

Balaxi Pharmaceuticals Limited
Standalone Balance Sheet as at 31st March 2022

Particulars	Note No	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
ASSETS:			
1 Non-Current Assets:			
(a) Property, Plant and Equipment	3	220.18	69.40
(b) Capital Work-in-progress		57.20	-
(c) Goodwill		-	-
(d) Financial Assets:			
(i) Investments	4	1,960.91	1,953.50
(ii) Other Financial Assets		446.99	-
(e) Other Non Current Assets	5	98.87	2.33
2 Current Assets:			
(a) Inventories	6	-	1.50
(b) Financial Assets:			
(i) Trade Receivables	7	5,317.91	4,812.58
(ii) Cash and Cash Equivalents	8	84.43	47.72
(iii) Loans and Advances	9	5.19	4.78
(c) Other Current Assets			
Total Assets		8,191.69	6,891.81
EQUITY AND LIABILITIES			
EQUITY			
1 Shareholder Funds			
(a) Equity Share Capital	10	1,000.00	1,000.00
(b) Other Equity	11	4,791.30	3,324.56
2 Share application money pending allotment		-	-
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities:			
(i) Borrowings		-	-
(ia) Lease Liabilities			
(ii) Trade Payables			
(A) Dues to MSME			
(A) Dues to Other than MSME			
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)	12	3.88	0.71
2 Current Liabilities			
(a) Financial Liabilities:			
(i) Trade Payables	13	1,719.61	1,664.50
(A) Dues to MSME			
(A) Dues to Other than MSME			
(ii) Borrowings	14	193.00	350.60
(b) Other Current Liabilities	15	8.96	7.85
(c) Provisions		-	-
(c) Current tax Liabilities (Net)	16	474.93	543.60
Total		8,191.69	6,891.81

Summary of Significant Accounting Policies 2

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVENT DATE

For P Murali & Co.,
Chartered Accountants
Firm Registration No. 007257S

A Krishna rao
Partner

Membership No. 020085

UDIN: 22020085AKGTCJ1222

Place : Hyderabad
Date : 23-05-2022

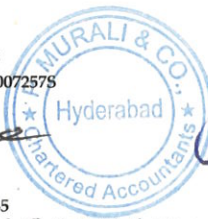
For and behalf of the Board
Balaxi Pharmaceuticals Limited

Ashish Maheshwari
Managing Director
DIN: 01575984

Amol Mantri
Chief Financial Officer

Minoshi Maheshwari
Director
DIN: 01575975

Chinta Shalini
Company Secretary



Balaxi Pharmaceuticals Limited

Statement of Profit and Loss for the Year ended 31st March 2022

Particulars	Note No	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
I. Revenue from Operations	17	10,129.18	8,687.12
II. Other Income	18	274.80	180.98
III. Total Income (I +II)		10,403.97	8,868.09
IV. Expenses:			
Cost of material consumed		7,691.92	6,332.84
Employee Benefits expense	19	289.88	194.83
Finance costs	20	6.12	1.31
Depreciation and Amortization Expense	3	25.03	8.75
Administrative Expenses	21	421.18	270.69
IV. Total Expenses		8,434.12	6,808.42
V. Profit/(Loss) before exceptional items and tax (III - IV)		1,969.85	2,059.67
VI. Exceptional Items		-	-
VII. Profit/(Loss) before tax (V-VI)		1,969.85	2,059.67
VIII. Tax expense:			
(1) Current tax	22	499.94	545.96
(2) Deferred tax		3.17	0.37
IX. Profit/(Loss) for the period from continuing operations (VII-VIII)		1,466.74	1,513.34
X. Profit/(Loss) for the period from dis-continuing operations		-	-
XI. Other Comprehensive Income.			
A. Items that will not be reclassified to Profit or Loss			
(i) Exchange (gain)/Loss on foreign currency transactions		-	-
(ii) Actuarial loss on defined benefit plans recognised in accordance with Ind AS 19.		-	-
B. Items that will be reclassified to Profit or Loss		-	-
Total Comprehensive Income for the period		1,466.74	1,513.34
XII. Earnings per equity share (for continuing operation):	23		
(1) Basic		14.67	15.13
(2) Diluted		14.67	15.13


Summary of Significant Accounting Policies

2

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVENT DATE

For P Murali & Co.,
Chartered Accountants
Firm Registration No. 007257S



A Krishna rao
Partner
Membership No. 020085
UDIN: 22020085AKGTCJ1222

Place : Hyderabad
Date : 23-05-2022

For and behalf of the Board
Balaxi Pharmaceuticals Limited

 
Ashish Maheshwari
Managing Director
DIN: 01575984
Minoshi Maheshwari
Director
DIN: 01575975


Amol Mantri
Chief Financial Officer


Chinta Shalini
Company Secretary



Balaxi Pharmaceuticals Limited

Cash Flow Statement For The Year Ended 31st March, 2022

Particulars	Year Ended 31-03-2022 (Rs in Lakhs.)	Year Ended 31-03-2021 (Rs in Lakhs.)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary items	1,969.85	2,059.67
Adjustments for:		
Interest	6.12	1.31
Depreciation	25.03	8.75
Comprehensive income for the year	-	-
Operating Profit before working capital changes	2,000.99	2,069.73
Adjustments for:		
Increase/ (decrease) in trade payables	55.11	933.88
Increase/ (decrease) in other financial liabilities	1.12	0.83
Decrease / (increase) in other bank balance	0.82	0.94
Decrease / (increase) in advance	(0.41)	102.86
Decrease / (increase) in other receivables	(96.54)	90.00
Decrease / (increase) in trade receivables	(505.34)	(1,690.36)
Decrease / (increase) in Inventory	1.50	81.72
Cash generated from operations	1,457.25	1,589.60
Direct taxes paid (net of refunds)	(568.61)	(243.68)
Cash flow before extraordinary items	888.66	1,345.92
Extraordinary items	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	888.66	1,345.92
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(175.81)	(59.49)
Capital work in progress	(57.20)	-
Proceeds from other financial assets	-	-
Proceeds to Advances	(446.99)	-
Investment in Non-Current Investments	(7.41)	(1,943.72)
Net Cash Used In Investing Activities	(687.41)	(2,003.21)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(6.12)	(1.31)
Long Term Liabilities	-	-
Loans taken	(157.60)	350.60
Long Term Provisions	-	-
Long Term Loans and Other Financial Assets	-	-
Further Issue of Equity Share Capital incl. Premium	-	-
Net Cash Flow From Financing Activities	(163.72)	349.29
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	37.52	(308.01)
Cash and Cash equivalents (Opening Balance)	46.59	354.60
Cash and Cash equivalents (Closing Balance)	84.11	46.59
Unencashed Dividends in bank accounts	0.31	1.25
Total Cash and Bank Balances	84.43	47.84

AS PER OUR REPORT OF EVENT DATE

For P Murali & Co.,

Chartered Accountants

Firm Registration No. 007257S

A Krishna rao

Partner

Membership No. 020085

UDIN: 22020085AKGTLJ1222

Place : Hyderabad

Date : 23-05-2022

For and behalf of the Board

Balaxi Pharmaceuticals Limited

Ashish Maheshwari

Managing Director

DIN: 01575984

Amol Maurya

Chief Financial Officer

Minoshi Maheshwari

Director

DIN: 01575975

Chinta Shalini

Company Secretary



2) Previous Reporting Period			Rs. Lakhs		Reserves and Surplus										Rs. Lakhs	
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves - General Reserve	Retained Earnings	instruments through	instrument through	portion of cash	Revaluation of surplus	difference on translating the	items of other	received against	Total		
Balance at the beginning of Previous reporting period	-	-	-	1,125.30	4.61	681.31	-	-	-	-	-	-	-	1,811.22		
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Restated balance at the beginning of the Previous reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the Previous year	-	-	-	-	-	1,513.34	-	-	-	-	-	-	-	1,513.34		
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Transfer to retained earnings	-	-	-	-	-	1,513.34	-	-	-	-	-	-	-	1,513.34		
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Balance at the end of the Previous year	-	-	-	1,125.30	4.61	2,194.65	-	-	-	-	-	-	-	3,324.56		

Summary of significant accounting policies

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

For P Murali & Co.,
Chartered Accountants
Firm Registration No. 007257S

A Krishna Rao
Partner
Membership No. 020085
UDIN: 22020085AKGTCJ1222



For and behalf of the Board
Balaxi Pharmaceuticals Limited

Manish Maheshwari
Managing Director
DIN: 01575984

Manish Maheshwari
Director
DIN: 01575975

Amol Mantri
Chief Financial Officer

Chinta Shalini
Company Secretary



Place: Hyderabad
Date: 23-05-2022

Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022 (Standalone)

3 Property, plant and Equipment

(Rs. in Lakhs)

Particulars	Furniture & Fixtures	Computer and Printer	Office Equipments	Vehicles	Total
At 1 April 2021	12.12	0.41	6.66	50.21	69.40
Additions		4.26		171.55	175.81
Disposals	-	-	-		-
Acquisitions through Business Combinations					
Revaluations					
Exchange differences if any	-	-	-		-
At 31 March 2022	12.12	4.67	6.66	221.76	245.21
Depreciation charge for the year	1.33	0.91	2.06	20.73	25.03
Disposals	-	-	-		-
Exchange differences	-	-	-		-
At 31 March 2022	10.79	3.76	4.60	201.03	220.18

Balaxi Pharmaceuticals Limited

Notes to Financial Statements for the year ended 31st March, 2022

Note No. 4 : Investments

S.No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
I	Investments in Equity Instruments:		
	1) Investment in Subsidiaries		
	a) Equity Shares		
	1) Balaxi Global DMCC-100% Holding Wholly owned subsidiary of the company.	1,960.91	1,953.50
	Total Investments	1,960.91	1,953.50

Note No. 5 : Other Non Current Assets

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	TDS	2.44	2.33
b	TCS	6.43	
c	Advance Tax FY 2021-22	50.00	
d	Prepaid expenditure	40.00	-
	Total- Income tax assets	98.87	2.33

Note No. 6 : Inventory

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Stock of Finished Goods	-	1.50
	Total Inventories	-	1.50

Note No. 7 : Trade Receivables

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Unsecured, Considered Good Accounts Receivable	5,211.35	4,489.25
	Less: Allowance for Doubtful Debts	-	-
b	Other Receivable	74.75	261.20
c	GST Refund	31.81	62.13
	Total Trade Receivables	5,317.91	4,812.58

Note No. 8 : Cash And Cash Equivalents

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
	Cash and cash equivalents :		
a	Balances with banks :		
	On Current Accounts	83.88	46.30
b	Cash on hand	0.24	0.17
	d) Others		
	Sub Total	84.12	46.47
c	Other bank balances	0.31	1.25
	Total Cash and Cash Equivalents	84.43	47.72

Note No. 9 : Advances

		As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Unsecured, Considered Good Loans and Advances to Employees	5.19	4.78
	Total Loans -Current	5.19	4.78

Balaxi Pharmaceuticals Limited

Notes to Financial Statements for the year ended 31st March, 2022

Note No. 10 : Equity Share Capital

S.No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
I	Equity Share Capital		
	(a) Authorised (4,00,00,000 Shares of 10/- each)	-	-
		4,000.00	4,000.00
		4,000.00	4,000.00
	(b) Issued [1,00,00,000 Shares of 10/- each]	-	-
		1,000.00	1,000.00
	(c) Subscribed & Fully Paid Up [1,00,00,000 Shares of 10/- each]	-	-
		1,000.00	1,000.00
	Total Equity Share capital	1,000.00	1,000.00
II	<u>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</u>		
	Equity Shares of Rs.10Each, Fully paid up		
	At the Beginning	100.00	100.00
	Issued during the year	-	-
	At the end	100.00	100.00
III	<u>Details of Shareholder holding more than 5% shares of the company:</u>	% of Share Holding	
	Equity Shares of Rs. 10 each Held By		
	Balaxi Overseas Private Limited (holding company) - 7000000 shares	70%	70%
	Elara India Opportunities Limited - 950000 shares	9.5%	9.5%
	Marshal Global Capital Fund Ltd - 950000 shares	9.5%	9.5%

Note No. 11 : Other Equity

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
I	RESERVES AND SURPLUS		
	a) Capital reserve		
	As at the commencement of the year	-	-
	Add: Additions during the year	-	-
	Less: Utilised for during the year	-	-
		-	-
	b) Capital Redemption reserve		
	As at the commencement of the year	-	-
	Add: Additions during the year	-	-
	Less: Utilised for during the year	-	-
		-	-
	c) Securities Premium		
	As at the commencement of the year	1,125.30	1,125.30
	Add: Additions during the year	-	-
	Less: Utilised for during the year	-	-
		1,125.30	1,125.30
	d) General reserve		
	As at the commencement of the year	4.61	4.61
	Add: Additions during the year	-	-
	Less: Utilised for during the year	-	-
		4.61	4.61
	e) Revaluation reserve	-	-
	f) Share options outstanding account	-	-
	g) Retained Earnings :		
	i) Opening Balance - Statement of Profit and Loss	2,194.65	681.31
	Add: Transfer from Statement of Profit & Loss	1,466.74	1,513.34
		-	-
		3,661.39	2,194.65
		3,661.39	2,194.65
	Total Other Equity	4,791.30	3,324.56

Note No. 12: Deferred Tax Liability (Net)

S. No.	Particulars	As on 31-03-2022	As on 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
I	Opening Deferred tax Liability	0.71	0.34
	Add:		
	Deferred Tax Liability for the year	3.17	0.37
	Gross Deferred tax Liability	3.88	0.71
	Opening Deferred tax Asset	-	-
	Deferred Tax Asset for the year	-	-
	Gross Deferred tax Asset	-	-
	Deferred Tax Liability/ (Asset) - Net	3.88	0.71

Note No. 13 : Trade Payables

S. No.	Particulars	As on 31-03-2022	As on 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Trade Payables		
	To MSMEs	-	-
	Others	1,574.58	1,513.40
b	Salaries Payable	20.70	13.57
c	Freight Payable	-	52.29
d	Audit Fee Payable	5.40	5.90
e	Remuneration/ Expenses payable to directors	118.93	79.34
	Total Trade Payables	1,719.61	1,664.50

Note No. 14 : Borrowings

S.No.	Particulars	As on 31-03-2022	As on 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Unsecured Loans from Directors	100.00	333.00
b	Term Loans from Banks :		
	- Vehicle Loan from HDFC Bank	12.70	17.60
	(Secured Against Hypothecation of Car with the Bank)		
	- Vehicle Loan from Yes Bank	80.30	
	(Secured Against Hypothecation of Car with the Bank)		
	Total Provisions	193.00	350.60

Note No. 15 : Other Current Liabilities

S.No.	Particulars	As on 31-03-2022	As on 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Unpaid dividend	0.31	1.25
b	Statutory Liabilities	8.65	6.59
	Total Other Current Liabilities	8.96	7.85

Note No. 16 : Current Tax Liabilities(Net)

S.No.	Particulars	As on 31-03-2022	As on 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Provision for Income Tax	474.93	543.60
	Total Provisions	474.93	543.60

Balaxi Pharmaceuticals Limited

Notes to Financial Statements for the year ended 31st March, 2022

Note No. 17 : Revenue From Operations

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
	Revenue from operations		
	(i) Sale of Services		
a	Domestic Sales	-	-
b	Export Sales	10,129.18	8,687.11
	Total Revenue from Operations	10,129.18	8,687.12

Note No. 18 : Other Income

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Foreign Exchange gain/Loss	271.85	163.44
b	Discount Received	2.95	17.54
	Total Other Income	274.80	180.98

Note No. 19 : Employee Benefits Expense

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Salaries, wages and bonus	268.36	180.88
b	Other employee benefit expenses	21.52	13.95
	Total Employee Benefit Expenses	289.88	194.83

Note No. 20 : Finance Costs

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	i) Interest Expenses		
	Interest on Vehicle Loan	6.12	1.31
	Interest on Term Loan	-	-
	Total Finance Cost	6.12	1.31

Note No. 21 : Administrative Expenses

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Bank charges	3.61	12.92
b	Rent	-	4.00
c	Repairs & maintenance	13.48	11.82
d	Advertising and business promotion expenses	39.82	7.28
e	Travelling expenses	56.48	24.89
f	Communication costs	3.84	2.63
g	Printing and stationery	29.61	22.53
h	Legal and professional fees	7.85	5.68
i	Payment to auditor (Refer details below)	6.00	5.90
j	Bad debts written off	-	3.71
k	Listing Fees	12.35	3.65
l	Miscellaneous expenses	34.52	26.78
m	Product Registration Charges	85.47	55.36
n	Conveyance	0.67	0.90
o	Other Expenses	-	-
p	Fees & Subscription	22.28	9.17
q	Remuneration-Directors	48.00	48.00
r	CSR Expenses	22.53	8.59
s	Investor relations Expenses	26.91	16.35
t	Other Interest	-	0.53
u	Power and Fuel	2.36	-
v	Insurance	5.40	-
	Total Other Expenses	421.18	270.69

Note No. 22: Current Tax

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Current tax expense for current year	499.94	545.96
b	Tax expense pertaining to prior years	-	-
		499.94	545.96

Balaxi Pharmaceuticals Limited
Notes to Financial Statements for the year ended 31st March, 2022

Annexure to Note: 7a

In Rs Lakhs

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables - considered good	3,935.75	1,275.60	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-
	3,935.75	1,275.60	-	-	-
					5,211.35

Annexure to Note: 10

Shares held by promoters at the end of the year				% Change during the year
Promoter name	No. of Shares	% of total shares		
Ashish Maheshwari	1,80,774.00	1.81%	-	-
Minoshi Maheshwari	1,05,580.00	1.06%	-	-
Balaxi Overseas Private Limited	70,00,000.00	70.00%	-	-

Annexure to Note: 13a

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	-	-
(ii) Others	1,570.41	4.17	-	-
(iii) Disputed dues-MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
	1,570.41	4.17	-	-
				1,574.58

BALAXI PHARMACEUTICALS LIMITED
Notes to Standalone financial statements
for the year ended 31st March 2022

1.1 General Information

Balaxi Pharmaceuticals Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Plot no.409, H.No. 82-293, Maps Towers, 3rd Floor, Phase III, Road No: 81, Jubilee Hills, Hyderabad, Telangana, India. The Company was incorporated in September 1942.

1.2 Basis of preparation of financial statements

1.2 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements have been prepared for the Company as going concern on the basis of relevant Indian Accounting Standards (Ind AS) that are effective at the Company's annual reporting date, 31 March 2022. The financial statements were authorised for issue by the Company's Board of Directors on May 23, 2022.

1.3 Functional and presentation currency

The financial statements are presented in Indian rupees Lakhs (Rounded off to thousands), which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupee Lakhs (Rounded off to thousands) except share data, unless otherwise stated.

1.4 Basis of measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

- certain financial assets and liabilities are measured at fair value;
- refer accounting policy regarding financial instruments

1.5 Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
 - b) it is held primarily for the purpose of being traded;
 - c) it is due to be settled within twelve months after the reporting date; or
 - d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

BALAXI PHARMACEUTICALS LIMITED
Notes to Standalone financial statements
for the year ended 31st March 2022

1.6 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2021 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

1.7 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2 Significant accounting policies

2.1 Revenue recognition

The Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of promised products or services to customer in an amount that reflect the consideration which the Company expects to receive in exchange of those products or services.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates and VAT/ GST are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Revenue from the sale of goods includes excise duty.
- Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.
- Dividend income is accounted for when the right to receive the income is established, which is generally when shareholders approve the dividend.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.
- Interest income is accrued on, 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.

BALAXI PHARMACEUTICALS LIMITED
Notes to Standalone financial statements
for the year ended 31st March 2022

2.2 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Company determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2.3 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.4 Borrowing costs

Specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

BALAXI PHARMACEUTICALS LIMITED
Notes to Standalone financial statements
for the year ended 31st March 2022

2.5 Taxation

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax

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

Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, 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 realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.6 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year 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 the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

BALAXI PHARMACEUTICALS LIMITED
Notes to Standalone financial statements
for the year ended 31st March 2022

2.7 Property, plant and equipment

Freehold land and buildings (property) held for use in the production or supply of goods or services, or administrative purposes are stated at cost less accumulated depreciation and accumulated impairment. Freehold land is not depreciated.

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

2.8 Expenditure during construction period

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

2.9 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has componentised its PPE and has separately assessed the life of major components. The Company depreciates its fixed assets over the useful lives as prescribed in Schedule II to the Act.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

2.10 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Amortization

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

2.11 Inventories

Inventories are valued at lower of cost, determined on “Weighted average” basis and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

• Raw materials, fuel, stores & spare parts and packing materials:

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis.

• Work-in- progress (WIP), finished goods and stock-in-trade:

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.12 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

BALAXI PHARMACEUTICALS LIMITED
Notes to Standalone financial statements
for the year ended 31st March 2022

2.14 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.
Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

2.15 Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

2.16 Employee benefits

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Defined contribution plans

The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

2.17 Provisions (other than for employee benefits)

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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

BALAXI PHARMACEUTICALS LIMITED
Notes to Standalone financial statements
for the year ended 31st March 2022

2.18 Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.19 Financial instruments

a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and Subsequent measurement

Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

BALAXI PHARMACEUTICALS LIMITED
Notes to Standalone financial statements
for the year ended 31st March 2022

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

c. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit.

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

BALAXI PHARMACEUTICALS LIMITED
Notes to Standalone financial statements
for the year ended 31st March 2022

e. Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022

23 Earning Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

	(Amount in Rupees)	
	31-Mar-22	31-Mar-21
Profit after tax	14,66,74,173	15,13,33,570
Weighted average number of equity shares	1,00,00,000	1,00,00,000
Basic and diluted earnings per share for continued operations (in rupees)	14.67	15.13

24 Segment information

The operating segment of the Group is identified as "Specialized Wholesale" as the Chief Operating Decision Maker reviews business performance at an overall level as one segment. Therefore the entire operation fall within only one single reportable segment

25 Related party transactions

A. Name of the related parties and related party relationship

a) Holding company

Balaxi Overseas Private Limited

b) Directors

Ashish Maheshwari
Minoshi Maheshwari
Gandhi Ganji
Kunal M Bhakta
M.Srinivas rao
Purnima Kamble

c) Key Managerial Personnel

Ashish Maheshwari Managing Director
Pranav Maheshwari Senior Vice President-Business Development
Amol Mantri CFO
Chinta Shalini Company Secretary

d) Wholly Owned Subsidiary company

Balaxi Global DMCC, Dubai

B. Transactions with related parties

	(Rs in Lakhs)	
	31-Mar-22	31-Mar-21
Operating and administrative costs		
Balaxi Overseas Pvt Ltd		
Rent	-	4.00
Reimbursement of Expenses to directors	20.05	13.33
Directors Remuneration	-	-
Ashish Maheshwari	30.00	30.00
Minoshi Maheshwari	18.00	18.00
Sitting Fee	5.00	1.90
KMP Salary	10.00	12.50
Capital contribution to Balaxi Global DMCC	7.41	1,943.72
Loan from Directors	-	333.00
Loan repaid to Directors	233.00	-

Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022

26 Capital Management

For the purpose of Company's capital management, Capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	(Rs in Lakhs)	
	31-Mar-22	31-Mar-21
Borrowings	193.00	350.60
Trade and other payables	1,728.57	1,672.35
Less: Cash and cash equivalents	(84.43)	(47.72)
Net Debt	1,837.14	1,975.22
Equity	5,791.30	4,324.56
Capital and Net Debt	7,628.44	6,299.78
Gearing Ratio	24.08%	31.35%

27 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations and FVTPL investments.

The Company is exposed to market risk and liquidity risk. The Company's senior management oversees management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures so that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and other price risk. Financial instruments affected by market risk include FVTPL financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

Equity price risk

The Company's listed equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification. The Company's Board of Directors reviews and approves all equity investment decisions.

Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has sufficient working capital funds available to honour the debt maturing within 12 months.

Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022

28 MSME

The Company has not entered into any business transactions nor has borrowed any amounts from suppliers registered under the Micro, Small and Medium Enterprises Development act, 2006.

29 Subsequent Events

There are no significant events that occurred after the balance sheet date.

30 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the current year's classification.

31 Additional Regulatory Information

i) Title deeds of Immovable Properties not held in name of the Company

The Company is not in possession of any immovable property.

iii) The Company has not revalued any of its Property, Plant and Equipment during the year.

v) No loans and advances were granted to promoters, directors, KMPs and the related parties

vi) Capital work in Progress aging schedule

In Rs. Lakhs

CWIP	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	57.20				57.20

viii) The company did not hold any Benami Property and hence no proceedings were initiated or pending against the company

ix) There are no borrowings from banks or financial institutions on the basis of current assets given as

x) The company was not declared as a wilful defaulter by any bank or financial institution.

xi) The company did not enter into any transactions with struck off companies.

Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022

xiv) Ratios

	31-03-2022	31-03-2021
a) Current Ratio	2.26	1.90
(b) Debt-Equity Ratio	0.41	0.59
(c) Debt Service Coverage Ratio	64.95	445.57
(d) Return on Equity Ratio	1.47	1.51
(e) Inventory turnover ratio	9,146.87	1.00
(f) Trade Receivables turnover ratio	2.09	2.34
(g) Trade payables turnover ratio	1.11	1.37
(h) Net capital turnover ratio	1.75	2.01
(i) Net profit ratio	0.14	0.17
(j) Return on Capital employed	0.34	0.48
(k) Return on investment.		

32 Undisclosed Income

All transactions were recorded in the books of accounts and there was no undisclosed income that has been surrendered or disclosed as income during the year.

33 Corporate Social Responsibility

- (i) amount required to be spent by the company during the year,
(ii) amount of expenditure incurred,
(iii) shortfall at the end of the year,
(iv) total of previous years shortfall,
(v) reason for shortfall,
(vi) nature of CSR activities,

Amt in Rs. Lakhs

22.53

22.53

0

0

NA

Promotion of Women
education and women
empowerment

Balaxi Foundation

- (vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,

NA

- (viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.

34 Details of Crypto Currency or Virtual Currency

The Company has not traded nor has invested in Crypto Currency or Virtual Currency during the financial year.

For P Murali & Co.,
Chartered Accountants
Firm Registration No. 007257S


A Krishna Rao
Partner
Membership No. 020085
UDIN: 22020085AKGTCJ1222

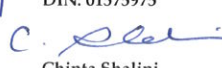
Place: Hyderabad
Date: 23-05-2022

For and behalf of the Board
Balaxi Pharmaceuticals Limited


Ashish Maheshwari
Managing Director
DIN: 01575984


Amol Mantri
Chief Financial Officer


Minoshi Maheshwari
Director
DIN: 01575975


Chinta Shalini
Company Secretary



Balaxi Pharmaceuticals Limited
Consolidated Balance Sheet as at 31st March 2022

Particulars	Note No	As on 31-03-2022	As on 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
ASSETS:			
1 Non-Current Assets:			
(a) Property, Plant and Equipment	3	545.51	116.73
(b) Capital Work-in-progress		57.20	-
(c) Goodwill		2,330.20	127.91
(d) Financial Assets:			
(i) Investments	4	-	341.64
(ii) Other Financial Assets		446.99	-
(e) Other Non Current Assets	5	166.85	4.61
2 Current Assets:			
(a) Inventories	6	9,870.36	1,361.79
(b) Financial Assets:			
(i) Trade Receivables	7	2,862.46	7,675.90
(ii) Cash and Cash Equivalents	8	719.29	166.90
(iii) Loans and Advances	9	177.72	4.78
(c) Other Current Assets	24	470.48	167.70
Total Assets		17,647.06	9,967.96
EQUITY AND LIABILITIES			
EQUITY			
1 Shareholder Funds			
(a) Equity Share Capital	10	1,000.00	1,000.00
(b) Other Equity	11	10,316.42	5,497.98
2 Share application money pending allotment		-	-
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities:			
(i) Borrowings		-	-
(ia) Lease Liabilities			
(ii) Trade Payables			
(A) Dues to MSME			
(A) Dues to Other than MSME			
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)	12	3.88	0.71
2 Current Liabilities			
(a) Financial Liabilities:			
(i) Trade Payables	13	5,228.77	2,488.09
(A) Dues to MSME			
(A) Dues to Other than MSME			
(ii) Borrowings	14	363.81	365.92
(b) Other Current Liabilities	15	8.96	14.08
(c) Provisions		-	-
(c) Current tax Liabilities (Net)	16	725.22	601.18
Total		17,647.06	9,967.96

Summary of Significant Accounting Policies

2

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVENT DATE

For P Murali & Co.,

Chartered Accountants

Firm Registration No. 0072575

A Krishna rao

Partner

Membership No. 020085

UDIN: 22020085AKGTQY7387

Place : Hyderabad

Date : 23-05-2022

For and behalf of the Board

Balaxi Pharmaceuticals Limited

Ashish Maheshwari

Managing Director

DIN: 01575984

Amol Mantri

Chief Financial Officer

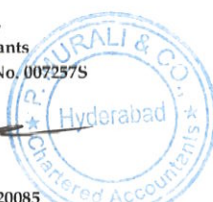
Minoshi Maheshwari

Director

DIN: 01575975

Chinta Shalini

Company Secretary



Balaxi Pharmaceuticals Limited

Consolidated Statement of Profit and Loss for the Year ended 31st March 2022

Particulars	Note No	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
I. Revenue from Operations	17	27,938.78	23,133.31
II. Other Income	18	497.17	222.74
III. Total Income (I + II)		28,435.95	23,356.05
IV. Expenses:			
Cost of material consumed		19,559.63	17,214.79
Employee Benefits expense	19	1,246.60	847.01
Finance costs	20	14.16	1.31
Depreciation and Amortization Expense	3	51.22	29.78
Administrative Expenses	21	2,112.11	830.23
IV. Total Expenses		22,983.72	18,923.13
V. Profit/(Loss) before exceptional items and tax (III - IV)		5,452.23	4,432.92
VI. Exceptional Items		-	-
VII. Profit/(Loss) before tax (V-VI)		5,452.23	4,432.92
VIII. Tax expense:			
(1) Current tax	22	683.28	618.82
(2) Deferred tax		3.17	0.37
IX. Profit/(Loss) for the period from continuing operations (VII-VIII)		4,765.78	3,813.73
X. Profit/(Loss) for the period from dis-continuing operations		-	-
XI. Other Comprehensive Income.			
A. Items that will not be reclassified to Profit or Loss			
(i) Exchange (gain)/Loss on foreign currency transactions		(52.66)	90.33
(ii) Actuarial loss on defined benefit plans recognised in accordance with Ind AS 19.		-	-
B. Items that will be reclassified to Profit or Loss		-	-
C. Extraordinary Item		-	-
Total Comprehensive Income for the period		4,818.44	3,723.40
XII. Earnings per equity share (for continuing operation):	23		
(1) Basic		47.66	38.14
(2) Diluted		47.66	38.14

Summary of Significant Accounting Policies

2

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVENT DATE

For P Murali & Co.,
Chartered Accountants

Firm Registration No. 007257S

A Krishna rao
Partner

Membership No. 020085

UDIN: 22020085AKGTQY7387

For and behalf of the Board
Balaxi Pharmaceuticals Limited

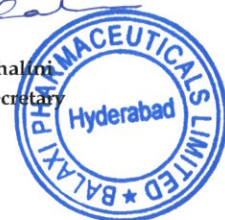
Ashish Maheshwari
Managing Director
DIN: 01575984

Minoshi Maheshwari
Director
DIN: 01575975

Amol Mantri
Chief Financial Officer

Chinta Shalini
Company Secretary

Place : Hyderabad
Date : 23-05-2022



Balaxi Pharmaceuticals Limited

Consolidated Cash Flow Statement For The Year Ended 31st March, 2022

Particulars	Year Ended 31-03-2022 (Rs in Lakhs.)	Year Ended 31-03-2021 (Rs in Lakhs.)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary items	5,452.23	4,432.92
Adjustments for:		
Interest	14.16	1.31
Depreciation	51.22	29.78
Extraordinary Item		
Comprehensive income for the year	52.66	(90.33)
Operating Profit before working capital changes	5,570.27	4,373.68
Adjustments for:		
Increase/ (decrease) in trade payables	2,740.68	1,914.62
Increase/ (decrease) in other financial liabilities	(5.12)	7.07
Decrease / (increase) in other bank balance	0.94	0.82
Decrease / (increase) in advance	(172.94)	14.72
Decrease / (increase) in other receivables	(162.24)	87.72
Decrease / (increase) in trade receivables	4,813.44	(4,704.46)
Decrease / (increase) in Inventory	(8,508.57)	(1,278.58)
Decrease / (increase) in Other current asset	(302.78)	(155.81)
Cash generated from operations	3,973.69	259.78
Direct taxes paid (net of refunds)	(559.24)	(259.47)
Cash flow before extraordinary items	3,414.45	0.31
Extraordinary items	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	3,414.45	0.31
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(474.94)	(127.73)
Capital work in progress	(57.20)	
Proceeds from Goodwill	(2,202.29)	(127.91)
Preliminary Expenses	(5.05)	
Proceeds from other financial assets	-	-
Proceeds to Advances	(446.99)	-
Investment in Non-Current Investments	341.64	(341.64)
Net Cash Used In Investing Activities	(2,844.83)	(597.28)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(14.16)	(1.31)
Long Term Liabilities		-
Loans taken	(2.11)	365.92
Long Term Provisions	-	-
Long Term Loans and Other Financial Assets	-	-
Further Issue of Equity Share Capital incl. Premium	-	-
Net Cash Flow From Financing Activities	(16.28)	364.61
NET INCREASE\ (DECREASE) IN CASH AND CASH EQUIVALENTS	553.34	(232.36)
Cash and Cash equivalents (Opening Balance)	165.64	398.00
Cash and Cash equivalents (Closing Balance)	718.98	165.64
Unencashed Dividends in bank accounts	0.31	1.25
Total Cash and Bank Balances	719.29	166.89

AS PER OUR REPORT OF EVENT DATE

For P Murali & Co.,

Chartered Accountants

Firm Registration No. 007237S

A Krishna rao

Partner

Membership No. 020085

UDIN: 22020085 AKGTQY7387

Place : Hyderabad

Date : 23-05-2022

For and behalf of the Board

Balaxi Pharmaceuticals Limited

Ashish Maheshwari
Managing Director
DIN: 01575984

Amol Mantri
Chief Financial Officer

Manoshi Maheshwari
Director
DIN: 01575975

Chinta Shalini
Company Secretary



A) Equity share capital
Equity shares of Rs.10/- each issued, subscribed and fully paid

1) Current Reporting Period

2) Previous Reporting Period

B) Other equity[illegible]

2) Previous Reporting Period		Rs. Lakhs									
Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus									
		Capital Reserve	Securities Premium	Other Reserves - General Reserve	Retained Earnings	instruments through	instrument through	portion of cash	Revaluation of surplus	difference on translating the	items of other
Balance at the beginning of Previous reporting period	-	-	1,125.30	4.61	644.66	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Re-stated balance at the beginning of the Previous reporting period	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the Previous year	-	-	-	-	3,723.40	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	3,723.40	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the Previous year	-	-	1,125.30	4.61	4,368.06	-	-	-	-	-	-
											Rs. Lakhs
											Total
											1,774.57
											-
											-
											3,723.40
											-
											5,497.97

Summary of significant accounting policies

2

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

For P Marali & Co.,
Chartered Accountants
Firm Registration No. 0072576



A Krishna Rao
Partner
Membership No. 020085
UDIN: 22020085AKGTQY7387
Place: Hyderabad
Date: 23-05-2022

For and behalf of the Board
Balaxi Pharmaceuticals Limited

Ashish Maheshwari
Ashish Maheshwari
Managing Director
DIN: 01575984

Minoshi Maheshwari
Minoshi Maheshwari
Director
DIN: 01575975

Chintu Shalini
Chintu Shalini
Company Secretary



Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022 (Consolidated)

3 Property, plant and Equipment

(Rs. in Lakhs)

Particulars	Furniture & Fixtures	Computer and Printer	Office Equipments	Improvements To Leased Properties	Brands & Patents	Vehicles	Total
At 1 April 2021	12.58	9.97	6.66	(0.00)	-	87.52	116.73
Additions	25.05	7.12	-	7.54	82.47	350.79	472.97
Disposals	-	-	-	-	-	-	-
Acquisitions through Business Combinations	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-
Exchange differences if any	2.77	(2.34)	-	-	-	2.23	2.67
At 31 March 2022	40.40	14.76	6.66	7.54	82.47	440.54	592.37
Depreciation charge for the year	3.00	4.18	2.06	1.83	-	35.11	46.17
Disposals	-	-	-	-	-	-	-
Exchange differences	(0.05)	(0.11)	-	(0.06)	-	(0.47)	(0.69)
At 31 March 2022	37.35	10.47	4.60	5.66	82.47	404.96	545.51

Particulars	Preliminary Expenses						Total
At 1 April 2021	-						-
Additions	-						-
Disposals	-						-
Combinations	-						-
Revaluations	-						-
Exchange differences if any	-	-	-	-	-	-	-
At 31 March 2022	-	-	-	-	-	-	-
Depreciation charge for the year	5.05	-	-	-	-	-	5.05
Disposals	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-
At 31 March 2022	(5.05)	-	-	-	-	-	(5.05)

Balaxi Pharmaceuticals Limited

Notes to Financial Statements for the year ended 31st March, 2022

Note No. 4 : Investments

S.No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
I	Investments in Equity Instruments:		
	1) Investment in Subsidiaries		
	a) Equity Shares		
	1) Balaxi Healthcare Angola LDA-49% Holding	-	341.64
	Total Investments	-	341.64

Note No. 5 : Other Non Current Assets

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	TDS	2.44	2.33
b	TCS	6.43	-
c	Advance Tax FY 2021-22	117.98	2.28
d	Prepaid expenditure	40.00	-
	Total- Income tax assets	166.85	4.61

Note No. 6 : Inventory

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Stock of Finished Goods	9,870.36	1,361.79
	Total Inventories	9,870.36	1,361.79

Note No. 7 : Trade Receivables

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Unsecured, Considered Good Accounts Receivable	2,755.90	7,352.57
		2,755.90	7,352.57
	Less: Allowance for Doubtful Debts	-	-
b	Other Receivable	74.75	261.20
c	GST Refund	31.81	62.13
	Total Trade Receivables	2,862.46	7,675.90

Note No. 8 : Cash And Cash Equivalents

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
	Cash and cash equivalents :		
a	Balances with banks :		
	On Current Accounts	656.75	160.23
b	Cash on hand	62.23	5.42
d	Others		
	Sub Total	1,291.84	165.65
c	Other bank balances	0.31	1.25
	Total Cash and Cash Equivalents	719.29	166.90

Note No. 9 : Advances

		As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
	Unsecured, Considered Good		
a	Loans and Advances to Employees	5.19	4.78
b	Loans and Advances to Others	172.53	-
	Total Loans -Current	177.72	4.78

Note No. 9 : Other Current Assets

		As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Prepayments	312.16	71.89
b	Deposits	18.43	-
c	Staff advance	1.60	-
d	Tax refund receivables	78.25	60.53
e	Other advances	57.27	29.95
f	Preliminary expenses	2.77	5.33
	Total Loans -Current	470.48	167.70

Balaxi Pharmaceuticals Limited

Notes to Financial Statements for the year ended 31st March, 2022

Note No. 10 : Equity Share Capital

S.No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
I	Equity Share Capital		
	(a) Authorised (4,00,00,000 Shares of 10/- each)	-	-
		4,000.00	4,000.00
		4,000.00	4,000.00
	(b) Issued [1,00,00,000 Shares of 10/- each]	-	-
		1,000.00	1,000.00
	(c) Subscribed & Fully Paid Up [1,00,00,000 Shares of 10/- each]	-	-
		1,000.00	1,000.00
	Total Equity Share capital	1,000.00	1,000.00
II	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:		
	Equity Shares of Rs.10Each, Fully paid up		
	At the Beginning	100.00	100.00
	Issued during the year	-	-
	At the end	100.00	100.00
III	Details of Shareholder holding more than 5% shares of the company:	% of Share Holding	
	Equity Shares of Rs. 10 each Held By		
	Balaxi Overseas Private Limited (holding company) - 7000000 shares	70%	70%
	Elara India Opportunities Limited - 950000 shares	9.5%	9.5%
	Marshal Global Capital Fund Ltd - 950000 shares	9.5%	9.5%

Note No. 11 : Other Equity

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
I	RESERVES AND SURPLUS		
	a) Capital reserve		
	As at the commencement of the year		
	Add: Additions during the year		
	Less: Utilised for during the year		
		-	-
	b) Capital Redemption reserve		
	As at the commencement of the year	-	-
	Add: Additions during the year		
	Less: Utilised for during the year		
		-	-
	c) Securities Premium		
	As at the commencement of the year	1,125.30	1,125.30
	Add: Additions during the year	-	-
	Less: Utilised for during the year		
		1,125.30	1,125.30
	d) General reserve		
	As at the commencement of the year	4.61	4.61
	Add: Additions during the year	-	-
	Less: Utilised for during the year		
		4.61	4.61
	e) Revaluation reserve	-	-
	f) Share options outstanding account	-	-
	c) Retained Earnings :		
	i) Opening Balance - Statement of Profit and Loss	4,368.06	644.66
	Add: Transfer from Statement of Profit & Loss	4,818.44	3,723.40
		-	-
		9,186.50	4,368.06
		9,186.50	4,368.06
	Total Other Equity	10,316.41	5,497.97

Note No. 12: Deferred Tax Liability (Net)

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
I	Opening Deferred tax Liability	0.71	0.34
	Add:		
	Deferred Tax Liability for the year	3.17	0.37
	Gross Deferred tax Liability	3.88	0.71
	Opening Deferred tax Asset	-	-
	Deferred Tax Asset for the year	-	-
	Gross Deferred tax Asset	-	-
	Deferred Tax Liability/ (Asset) - Net	3.88	0.71

Note No. 13 : Trade Payables

S. No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Trade Payables		
	To MSMEs	-	-
	Others	4,911.45	2,205.78
b	Salaries Payable	192.99	135.49
c	Freight Payable	-	52.25
d	Audit Fee Payable	5.40	8.89
e	Remuneration/ Expenses payable to directors	118.93	79.34
f	Rent Advance	-	6.34
	Total Trade Payables	5,228.77	2,488.09

Note No. 14 : Borrowings

S.No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Unsecured Loans from Directors	100.00	333.00
b	Term Loans from Banks :		
	- Vehicle Loan from HDFC Bank (Secured Against Hypothecation of Car with the Bank)	12.70	17.60
	- Vehicle Loan from Yes Bank (Secured Against Hypothecation of Car with the Bank)	251.11	15.32
	Total Provisions	363.81	365.92

Note No. 15 : Other Current Liabilities

S.No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Unpaid dividend	0.31	1.25
b	Statutory Liabilities	8.65	12.83
	Total Other Current Liabilities	8.96	14.08

Note No. 16 : Current Tax Liabilities(Net)

S.No.	Particulars	As on 31-03-2022 (Rs in Lakhs.)	As on 31-03-2021 (Rs in Lakhs.)
a	Provision for Income Tax	725.21	601.18
	Total Provisions	725.21	601.18

Balaxi Pharmaceuticals Limited

Notes to Financial Statements for the year ended 31st March, 2022

Note No. 17 : Revenue From Operations

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
	Revenue from operations		
	(i) Sale of goods	27,938.78	23,133.32
a	(i) Sale of Services	-	-
	Total Revenue from Operations	27,938.78	23,133.32

Note No. 18 : Other Income

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Foreign Exchange gain/Loss	494.22	205.02
b	Discount Received	2.95	17.54
c	Interest Received		0.18
	Total Other Income	497.17	222.74

Note No. 19 : Employee Benefits Expense

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Salaries, wages and bonus	1,225.08	833.06
b	Other employee benefit expenses	21.52	13.95
	Total Employee Benefit Expenses	1,246.60	847.01

Note No. 20 : Finance Costs

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	i) Interest Expenses		
	Interest on Vehicle Loan	14.16	1.31
	Interest on Term Loan	-	-
	Total Finance Cost	14.16	1.31

Note No. 21 : Administrative Expenses

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Bank charges	61.89	25.98
b	Rent	349.19	120.79
c	Repairs & maintenance	236.79	64.95
d	Advertising and business promotion expenses	102.14	10.18
e	Travelling expenses	137.64	51.15
f	Communication costs	34.49	39.55
g	Printing and stationery	52.05	23.80
h	Legal and professional fees	146.77	48.28
i	Payment to auditor (Refer details below)	6.00	9.63
j	Bad debts written off	-	3.71
k	Listing Fees	12.35	3.65
l	Miscellaneous expenses	392.99	252.97
m	Product Registration Charges	119.09	63.85
n	Conveyance	284.82	28.96
o	Other Expenses	-	-
p	Fees & Subscription	22.28	9.31
q	Remuneration-Directors	48.00	48.00
r	CSR Expenses	22.53	8.59
s	Investor relations Expenses	26.91	16.35
t	Other Interest	-	0.53
u	Power and Fuel	34.89	-
v	Insurance	21.28	-
		-	-
	Total Other Expenses	2,112.11	830.23

Note No. 22: Current Tax

S.No.	Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
		(Rs in Lakhs.)	(Rs in Lakhs.)
a	Current tax expense for current year	683.28	618.82
b	Tax expense pertaining to prior years	-	-
		683.28	618.82

Balaxi Pharmaceuticals Limited
Notes to Financial Statements for the year ended 31st March, 2022

Annexure to Note: 7a

In Rs Lakhs

Particulars	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	
(i) Undisputed Trade receivables – considered good	1,480.30	1,275.60	-	-	-	2,755.90
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	1,480.30	1,275.60	-	-	-	2,755.90

Annexure to Note: 10

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
Ashish Maheshwari	1,80,774.00	1.81%	-
Minoshi Maheshwari	1,05,580.00	1.06%	-
Balaxi Overseas Private Limited	70,00,000.00	70.00%	-

Annexure to Note: 13a

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	4,907.28	4.17	-	-	4,911.45
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	4,907.28	4.17	-	-	4,911.45

BALAXI PHARMACEUTICALS LIMITED
Notes to Consolidated financial statements
for the year ended 31st March 2022

1.1 General Information

Balaxi Pharmaceuticals Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The Parent Company and subsidiary are referred to as "Company" for the purpose of this Consolidated Financial Statements. The Parent Company has a wholly owned foreign subsidiary Balaxi Global DMCC, Dubai. The registered office is located at Plot no.409, H.No. 82-293, Maps Towers, 3rd Floor, Phase III, Road No: 81, Jubilee Hills, Hyderabad, Telangana, India. The Company was incorporated in September 1942.

1.2 Basis of preparation of financial statements

1.2 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements have been prepared for the Company as going concern on the basis of relevant Indian Accounting Standards (Ind AS) that are effective at the Company's annual reporting date, 31 March 2022. The financial statements were authorised for issue by the Company's Board of Directors on May 23, 2022.

1.3 Group information

The consolidated financial statements of the Group includes subsidiaries and step down subsidiaries listed in the table below:

Name of investee	Relationship	Country of incorporation	Percentage of ownership 31-03-2022
Balaxi Global DMCC, Dubai	Subsidiary	Dubai	100
Balaxi Healthcare Dominica SRL, Dominican Republic	Step down Subs	Dominican Repu	100
Balaxi Healthcare Guatemala S.A., Guatemala	Step down Subs	Guatemala	100
Balaxi Healthcare Honduras S. DE R.L	Step down Subs	Honduras	100
Balaxi Healthcare El Salvador SA DE	Step down Subs	El Salvador	100
Balaxi Healthcare Angola LDA	Step down Subs	Angola	100
Balaxi Healthcare Centrafrique SARL	Step down Subs	Centrafrique	100

1.4 Basis of consolidation

- The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.
- The consolidated financial statements of the Group combines financial statements of the Parent Company and its subsidiary line-by line by adding together the like items of assets, liabilities, income and expenses. All intra Group assets, liabilities, income, expenses and unrealised profits/losses on intra-Group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial

1.5 Functional and presentation currency

The financial statements are presented in Indian rupees Lakhs (Rounded off to thousands), which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupee Lakhs (Rounded off to thousands) except share data, unless otherwise stated.

BALAXI PHARMACEUTICALS LIMITED
Notes to Consolidated financial statements
for the year ended 31st March 2022

1.6 Basis of measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

- certain financial assets and liabilities are measured at fair value;
- refer accounting policy regarding financial instruments

1.7 Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
 - b) it is held primarily for the purpose of being traded;
 - c) it is due to be settled within twelve months after the reporting date; or
 - d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

1.8 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2021 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

1.9 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

BALAXI PHARMACEUTICALS LIMITED
Notes to Consolidated financial statements
for the year ended 31st March 2022

2 Significant accounting policies

2.1 Revenue recognition

The Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of promised products or services to customer in an amount that reflect the consideration which the Company expects to receive in exchange of those products or services.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates and VAT/ GST are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Revenue from the sale of goods includes excise duty.
- Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds
- Dividend income is accounted for when the right to receive the income is established, which is generally when shareholders approve the dividend.
- Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.
- Interest income is accrued on, 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.

2.2 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Company determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2.3 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.4 Borrowing costs

Specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

BALAXI PHARMACEUTICALS LIMITED
Notes to Consolidated financial statements
for the year ended 31st March 2022

2.5 Taxation

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax

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

Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, 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 realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.6 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year 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 the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

2.7 Property, plant and equipment

Freehold land and buildings (property) held for use in the production or supply of goods or services, or administrative purposes are stated at cost less accumulated depreciation and accumulated impairment. Freehold land is not depreciated.

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

2.8 Expenditure during construction period

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

BALAXI PHARMACEUTICALS LIMITED
Notes to Consolidated financial statements
for the year ended 31st March 2022

2.9 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company

The Company has componentised its PPE and has separately assessed the life of major components. The Company depreciates its fixed assets over the useful lives as prescribed in Schedule II to the Act.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

2.10 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Amortization

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

2.11 Inventories

Inventories are valued at lower of cost, determined on "Weighted average" basis and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

• **Raw materials, fuel, stores & spare parts and packing materials:**

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis.

• **Work-in- progress (WIP), finished goods and stock-in-trade:**

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.12 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

2.14 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

BALAXI PHARMACEUTICALS LIMITED
Notes to Consolidated financial statements
for the year ended 31st March 2022

2.15 Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

2.16 Employee benefits

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Defined contribution plans

The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

2.17 Provisions (other than for employee benefits)

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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.18 Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

BALAXI PHARMACEUTICALS LIMITED
Notes to Consolidated financial statements
for the year ended 31st March 2022

2.19 Financial instruments

a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and Subsequent measurement

Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

BALAXI PHARMACEUTICALS LIMITED
Notes to Consolidated financial statements
for the year ended 31st March 2022

c. Derecognition
Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit.

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e. Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022

23 Earning Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

	(Amount in Rupees)	
	31-Mar-22	31-Mar-21
Profit after tax	47,65,77,707	38,13,73,000
Weighted average number of equity shares	1,00,00,000	1,00,00,000
Basic and diluted earnings per share for continued operations (in rupees)	47.66	38.14

24 Segment information

The operating segment of the Group is identified as "Specialized Wholesale" as the Chief Operating Decision Maker reviews business performance at an overall level as one segment. Therefore the entire operation fall within only one single reportable segment

25 Related party transactions

A. Name of the related parties and related party relationship

a) Holding company

Balaxi Overseas Private Limited

b) Directors

Ashish Maheshwari

Minoshi Maheshwari

Gandhi Gamji

Kunal M Bhakta

M.Sreenivas rao

Poornima Kamble

c) Key managerial personnel

Ashish Maheshwari Managing Director

Pranav Maheshwari Senior Vice President-Business Development

Amol Mantri CFO

Chinta Shalini Company Secretary

d) Wholly Owned Subsidiary company

Balaxi Global DMCC, Dubai

B. Transactions with related parties

	(Rs in Lakhs)	
	31-Mar-22	31-Mar-21
Operating and administrative costs		
Balaxi Overseas Pvt Ltd		
Rent	-	4.00
Reimbursement of Expenses to directors	20.05	13.33
Directors Remuneration	-	-
Ashish Maheshwari	30.00	30.00
Minoshi Maheshwari	18.00	18.00
Sitting Fee	5.00	1.90
KMP Salary	10.00	12.50
Capital contribution to Balaxi Global DMCC	(341.64)	1,943.72
Loan from Directors	-	333.00
Loan repaid to Directors	233.00	-
Subsidiaries		
Sale with the subsidiary companies	5,184.50	3,918.59
Purchase with the subsidiary companies	5,184.50	3,918.59
KMP Salary with the subsidiary	94.40	66.60

Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022

Capital Management

For the purpose of Company's capital management, Capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	(Rs in Lakhs)	
	31-Mar-22	31-Mar-21
Borrowings	363.81	365.92
Trade and other payables	5,237.73	2,502.17
Less: Cash and cash equivalents	(719.29)	(166.90)
Net Debt	4,882.25	2,701.19
Equity	11,316.42	6,497.98
Capital and Net Debt	16,198.67	9,199.17
Gearing Ratio	30.14%	29.36%

Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations and FVTPL investments.

The Company is exposed to market risk and liquidity risk. The Company's senior management oversees management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures so that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and other price risk. Financial instruments affected by market risk include FVTPL financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

Equity price risk

The Company's listed equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification. The Company's Board of Directors reviews and approves all equity investment decisions.

Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has sufficient working capital funds available to honour the debt maturing within 12 months.

28 MSME

The Company has not entered into any business transactions nor has borrowed any amounts from suppliers registered under the Micro, Small and Medium Enterprises Development act, 2006.

29 Subsequent Events

There are no significant events that occurred after the balance sheet date.

30 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the current year's classification.

31 Additional Regulatory Information

i) Title deeds of Immovable Properties not held in name of the Company

The Company is not in possession of any immovable property.

iii) The Company has not revalued any of its Property, Plant and Equipment during the year.

v) No loans and advances were granted to promoters, directors, KMPs and the related parties

vi) Capital work in Progress aging schedule

In Rs. Lakhs

CWIP	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	57.20				57.20

viii) The company did not hold any Benammi Property and hence no proceedings were initiated or pending against the company

ix) There are no borrowings from banks or financial institutions on the basis of current assets given as

x) The company was not declared as a wilful defaulter by any bank or financial institution.

xi) The company did not enter into any transactions with struck off companies.

xiv) Ratios

	31-03-2022	31-03-2021
a) Current Ratio	0.67	2.31
(b) Debt-Equity Ratio	0.56	0.53
(c) Debt Service Coverage Ratio	104.9090644	961.0003509
(d) Return on Equity Ratio	4.82	3.72
(e) Inventory turnover ratio	3.48	25.28
(f) Trade Receivables turnover ratio	5.53	6.29
(g) Trade payables turnover ratio	0.48	0.00
(h) Net capital turnover ratio	2.47	3.56
(i) Net profit ratio	0.17	0.16
(j) Return on Capital employed	0.48	0.68
(k) Return on investment.		

32 Undisclosed Income

All transactions were recorded in the books of accounts and there was no undisclosed income that has been surrendered or disclosed as income during the year.

Balaxi Pharmaceuticals Limited

Notes forming part of financial statements for the year ended 31st March 2022

33 Corporate Social Responsibility

- (i) amount required to be spent by the company during the year,
- (ii) amount of expenditure incurred,
- (iii) shortfall at the end of the year,
- (iv) total of previous years shortfall,
- (v) reason for shortfall,
- (vi) nature of CSR activities,

Amt in Rs. Lakhs

22.53

20.53

0

0

NA

Promotion of Women
education and women
empowerment

Balaxi Foundation

- (vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,

- (viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.

NA

34 Details of Crypto Currency or Virtual Currency

The Company has not traded nor has invested in Crypto Currency or Virtual Currency during the financial year.

For P Murali & Co.,
Chartered Accountants

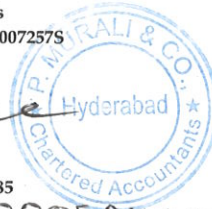
Firm Registration No. 007257S

A Krishna rao
Partner

Membership No. 020085

UDIN : 22020085AKGTQ47387

Place: Hyderabad
Date : 23-05-2022



Ashish Maheshwari
Ashish Maheshwari
Managing Director
DIN: 01575984

Amol Mantri
Chief Financial Officer

For and behalf of the Board
Balaxi Pharmaceuticals Limited

Minoshi Maheshwari
Minoshi Maheshwari
Director
DIN: 01575975

Chinta Shalini
Chinta Shalini
Company Secretary

