

**BIOCON PHARMA INC.**  
**BALANCE SHEET AS AT MARCH 31, 2024**

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

	<u>Note</u>	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	11,159	13,222
Capital work in progress	3(a)	54,191	54,191
Intangible assets	4	3,462,500	1,041,697
Intangible asset under development	4	3,409,636	3,426,869
Right-of-use assets	5	368,956	471,917
Financial assets			
(i) Investments		13,782,403	9,965,478
(ii) Loans	6	-	-
(iii) Other financial assets	7	14,083	14,083
Income-tax assets (net)		3,293,834	2,703,834
<b>Total non-current assets</b>		<b>24,396,762</b>	<b>17,691,291</b>
<b>Current assets</b>			
Inventories	8	28,707,717	18,186,043
Financial assets			
# (i) Trade receivables	9	38,610,644	26,752,053
(ii) Cash and cash equivalents	10	1,921,709	2,266,515
(ii) Other financial assets	7	351,148	508,803
Other current assets	11	618,824	614,886
<b>Total current assets</b>		<b>70,210,042</b>	<b>48,328,300</b>
<b>TOTAL</b>		<b>94,606,804</b>	<b>66,019,591</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12(a)	1,400,000	1,400,000
Preference share capital	12(b)	16,900,000	16,900,000
Other equity		8,277,212	5,593,260
<b>Total equity</b>		<b>26,577,212</b>	<b>23,893,260</b>
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	13	14,500,000	14,500,000
(ii) Lease liabilities		280,680	373,959
		<b>14,780,680</b>	<b>14,873,959</b>
<b>Current liabilities</b>			
Financial liability			
(i) Borrowings	13	5,000,000	5,000,000
(ii) Trade payables	14	44,061,479	19,440,196
(iii) Lease liabilities		102,960	102,969
(iv) Other financial liabilities	15	564,381	296,023
Income-tax liability (net)		2,413,184	2,413,184
Deferred tax Liability		1,106,908	-
Other liabilities	16	-	-
<b>Total current liabilities</b>		<b>53,248,912</b>	<b>27,252,372</b>
<b>TOTAL</b>		<b>94,606,804</b>	<b>66,019,591</b>

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

for and on behalf of the Board of Directors of Biocon Pharma Inc

Sd/-

**Kiran Mazumdar-Shaw**  
Director

New Jersey  
May 16, 2024

Sd/-

**Abhijit Zutshi**  
Director

**BIOCON PHARMA INC.****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

	<u>Note</u>	<u>Year ended March 31, 2024</u>	<u>Year ended March 31, 2023</u>
<b>Income</b>			
Revenue from operations	17	83,977,550	64,611,063
Other income	18	3,877,919	713,974
<b>Total income</b>		<b>87,855,469</b>	<b>65,325,037</b>
<b>Expenses</b>			
Purchases of product		82,390,814	44,347,289
Changes in inventories	19	(10,521,674)	10,238,640
Employee benefits expense	20	2,627,666	2,288,839
Finance Costs	21	576,423	349,870
Depreciation and amortisation expense	22	645,856	520,120
Other expenses	23	7,878,024	7,126,008
<b>Total expenses</b>		<b>83,597,109</b>	<b>64,870,766</b>
<b>Profit before Tax and exceptional item</b>		<b>4,258,360</b>	<b>454,271</b>
Exceptional Items, net		467,500	-
<b>Profit before Tax</b>		<b>3,790,860</b>	<b>454,271</b>
<b>Tax expense</b>			
Current tax		-	193,105
Deferred Tax	24	1,106,908	-
<b>Profit for the year</b>		<b>2,683,952</b>	<b>261,166</b>
<b>Earnings per equity share</b>			
Basic and diluted (in USD)	29	19.17	1.87

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

*for and on behalf of the Board of Directors of Biocon Pharma Inc.*

Sd/-  
**Kiran Mazumdar-Shaw**  
Director

Sd/-  
**Abhijit Zutshi**  
Director

New Jersey  
May 16, 2024

BIOCON PHARMA INC.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>I Cash flows from operating activities</b>		
Profit for the year	3,790,860	454,271
<u>Adjustments to reconcile profit before tax to net cash flows</u>		
Depreciation and amortisation expense	645,856	520,120
Interest expense	576,423	349,870
ECL Provision	259,600	-
Exceptional Item(s)	467,500	-
Fair value gain on investment	(3,816,925)	-
Operating profit before working capital changes	<u>1,923,314</u>	<u>1,324,261</u>
<b>Movements in working capital</b>		
Decrease/(increase) in inventories	(10,521,674)	10,238,640
Decrease/(increase) in other assets	(11,964,475)	(2,678,502)
(Decrease)/increase in trade payable, other liabilities and provisions	24,621,283	(6,388,132)
Direct taxes paid (net of refunds)	(590,000)	(225,000)
<b>Net cash used in operating activities</b>	<u><u>3,468,448</u></u>	<u><u>2,271,267</u></u>
<b>II Cash flows from investing activities</b>		
Purchase of intangible assets	(3,411,902)	(1,854,438)
	<u><u>(3,411,902)</u></u>	<u><u>(1,854,438)</u></u>
<b>III Cash flows from financing activities</b>		
Repayment of Lease liabilities, net	(93,287)	(89,825)
Interest paid	(308,065)	(182,488)
<b>Net cash flow from/ (used in) financing activities</b>	<u><u>(401,352)</u></u>	<u><u>(272,313)</u></u>
<b>III Net increase in cash and cash equivalents (I + II)</b>	<b>(344,806)</b>	<b>144,516</b>
<b>IV Effect of exchange differences on cash and cash equivalents held in foreign currency</b>	-	-
<b>V Cash and cash equivalents at the beginning of the year</b>	2,266,515	2,121,999
<b>VI Cash and cash equivalents at the end of the year (III+ IV + V)</b>	<u><u>1,921,709</u></u>	<u><u>2,266,515</u></u>
<b>Components of cash and cash equivalents</b>		
Balances with banks - on current accounts	1,921,709	2,266,515
<b>Total cash and cash equivalents [refer note 5]</b>	<u><u>1,921,709</u></u>	<u><u>2,266,515</u></u>

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

for and on behalf of the Board of Directors of Biocon Pharma Inc.

Sd/-  
Kiran Mazumdar-Shaw  
Director

Sd/-  
Abhijit Zutshi  
Director

New Jersey  
May 16, 2024

**BIOCON PHARMA INC.****STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)****A. Equity share capital**

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Opening balance	1,400,000	1,400,000
<b>Closing balance</b>	<b>1,400,000</b>	<b>1,400,000</b>

**B. Preference share capital**

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Opening balance	16,900,000	16,900,000
Share issued during the year	-	-
<b>Closing balance</b>	<b>16,900,000</b>	<b>16,900,000</b>

**C. Other equity**

<b>Particulars</b>	<b>Retained earnings</b>	<b>Total other equity</b>
<b>Balance at April 01, 2022</b>	<b>5,332,094</b>	<b>5,332,094</b>
Application money received / (transferred) during the year	-	-
Profit for the year	261,166	261,166
<b>Balance at March 31, 2023</b>	<b>5,593,260</b>	<b>5,593,260</b>
Profit for the year	2,683,952	2,683,952
<b>Balance at March 31, 2024</b>	<b>8,277,212</b>	<b>8,277,212</b>

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

*for* and on behalf of the Board of Directors of Biocon Pharma Inc.

Sd/-

**Kiran Mazumdar-Shaw***Director*

New Jersey

May 16, 2024

Sd/-

**Abhijit Zutshi***Director*

**BIOCON PHARMA INC.**

Notes to financial statements for the year ended March 31, 2024

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

**3. Property, plant and equipment**

	Furniture and fixture	Computers	Office equipment	Leasehold improvements	Total	Capital work in progress
<b>Gross carrying amount</b>						
<b>At March 31, 2022</b>	63,591	53,219	47,072	27,440	191,322	54,191
Additions	-	-	-	-	-	-
Disposal / transfers	-	-	-	-	-	-
<b>At March 31, 2023</b>	<b>63,591</b>	<b>53,219</b>	<b>47,072</b>	<b>27,440</b>	<b>191,322</b>	<b>54,191</b>
Additions	12,633	-	-	-	12,633	-
Disposal / transfers	-	-	-	-	-	-
<b>At March 31, 2024</b>	<b>76,224</b>	<b>53,219</b>	<b>47,072</b>	<b>27,440</b>	<b>203,955</b>	<b>54,191</b>
<b>Accumulated amortisation</b>						
<b>At March 31, 2022</b>	(42,423)	(53,099)	(35,159)	(24,019)	(154,700)	-
Depreciation for the year	(10,599)	-	(9,380)	(3,421)	(23,400)	-
<b>At March 31, 2023</b>	<b>(53,022)</b>	<b>(53,099)</b>	<b>(44,539)</b>	<b>(27,440)</b>	<b>(178,100)</b>	-
Depreciation for the year	(12,163)	-	(2,533)	-	(14,696)	-
<b>At March 31, 2024</b>	<b>(65,185)</b>	<b>(53,099)</b>	<b>(47,072)</b>	<b>(27,440)</b>	<b>(192,796)</b>	-
<b>Net carrying amount</b>						
<b>At March 31, 2023</b>	<b>10,569</b>	<b>120</b>	<b>2,533</b>	-	<b>13,222</b>	<b>54,191</b>
<b>At March 31, 2024</b>	<b>11,039</b>	<b>120</b>	-	-	<b>11,159</b>	<b>54,191</b>

**3 (a) Capital work in progress ageing schedule**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	54,191	-	54,191
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	<b>54,191</b>	-	<b>54,191</b>

(i) There are no capital work-in-process whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024 and March 31, 2023

**BIOCON PHARMA INC.**

Notes to financials statements for the year ended March 31, 2024

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

**4. Intangible assets**

	Software	Marketing rights	Total	Intangible under development
<b>Gross carrying amount</b>				
At March 31, 2022	-	1,993,000	1,993,000	1,738,038
Additions	115,607	50,000	165,607	1,688,831
<b>At March 31, 2023</b>	<b>115,607</b>	<b>2,043,000</b>	<b>2,158,607</b>	<b>3,426,869</b>
Additions	21,911	2,927,091	2,949,002	2,931,769
Adjustment during the year	-	-	-	(2,949,002)
<b>At March 31, 2024</b>	<b>137,518</b>	<b>4,970,091</b>	<b>5,107,609</b>	<b>3,409,636</b>
<b>Accumulated amortisation</b>				
At March 31, 2022	-	(693,486)	(693,486)	-
Amortisation for the year	(11,529)	(411,895)	(423,424)	-
<b>At March 31, 2023</b>	<b>(11,529)</b>	<b>(1,105,381)</b>	<b>(1,116,910)</b>	-
Amortisation for the year	(27,504)	(500,695)	(528,199)	-
<b>At March 31, 2024</b>	<b>(39,033)</b>	<b>(1,606,076)</b>	<b>(1,645,109)</b>	-
<b>Net carrying amount</b>				
At March 31, 2023	104,078	937,619	1,041,697	3,426,869
<b>At March 31, 2024</b>	<b>98,485</b>	<b>3,364,015</b>	<b>3,462,500</b>	<b>3,409,636</b>

**4 (a) Intangible assets under development ageing schedule**

As at March 31, 2024

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,623,963	889,198	405,000	491,475	3,409,636
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,623,963</b>	<b>889,198</b>	<b>405,000</b>	<b>491,475</b>	<b>3,409,636</b>

(i) There are no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024 and March 31, 2023.

**5. Right-of-use-assets**

	Amount
<b>Gross carrying amount</b>	
At March 31, 2023	818,782
Additions	-
<b>At March 31, 2024</b>	<b>818,782</b>
<b>Accumulated amortisation</b>	
At March 31, 2023	(346,865)
Amortisation for the year	(102,961)
<b>At March 31, 2024</b>	<b>(449,826)</b>
<b>Net carrying amount</b>	
At March 31, 2023	471,917
<b>At March 31, 2024</b>	<b>368,956</b>

**BIOCON PHARMA INC.**  
**Notes to financial statements for the year ended March 31, 2024**  
**(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)**

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>6. Loans</b>		
<b>(a) Non-current</b>		
Loans to related Parties	-	-
	<u>-</u>	<u>-</u>

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>7. Other financial assets</b>		
<b>(a) Non-current</b>		
Deposits	14,083	14,083
	<u>14,083</u>	<u>14,083</u>

<b>(b) Current</b>		
Other receivable	-	508,803
Interest accrued	351,148	-
	<u>351,148</u>	<u>508,803</u>

<b>8. Inventories</b>		
Products	28,707,717	18,186,043
Raw Materials	-	-
	<u>28,707,717</u>	<u>18,186,043</u>

<b>9. Trade receivables</b>		
Unsecured, considered good	38,870,244	26,752,053
Allowance for credit loss	259,600	-
	<u>38,610,644</u>	<u>26,752,053</u>

**Trade receivables ageing schedule**

	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good		25,361,354	13,503,045	-	-	-	-	38,864,399
Undisputed Trade receivables - credit impaired		-	259,601	-	-	-	-	259,601
<b>As at March 31, 2024</b>	<b>-</b>	<b>25,361,354</b>	<b>13,762,646</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,124,000</b>

	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good		20,295,468	6,407,568	49,017	-	-	-	26,752,053
Undisputed Trade receivables - credit impaired		-	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>-</b>	<b>20,295,468</b>	<b>6,407,568</b>	<b>49,017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,752,053</b>

**10. Cash and bank balances**

<b>Cash and cash equivalents</b>		
Balances with banks:		
On current accounts	1,921,709	2,266,515
<b>Total cash and cash equivalents</b>	<u>1,921,709</u>	<u>2,266,515</u>

**11. Other current assets**

Prepayments	243,824	124,431
Advance to suppliers	375,000	490,455
	<u>618,824</u>	<u>614,886</u>

**BIOCON PHARMA INC.**  
**Notes to financial statements for the year ended March 31, 2024**  
**(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)**

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>12(a). Share capital</b>		
<b>Authorised share capital</b>		
500,000 shares of common stock (March 31, 2023 - 500,000) of USD 10 each	5,000,000	5,000,000
<b>Issued, subscribed and fully paid-up</b>		
140,000 (March 31, 2023 - 140,000) equity shares of USD 10 each	1,400,000	1,400,000
16,90,000 (March 31, 2023 - 12,00,000) preference shares of USD 10 each	16,900,000	16,900,000
	<u>18,300,000</u>	<u>18,300,000</u>

**(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

	<u>March 31, 2024</u>		<u>March 31, 2023</u>	
	<u>No.</u>	<u>USD</u>	<u>No.</u>	<u>USD</u>
<b>Equity shares</b>				
At the beginning of the year	140,000	1,400,000	140,000	1,400,000
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<u>140,000</u>	<u>1,400,000</u>	<u>140,000</u>	<u>1,400,000</u>
<b>Preference shares</b>				
At the beginning of the year	1,690,000	16,900,000	1,690,000	16,900,000
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<u>1,690,000</u>	<u>16,900,000</u>	<u>1,690,000</u>	<u>16,900,000</u>

**(ii) Terms/ rights attached to shares**

Equity shares are at a par value of USD 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Optionally convertible redeemable cumulative preference shares (OCRPS) are at a par value of USD 10 per share. Each holder of OCRPS is entitled to one vote per share on all matters pertaining to the rights of OCRPS holders.

**(iii) Details of shareholders holding more than 5% shares in the Company**

	<u>March 31, 2024</u>		<u>March 31, 2023</u>	
	<u>No.</u>	<u>% holding</u>	<u>No.</u>	<u>% holding</u>
<b>Equity shares of Rs 10 each fully paid</b>				
Biocon Pharma Limited, the holding company (including shares held through nominees)				
Equity shares of USD 10 each fully paid up	140,000	100%	140,000	100%
<b>Convertible preferred stock of USD 10 each fully paid</b>				
Biocon Pharma Limited, the holding company (including shares held through nominees)				
Preferred Stock of USD 10 each fully paid up	1,690,000	100%	1,690,000	100%
As per records of the Company, including its register of shareholders/ members, the above shareholding represents both legal and beneficial ownerships of shares.				

**12(b). Other equity**

**Retained earnings**

The amount that can be distributed by the Company as dividends to its equity shareholders.

**13. Borrowings**

**(a) Non-Current**

Loan from related parties

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
	14,500,000	14,500,000
	<u>14,500,000</u>	<u>14,500,000</u>
<b>(b) Current</b>		
Cash credit	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>

The Company has short term unsecured Working capital loan of USD 5 million as on 31 March 2024 [31 March 2023 : USD 5 million] that carries interest rate of one month SOFR + 75 Bps

**14. Trade payables**

Trade payables\*

44,061,479	19,440,196
<u>44,061,479</u>	<u>19,440,196</u>

\*Includes dues to related parties [refer note 25]

**(a) Trade payables Ageing Schedule**

	Unbilled	Not due	<u>Outstanding for following periods from due date of payment</u>				Total	
			<u>Less than 6 Months</u>	<u>6 months - 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>		<u>More than 3 years</u>
Trade payables	4,709,951	34,464,824	2,897,667	1,849,427	139,610	-	-	44,061,479
<b>As at March 31, 2024</b>	<u>4,709,951</u>	<u>34,464,824</u>	<u>2,897,667</u>	<u>1,849,427</u>	<u>139,610</u>	<u>-</u>	<u>-</u>	<u>44,061,479</u>
	Unbilled	Not due	<u>Outstanding for following periods from due date of payment</u>				Total	
			<u>Less than 6 Months</u>	<u>6 months - 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>		<u>More than 3 years</u>
Trade payables	2,663,610	1,747,316	15,024,942	4,328	-	-	-	19,440,196
<b>As at March 31, 2023</b>	<u>2,663,610</u>	<u>1,747,316</u>	<u>15,024,942</u>	<u>4,328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,440,196</u>

**15. Other financial liabilities**

**(a) Current**

Interest accrued but not due

564,381	296,023
<u>564,381</u>	<u>296,023</u>

**16. Other liabilities**

**(a) Current**

401K payable

Statutory dues

-	-
<u>-</u>	<u>-</u>



**BIOCON PHARMA INC.****Notes to financials statements for the year ended March 31, 2024**

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b><u>17. Revenue from operations</u></b>		
Sale of products		
Traded goods	83,977,550	64,611,063
<b>Revenue from operations</b>	<b>83,977,550</b>	<b>64,611,063</b>
<b><u>18. Other income</u></b>		
Fair value gain on investment [refer note (a) below]	3,816,925	-
Interest Income	21,606	-
Others	39,388	713,974
	<b>3,877,919</b>	<b>713,974</b>
<p>(a) During the year, Bicara Therapeutics Inc. (Bicara) raised funds from third parties resulting into dilution of interest, which resulted in loss of significant influence over the investee. Accordingly, the Company has fair valued its investment in Bicara on the date of loss of significant influence resulting in a gain of USD. 3,816,925. The same has been disclosed in other income.</p>		
<b><u>19. (Increase)/ Decrease in inventories of traded goods</u></b>		
Inventory at the beginning of the year		
Traded goods	18,186,043	28,424,683
	<b>18,186,043</b>	<b>28,424,683</b>
Inventory at the end of the year		
Traded goods	28,707,717	18,186,043
	<b>28,707,717</b>	<b>18,186,043</b>
(Increase)/ decrease in inventories	<b>(10,521,674)</b>	<b>10,238,640</b>
<b><u>20. Employee benefits expense</u></b>		
Salaries, wages and bonus	2,448,775	2,141,525
Share based payment expense	5,260	17,217
Staff welfare expenses	173,631	130,097
	<b>2,627,666</b>	<b>2,288,839</b>
<b><u>21. Finance cost</u></b>		
Interest on		
Interest expenses on finance lease liabilities measured on amortised cost	557,345	338,222
Interest on lease liabilities [refer note 28]	19,078	11,648
	<b>576,423</b>	<b>349,870</b>
<b><u>22. Depreciation and amortisation expenses</u></b>		
Depreciation on Property, plant and equipment [refer note 3]	14,696	23,399
Amortisation on intangible assets [refer note 4]	528,199	423,425
Depreciation on Right-of-use-assets [refer note 28]	102,961	73,296
	<b>645,856</b>	<b>520,120</b>
<b><u>23. Other expenses</u></b>		
Rent	-	31,658
Communication expenses	23,183	110
Travelling and conveyance	233,584	363,403
Professional charges	613,569	2,038,368
Insurance	238,648	263,059
Rates, taxes and fees	13,355	81,817
<b>Repairs and maintenance</b>		
Plant and machinery	21,883	-
Building	6,025	(1,031)
Others	56,095	19,534
Research & development expenses	37,888	699,975
<b>Selling expenses</b>		
Freight outwards and clearing charges	3,921,547	2,553,357
Sales promotion expenses	2,277,599	932,055
Printing and stationery	12,576	2,794
Foreign exchange fluctuation, net	3,357	(4,216)
Provision/(reversal) for doubtful debts and Advances	259,600	-
Miscellaneous expenses	159,115	145,125
	<b>7,878,024</b>	<b>7,126,008</b>

**BIOCON PHARMA INC.**

Notes to financial statements for the year ended March 31, 2024

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

**24. Tax expense**

	March 31, 2024	March 31, 2023
<b>(a) Amount recognised in Statement of profit and loss</b>		
Current tax	-	193,105
Deferred tax expense	1,106,908	-
<b>Tax expense for the year</b>	<b>1,106,908</b>	<b>193,105</b>
<b>(b) Reconciliation of effective tax rate</b>		
Profit/(loss) before tax	3,790,860	454,271
Less: Fair Value Movement on investment	3,816,925	-
Profit/(loss) before tax	(26,065)	454,271
Tax at statutory income tax rate 29% (March 31, 2023- 29%)	-	131,739
<i>Tax effects of amounts which are not deductible / (taxable) in calculating taxable income</i>		
Tax effect on Fair Value Movement on investment	1,106,908	-
Tax effect others	-	61,366
<b>Income tax expense</b>	<b>1,106,908</b>	<b>193,105</b>

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**BIOCON PHARMA INC.****Notes to financial statements for the year ended March 31, 2024****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)****24. (c) Recognized deferred tax assets and liabilities**

The following is the movement of deferred tax assets/liabilities presented in the balance sheet:

<b>For the year ended March 31, 2024</b>	<b>Opening Balance</b>	<b>Recognized in profit or loss</b>	<b>Recognized in OCI</b>	<b>Closing Balance</b>
<b>Deferred tax liability</b>				
Convertible preference shares	-	-	-	-
Property, plant and equipment and intangible assets	-	-	-	-
Derivative assets	-	-	-	-
<b>Gross deferred tax liability</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred tax assets</b>				
Defined Benefit Obligation	-	-	-	-
Losses available for offsetting against future taxable	-	-	-	-
MAT credit entitlement	-	-	-	-
Derivative liability	-	-	-	-
Others	-	1,106,908	-	1,106,908
<b>Gross deferred tax assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,106,908</b>
<b>Net deferred tax (liability)/ asset</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,106,908</b>

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**BIOCON PHARMA INC.****Notes to financial statements for the year ended March 31, 2024****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)****25. Related Party Disclosures:**

The following table provides the value of transactions that have been entered into with related parties for the relevant financial year:

SI No	Name of related party	Relationship	Description	For the year ended March 31, 2024 Expenses / (Income) / Other Transaction	March 31, 2024 Payables/ (Receivables)	For the year ended March 31, 2023 Expenses / (Income) / Other Transaction	March 31, 2023 Payables/ (Receivables)
1	BIOCON PHARMA LTD	Holding Company	Purchases of goods Expenses reimbursement	57,073,479 32,447		25,606,914 (713,974)	
2	BIOCON LTD	Ultimate holding Company	Purchases of goods	2,335,500	30,702,441	1,839,557	11,321,317
3	BIOCON SA	Fellow Subsidiary	Intrest on Loan	218,384	1,440,985	126,432	1,478,104
4	BIOCON GENERICS INC	Fellow Subsidiary	Expenses reimbursement	-	(182,531)	-	-

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**BIOCON PHARMA INC.**

Notes to financial statements for the year ended March 31, 2024

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

**26. Financial instruments: Fair value and risk managements****A. Accounting classification and fair values**

March 31, 2024	Carrying amount			Fair value				
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Non-current investments	13,782,403	-	-	13,782,403	-	-	13,782,403	13,782,403
Trade Receivables			38,610,644	38,610,644	-	-	-	-
Cash and cash equivalents and Other bank balances			1,921,709	1,921,709	-	-	-	-
Other financial assets			365,231	365,231	-	-	-	-
	<b>13,782,403</b>	<b>-</b>	<b>40,897,584</b>	<b>54,679,987</b>	<b>-</b>	<b>-</b>	<b>13,782,403</b>	<b>13,782,403</b>
<b>Financial liabilities</b>								
Borrowings	-	-	19,500,000	19,500,000	-	-	-	-
Trade payables	-	-	44,061,479	44,061,479	-	-	-	-
Lease liabilities	-	-	383,640	383,640	-	-	-	-
Other financial liabilities	-	-	564,381	564,381	-	-	-	-
	<b>-</b>	<b>-</b>	<b>64,509,500</b>	<b>64,509,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>March 31, 2023</b>								
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Non-current investments		9,965,478	-	9,965,478	-	-	-	-
Trade Receivables			26,752,053	26,752,053	-	-	-	-
Cash and cash equivalents and Other bank balances			2,266,515	2,266,515	-	-	-	-
Other financial assets			522,886	522,886	-	-	-	-
	<b>-</b>	<b>9,965,478</b>	<b>29,541,454</b>	<b>39,506,932</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>								
Borrowings			19,500,000	19,500,000	-	-	-	-
Trade payables			19,440,196	19,440,196	-	-	-	-
Lease liabilities			476,928	476,928	-	-	-	-
Other financial liabilities			296,023	296,023	-	-	-	-
	<b>-</b>	<b>-</b>	<b>39,713,147</b>	<b>39,713,147</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(a) The fair value of trade receivables, trade payables and other financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short – term nature

(b) There have been no transfers between level 1, 2 and 3 needs to be made.

**B. Financial risk management**

The Company's activities expose it to a variety of financial risks : credit risk, market risk and liquidity risk

**(i) Risk management framework**

The Company's risk management is carried out by the treasury department under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investment of excess liquidity.

**(ii) Credit risk**

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities and its financing activities, including deposits with banks and financial institutions and other financial instruments.

Customer credit risk is managed by each business unit subject to Company's established policy, procedures and control relating to customer credit risk management. The Audit and Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, where available, and other publicly available financial information. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

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**BIOCON PHARMA INC.****Notes to financial statements for the year ended March 31, 2024****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)****(iii) Liquidity risk**

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

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The following are the contractual maturities of financial liabilities and excluding interest payments. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay:

**March 31, 2024**

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings	19,500,000	-	-	-	19,500,000
Trade payables	43,921,869	139,610	-	-	44,061,479
Lease Liabilities	102,960	102,961	163,021	-	368,942
Other current financial liabilities	322,255	147,562	94,564	-	564,381
<b>Total</b>	<b>63,847,084</b>	<b>390,133</b>	<b>257,585</b>	-	<b>64,494,802</b>

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2023:

**March 31, 2023**

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings	19,500,000	-	-	-	19,500,000
Trade payables	19,440,196	-	-	-	19,440,196
Lease Liabilities	102,961	102,961	265,982	-	471,904
Other current financial liabilities	180,329	115,694	-	-	296,023
<b>Total</b>	<b>39,223,486</b>	<b>218,655</b>	<b>265,982</b>	-	<b>39,708,123</b>

**(iv) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

**Foreign currency risk**

The Company operates internationally and a major portion of the business is transacted in USD and consequently, the Company is not exposed to foreign exchange risk through operating and borrowing activities in foreign currency

**Cash flow and fair value interest rate risk**

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During the year ended March 31, 2024 the Company's borrowings at variable interest rate exposing to cash flow variability is mainly denominated in USD

**(a) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2023	March 31, 2022
Variable rate borrowings	5,000,000	5,000,000
Fixed rate borrowings	14,500,000	14,500,000
<b>Total borrowings</b>	<b>19,500,000</b>	<b>19,500,000</b>

**27. Capital management**

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The capital structure as of March 31, 2024 and March 31, 2023 was as follows:

Particulars	March 31, 2024	March 31, 2023
Total equity attributable to the equity shareholders of the Company	14,780,680	14,873,959
<b>As a percentage of total capital</b>	43%	43%
Borrowings	19,500,000	19,500,000
<b>Total borrowings</b>	<b>19,500,000</b>	<b>19,500,000</b>
<b>Debt equity ratio</b>	57%	57%
<b>Total capital (Equity and Borrowings)</b>	<b>34,280,680</b>	<b>34,373,959</b>

**BIOCON PHARMA INC.**

Notes to financial statements for the year ended March 31, 2024

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

**28. Lease**

The Company has entered into lease agreements for use of land and buildings which expires over a period ranging upto the year of 2027. Gross payments for the year aggregate to USD 368,943

The followings is the movement in the lease liability :

Particulars	<b>Buildings</b>	<b>Total</b>
<b>Balance at the April 1, 2023</b>	476,921	476,921
Finance cost accrued during the year	19,077	19,077
Payment of lease liabilities	(112,357)	(112,357)
<b>Balance at the March 31, 2024</b>	<b>383,641</b>	<b>383,641</b>
<b>Balance at the April 1, 2022</b>	514,804	514,804
Finance cost accrued during the year	8,580	8,580
Payment of lease liabilities	(46,464)	(46,464)
<b>Balance at the March 31, 2023</b>	<b>476,920</b>	<b>476,920</b>

The following is the breakup of current and non current lease liability

Particulars	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Current lease liability	102,960	102,960
Non current lease liability	280,681	373,960
	<b>383,641</b>	<b>476,920</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Less than one year	102,960	102,960
One to Five years	280,681	373,960
More than Five years	-	-
<b>Total</b>	<b>383,641</b>	<b>476,920</b>

The following are the amounts recognised in the statement of Profit or Loss for the year ended:

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Amortisation expenses on right of use-assets	102,961	73,296
Interest expenses on lease liabilities	19,078	11,648
<b>Total</b>	<b>122,039</b>	<b>84,944</b>

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**BIOCON PHARMA INC.****Notes to financials statements for the year ended March 31, 2024****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)****29. Earnings per share (EPS)**

<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<i>Earnings</i>		
Profit/(Loss) for the year	<b>2,683,952</b>	<b>261,166</b>
<i>Shares</i>		
Basic outstanding shares	140,000	140,000
Add : Weighted average shares issued during the year	-	-
<b>Weighted average shares used for computing basic and diluted EPS</b>	<b>140,000</b>	<b>140,000</b>
Add: Effect of dilutive options granted but not yet exercised/not yet eligible for exercise-OCRPS	-	-
<b>Weighted average shares used for computing diluted EPS</b>	<b>140,000</b>	<b>140,000</b>
<b>Earnings / (loss) per equity share</b>		
Basic and Diluted (in Dollor)	19.17	1.87

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