251.03)	(14.54)	(1,084.07)
Closing balance	78.29	6,433.12	84.70	6,419.42
Current	5.47	449.74	6.41	526.45
Non-current	72.82	5,983.38	78.29	5,892.97

Amount recognised in Statement of Profit and Loss

Particulars	For the year ended			
	31 Mar 2023	31 Mar 2023	31 March 2022	31 March 2022
Depreciation: Right-of-use assets	4.24	341.01	3.49	260.22
Finance cost: Interest on lease liabilities	9.95	799.87	10.25	763.88
Short term and variable lease payments (Refer note below)	0.42	33.87	0.42	31.41

Note: The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Amount recognised in Statement of Cash flow

Particulars	For the year ended			
	31 Mar 2023	31 Mar 2023	31 March 2022	31 March 2022
Cash outflows for leases				
Interest portion of lease liabilities	8.08	649.53	4.65	346.77
Principal portion of lease liabilities	7.49	601.50	9.89	737.30



Sai Life Sciences Inc.,

Notes to the financial statements for the year ended 31 March 2023 (continued)

(All amounts in lakhs, except share data and where otherwise stated)

27 Approval of financial statements

The financial statements were approved by the Board of Directors on 04-08-2023.

For SIVA KRISHNA & NARAYAN

Chartered Accountants

Firm's Registration Number: 003883S

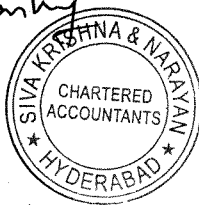
R.V.N. SASTRY

Partner

Membership No.: 206635

Place: Hyderabad

Date: 04-08-2023



For and on behalf of the Board of Directors of
Sai Life Sciences Inc

Krishna Raju
Director

Place: Hyderabad

Date: 04-08-2023

1. Significant Accounting policies

The following are significant accounting policies of Sai Life Sciences Inc., Wholly owned subsidiary company of Sai Life Sciences Limited, Plot No. DS-7, IKP Knowledge Park, Turkapally Village, Shameerpet Mandal, Medchal-Malkajgiri District-500078, Telangana.

a Basis of Preparation

The Ind AS financial statements have been prepared on the basis of going concern, under the historical cost convention.

Use of estimates

- b** Preparation of the Ind AS financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Revenue Recognition

- c** Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue for the services rendered is recognised as services are performed on "cost plus mark up" in accordance with the terms of the arrangement with the respective parties for consulting income.

Revenue includes revenue for conducting research activities for client.

Foreign Currency Transaction

- d** Transactions in foreign currency are recorded on the basis of monthly average rates prevailing during the month in which the transaction is made (which approximate the exchange rates prevailing on the date of transaction). Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognised in the balance sheet.

2. Notes forming part of Ind AS Financial Statements

- a** The Company is a 100 % wholly owned Subsidiary company of M/s Sai Life Sciences Limited, India
- b** There is no Cash in Hand Balance in the Company as on the Balance Sheet date.
- c** The Company holds US \$3.41 lakhs with Citi Bank and \$3.86 lakhs with HSBC Bank.
- d** For Balance Sheet items are recorded at the prevailing rate of INR 82.17 per US \$ and for Statement of Profit & Loss items INR 80.35 per US \$ is adopted.
- e** The Ind AS Financial Statements are verified and signed by us for the purpose of Consolidation of Ind AS Financial Statements of the Parent Company as required by the Board of Directors of the Parent Company M/s Sai Life Sciences Ltd, India

