

**CORPORATE INFORMATION****Board of Directors**

Mr. Mohan Krishna Mulakala	:	Chairman (Non – Executive)
Mr. Dopesh Raja Mulakala	:	Managing Director
Dr. Vyasmurti Madhavrao Shingatgeri	:	Whole Time Director
Dr. Padmanabhuni Venkata Appaji	:	Independent Director
Dr. Gonuguntla Kathyayani	:	Independent Director
Dr. Yogeswara Rao Danda	:	Independent Director

**KMPs**

Mr. Dokka Venkata Sathya Murali	:	Chief Financial Officer
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**Registered Office****Vanta Bioscience Limited**

No.02/G/308/G, No.3/FF/SF/1-20-248,  
Umajay Complex, Rasoolpura,  
Secunderabad - 500 003, Telangana, India  
CIN: L74999TG2016PLC109280  
Contact No.: +91 40 6657 5454  
Website: www.vantabio.com  
Email ID: cs@vantabio.com

**Statutory Auditors****Mathesh & Ramana**

Chartered Accountants  
3-6-145, Himayatnagar,  
Hyderabad – 500 029, Telangana

**Bankers****State Bank of India**

SME Branch, Saifabad,  
Hyderabad – 500 004, Telangana

**Registrar & Share Transfer Agents****Bigshare Services Private Limited**

306, Right Wing, Amrutha Ville Apts.,  
Somajiguda, Hyderabad – 500 082  
Contact No. : 040 2337 4967  
E-Mail :prabhakar@bigshareonline.com

**Listed at**

SME Platform of BSE Ltd.

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF VANTA BIOSCIENCE LIMITED WILL BE HELD ON SATURDAY, SEPTEMBER 30, 2023 AT 11:00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT No.02/G/308/G, No.3/FF/SF/1-20-248, UMAJAY COMPLEX, RASOOLPURA, SECUNDERABAD - 500 003, TELANGANA TO TRANSACT THE FOLLOWING BUSINESSES:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone and Consolidated audited financial statements for the financial year ended March 31, 2023 along with the Reports of the Auditors and Board of Directors thereon.
2. To appoint a Director in place of Mr. Mohan Krishna Mulakala (DIN: 01448535) who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder, M/s. Mathesh & Ramana, Chartered Accountants (FRN 002020S) be and are hereby re-appointed as the statutory auditors of the Company for another period of 5 years from the conclusion of this annual general meeting till the conclusion of 12th annual general meeting at a remuneration of Rs. 1,50,000/- p.a. and on such other terms and conditions as may be agreed by the Company.

**RESOLVED FURTHER THAT** the Directors be and are hereby severally authorized to negotiate the remuneration, terms and conditions of the said appointment and further do all such acts, deeds and things as may be required in this regard."

**SPECIAL BUSINESS****4. Re-appointment of Mr. Dopesh Raja Mulakala (DIN: 01176660) as Managing Director of the Company.**

*To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:*

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V of the Companies Act, 2013, pursuant to the recommendation of Nomination and Remuneration Committee, the consent of the members be and is hereby accorded to re-appoint Mr. Mulakala Dopesh Raja (DIN 01176660), as the Managing Director of the Company for another term of 3 years with effect from April 18, 2023 at a remuneration detailed below:

- i) **Overall remuneration:** Mr. Mulakala Dopesh Raja (DIN 01176660) shall be paid a remuneration (i.e. salary, perquisites and commission) upto Rs. 2,50,000/- (Rupees Two Lakh and Fifty Thousand Only) per month. He shall also be provided with a Company car with driver, telephone instrument and a laptop and shall be eligible for reimbursement of expenses at actuals in accordance with the policy of the Company. In case of any doubts/ discrepancy/ clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board.
- ii) **Minimum remuneration:** In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration in accordance with the provisions of Part II of Schedule V of the Act.
- iii) The composition of the remuneration payable to Mr. Mulakala Dopesh Raja (DIN 01176660) may be varied as desired by him and accepted by the Board.

**RESOLVED LASTLY THAT** the Directors of the Company be and are hereby severally authorised to do all such acts, things and deeds including but not limited to filing of requisite forms/ returns with the office of the Registrar of Companies so as to bring this resolution into force."

**5. Re-appointment of Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757) as Whole Time Director of the Company.**

*To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:*

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V of the Companies Act, 2013, pursuant to the recommendation of Nomination and Remuneration Committee, the approval of the members be and is hereby accorded to re-appoint Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757) as the Whole Time Director of the Company for another term of 3 years with effect from April 01, 2023 at a remuneration detailed below:

- i) **Overall remuneration:** Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757) shall be paid a remuneration (i.e. salary, perquisites and commission) upto Rs. 5,00,000/- (Rupees Five Lakh Only) per month. He shall also be provided with a Company car with driver, telephone instrument and a laptop and shall be eligible for reimbursement of expenses at actuals and other facilities in accordance with the policy of the Company. In case of any doubts/ discrepancy/ clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board.

- ii) **Minimum remuneration:** In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration in accordance with the provisions of Part II of Schedule V of the Act.
- iii) The composition of the remuneration payable to Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757) may be varied as desired by him and accepted by the Board.

**RESOLVED LASTLY THAT** the Directors of the Company be and are hereby severally authorised to do all such acts, things and deeds including but not limited to filing of requisite forms/ returns with the office of the Registrar of Companies so as to bring this resolution into force.”

**By order of the Board  
For Vanta Bioscience Limited**

**Sd/-  
Dopesh Raja Mulakala  
Managing Director  
(DIN: 01176660)**

September 06, 2023  
Secunderabad

**NOTICE**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
The Proxy form duly filled in should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. All alterations/corrections made in the form of Proxy should be initialed by the Member.
2. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
3. Members, who hold shares in the dematerialized form and wish to change / rectify the bank account details, should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR code of their Bank to their Depository Participants. While making payment of Dividend, Registrar is obliged to use only the data provided by the Depositories.
4. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
5. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Sundays, during business hours upto the date of the Annual General Meeting.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts.
7. Members are requested to mandatorily quote their Registered Folio No. or Demat Account No. and Depository Participant Identification Number (DPID No) on all correspondence with the company. Securities and Exchange Board of India [SEBI] has mandated that securities of Listed Companies can be transferred only in dematerialised form with effect from April 1, 2019. Accordingly, the Company / the RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
8. Members are advised to update their email IDs with Company's RTA and/or concerned Depository participants as soon as possible.
9. As per Secretarial Standards 2 (SS-2), complete particulars of the venue of the Meeting (route map) has been attached herewith to the Notice.

**10. Remote e -Voting**

The items of business as set out in the Notice may be transacted through electronic voting system. Therefore, the Company is providing facility for voting by electronic means. Pursuant to Section 108 of the Companies Act 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and in force as on date and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility, as an alternate, to its members in respect of the business to be transacted at the AGM.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, September 19, 2023 are entitled to vote on the resolutions set forth in this Notice. Eligible members who have acquired shares after the dispatch of the Annual Report may approach the Company for required assistance in connection with generation of the User ID / Password in order to exercise their right to vote by electronic means. The remote e-voting period will commence at **9.00 A.M. on Wednesday, September 27, 2023 and will end at 5.00 P.M. on Friday, September 30, 2023**. The members will not be able to cast their votes electronically beyond the date and time mentioned above.

The Company has appointed Mr. Zoheb Sayani, Practicing Company Secretary (Membership. No. F10881 and C.P No.26128) to act as a Scrutinizer to conduct and scrutinize the voting process in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on remote e-voting given hereunder:

**THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins **9.00 A.M. on Wednesdy, September 27, 2023 and will end at 5.00 P.M. on Friday, September 30, 2023** During this period, the shareholders' of the Company, holding shares either in physical form or in

dematerialized form, as on the cut-off date September 30, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. A person, who is not a member as on the cut-off date, should treat the Notice for information purpose only.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below.

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Vanta Bioscience Limited on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Company at the email address viz; [cs@vantabio.com](mailto:cs@vantabio.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting mentioning** their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting mentioning** their name, demat account number/folio number, email id, mobile number at [cs@vantabio.com](mailto:cs@vantabio.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@vantabio.com](mailto:cs@vantabio.com)
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.



## EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to special business mentioned in the Notice of AGM:

**Item No. 4**

Mr. Dopesh Raja Mulakala (DIN 01176660) was appointed as the Managing Director of the Company for a period of 3 years w.e.f September 01, 2023. His term expires as Managing Director of the Company on April 1, 2023 and accordingly, the Board of Directors of the Company pursuant to the recommendation of Nomination and Remuneration Committee, in their meeting held on August 26, 2023 approved the re-appointment of Mr. Dopesh Raja Mulakala (DIN 01176660) as the Managing Director of the Company for another period of 3 years w.e.f April 18, 2023 which is further subject to requisite approval from the shareholders in accordance with the applicable provisions of the Companies Act, 2013.

The following is a brief profile of Mr. Dopesh Raja Mulakala (DIN 01176660):

He holds a master's in business administration from the Weatherhead School of Management at Case Western Reserve University, U.S.A. He holds a PGDMA (Family Managed Business) from S.P. Jain Institute of Management & Research, Mumbai, India. He holds a bachelor's degree of engineering – mechanical (production) from Osmania University, Hyderabad, India. He is a member of CII FBN (India Chapter), Pharmaceutical Export Promotion Council (PHARMEXIL) and Federation of Indian Exporting Organisations (FIEO). He has experience of more than eight years in setting up and running companies in the areas of manufacturing, research & development and is one of the promoters of Sarvotham Group – Hyderabad, India

Taking into consideration his rich profile and in view of the increasing responsibility, the Board, pursuant to the recommendation of Nomination and Remuneration, approved the re-appointment of Mr. Dopesh Raja Mulakala (DIN 01176660) as Managing Director of the Company subject to requisite approvals.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of re-appointment and remuneration as set out in Item No. 4 are now being placed before the members for their approval by way of Ordinary Resolution.

Pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year during the currency of the tenure of the Managing Director or Whole Time Director, the Company has Nil Profits or the Profits are inadequate, the following additional information is required to be submitted to the shareholders

**Information required under Section II, Part II of Schedule V of the Companies Act, 2013:**

<b>I. General Information</b>		
1	Nature of Industry	The Company is carrying the business of providing research and development, full range of preclinical toxicology studies including in Vitro and In Vivo toxicity studies in the areas of pharmaceutical industry, agro chemical, food cosmetics and medical devices.
2	Date of expected date of commencement of commercial production	The Company has already commenced its commercial operations in FY 2017-18
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	The Company was incorporated on April, 29, 2016. The company commenced its operations in FY 2017-18. The following are the financial parameters of the Company as on March 31, 2023 Turnover – Rs. 5.79 Cr Total Expense – Rs. 10.00 Cr Loss before Tax – Rs. 4.21 Cr Loss after Tax – Rs. 4.23 Cr
5	Foreign Investments or collaborations, if any.	Nil No foreign investment in the Company as such. However, there are NRI's who have purchased shares from open market of BSE Ltd.

<b>II. Information about the appointees:</b>		
1	Background details and Experience	Mr. Dopesh Raja Mulakala has a master's in business administration from the Weatherhead School of Management at Case Western Reserve University, U.S.A. He holds a PGDMA (Family Managed Business) from S.P. Jain Institute of Management & Research, Mumbai, India. He holds a bachelor's degree of engineering – mechanical (production) from Osmania University, Hyderabad, India. He is a member of CII FBN (India Chapter), Pharmaceutical Export Promotion Council (PHARMEXIL) and Federation of Indian Exporting Organisations (FIEO). He has experience of more than eight years in setting up and running companies in the areas of manufacturing, research & development and is one of the promoters of Sarvotham Group – Hyderabad, India.
2	Age	39 years
3	Date of first appointment	Mr. Dopesh Raja Mulakala is the Promoter Director of the Company and has been a Director since its incorporation on 29.04.2016. He was appointed as Managing Director of the Company w.e.f 18.04.2017 for a term of 3 years and re- appointed as a Managing Director for a term of 3 years March 10,2020.
4	Board Meetings attended during the year	No Board meetings were held due to the CIRP process
5	Committees of Board	No Committee meetings were held due to the CIRP Process
6	Past Remuneration (p.a.)	Rs. 30,00,000/- p.a. (Rupees Thirty Lakh Only)
7	Recognition or awards	<ul style="list-style-type: none"> <li>• Successfully lead the business development team to finalize a long term exclusive manufacturing agreements with Japanese FMCG Companies like KOSE and Pigeon for manufacture of various formulations for the domestic markets.</li> <li>• Successfully entered into manufacturing contracts with a few other notable companies like Vyome Bioscience. Johnson Diversiey, Sealed Air etc. for manufacture of various products for the consumer market in India</li> </ul>
8	Job Profile and his suitability	<p>The following is the Job profile and responsibilities:</p> <ul style="list-style-type: none"> <li>• To head the business development team to ensure the sustainability of the organization</li> <li>• Ensure smooth transition and integration into Sarvotham Group</li> <li>• Recruit key management and technical personnel</li> </ul> <p>Considering his performance in the previous term and further in view of his qualifications and the past experience, Mr. Mulakala Dopesh Raja (DIN 01176660) is aptly suitable to be re-appointed as the Managing Director of the Company and to lead the overall business and other functions.</p>
9	Remuneration proposed (p.a.)	Rs. 30,00,000/- p.a. (Rupees Thirty Lakh Only) w.e.f April 18, 2023. (Detailed in the resolution)
10	Pecuniary relationship	He is the promoter director of the Company Except his shareholding in the Company and the proposed remuneration, he has no pecuniary relationship with the Company.
Comparative remuneration profile with respect to industry, size of company, profile of the position and person		Considering the general industry and the specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed companies in India.

<b>III. Other Information</b>		
1	Reasons of loss or inadequate profits	The Company has commenced its operations only in FY 2017-18 and it has been only 6 years that the Company is into the said business  Though, the revenues of the Company have increased multifolds over the last 6 years, however, it will take some more time for the Company to grow fully and become a market leader in this sector.  Also, the overheads of the Company are currently high and will come down gradually with increase in the order book of the Company
2	Steps taken or proposed to be taken for improvement	Focus would be on stabilizing existing projects and new business acquisitions for organic and inorganic growth in the similar line of business or otherwise.
3	Expected increase in productivity and profits in measurable terms:	The revenue of the Company has increased multi folds during the last few financial years. The Company hopes a further increase in the revenue and profits by improved margins in current and next financial year

Accordingly, Item No. 4 is recommended for your approval as Ordinary Resolution

Mr. Mulakala Dopesha Raja (DIN 01176660) and Mr. Mulakala Mohan Krishna (DIN 01448535) being his relative, both the said Directors and their relatives are deemed to be interested in the resolution.

Except as stated above, none of the Directors, KMPs or their relatives are interested in this resolution.

#### Item No. 5

Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757) was appointed as the Whole Time Director of the Company on April 01, 2017 for a term of 3 years and re-appointed for another 3 years term on March 10, 2020 upto March 31, 2023 accordingly, the Board of Directors of the Company, pursuant to the recommendation of Nomination and Remuneration Committee, in their meeting held on August 26, 2023 approved the re-appointment of Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757) as the Whole Time Director of the Company for another period of 3 years w.e.f September 01, 2023 which is further subject to requisite approval from the shareholders in accordance with the applicable provisions of the Companies Act, 2013.

The following is his profile:

Dr. Vyasmurti holds a doctor of philosophy (pathology) degree from the Agricultural University, Thrissur, Kerala, India. He holds a master of veterinary science (pathology) degree from the Konkan Krishi Vidyapeeth, Dapoli, India. He holds a bachelor of veterinary science and animal husbandry degree from the Konkan Krishi Vidyapeeth, Dapoli, India. A Veterinary Pathologist by profession, Dr. Vyasmurti has more than 12 years of experience as academician and 18 years of experience in the pharmaceutical sector. He has successfully completed 'Laboratory Assessor Training Course' of National Accreditation Board for Testing and Calibration Laboratories (NABL) from Indian Institute of Quality Management, Jaipur.

Considering the vast experience of Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757) and also keeping in view the contribution he is making to the growth of the Company, the Board, pursuant to the recommendation of Nomination and Remuneration, approved the re-appointment of Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757) as Whole Time Director of the Company subject to requisite approvals.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of re-appointment and remuneration as set out in Item No. 4 are now being placed before the members for their approval by way of Special Resolution.

Pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year during the currency of the tenure of the Managing Director or Whole Time Director, the Company has Nil Profits or the Profits are inadequate, the following additional information is required to be submitted to the shareholders

#### Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

<b>I. General Information</b>		
1	Nature of Industry	The Company is carrying the business of providing research and development, full range of preclinical toxicology studies including in Vitro and In Vivo toxicity studies in the areas of pharmaceutical industry, agro chemical, food cosmetics and medical devices.
2	Date of expected date of commencement of commercial production	The Company has already commenced its commercial operations in FY 2017-18

3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	The Company was incorporated on April, 29, 2016. The company commenced its operations in FY 2017-18. The following are the financial parameters of the Company as on March 31, 2023 Turnover – Rs. 5.79 Cr Total Expense – Rs. 10.00 Cr Loss before Tax – Rs. 4.21 Cr Loss after Tax – Rs. 4.23 Cr
5	Foreign Investments or collaborations, if any.	Nil No foreign investment in the Company as such. However, there are NRI's who have purchased shares from open market of BSE Ltd.

## II. Information about the appointees:

1	Background details and Experience	Dr. Vyasmurti holds a doctor of philosophy (pathology) degree from the Agricultural University, Thrissur, Kerala, India. He holds a master of veterinary science (pathology) degree from the Konkan Krishi Vidyapeeth, Dapoli, India. He holds a bachelor of veterinary science and animal husbandry degree from the Konkan Krishi Vidyapeeth, Dapoli, India. A Veterinary Pathologist by profession, Dr. Vyasmurti has more than 12 years of experience as academican and 18 years of experience in the pharmaceutical sector. He has successfully completed 'Laboratory Assessor Training Course' of National Accreditation Board for Testing and Calibration Laboratories (NABL) from Indian Institute of Quality Management, Jaipur.
2	Age	64 years
3	Date of first appointment	Dr. Vyasmurti is the Promoter Director of the Company and has was appointed as Additional Director of the Company on 08.02.2017 and was regularized and appointed as Whole Time Director w.e.f 01.04.2017 for a term of 3 years and re-appointed for another 3 years term upto 31.03.2023.
4	Board Meetings attended during the year	No Board meetings were held due the CIRP process
5	Committees of Board	He is not part of any committees of the Board
6	Past Remuneration (p.a.)	Rs. 60,00,000/- p.a. (Rupees Sixty Lakh Only)
7	Recognition or awards	The following are few awards and recognition: <ul style="list-style-type: none"> <li>Recipient of the prestigious award for the significant contribution towards the development of India's first new drug (a combination product) from concept to launch bestowed upon by the former president, Dr. APJ Abdul Kalam, August 2012 at Ranbaxy Laboratories Limited, Gurgaon</li> <li>Awarded with "Fellow of Society of Toxicology (FST) for year 2010 by the Governing body of Society of Toxicology (STOX)</li> <li>Nominated as OECD National Working Committee member and "Trainer for GLP" by Govt of India (2003 to 2005)</li> </ul>
8	Job Profile and his suitability	He shall be responsible for leading and managing the Animal breeding and housing facility, documentation control, test item control and archives (Test Facility Management)  Considering his performance in his previous term, further his qualifications and the past experience, Dr. Vyasmurti is aptly suitable to fulfill the responsibilities as mentioned above.
9	Remuneration proposed (p.a.)	Rs. 60,00,000/- p.a. (Rupees Sixty Lakh Only) w.e.f September 01, 2023.

10	Pecuniary relationship	He is the promoter director of the Company Except his shareholding in the Company and the proposed remuneration, he has no pecuniary relationship with the Company.
Comparative remuneration profile with respect to industry, size of company, profile of the position and person		Considering the general industry and the specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed companies in India.
<b>III. Other Information</b>		
1	Reasons of loss or inadequate profits	The Company has commenced its operations only in FY 2017-18 and it has been only 3 years that the Company is into the said business. Though, the revenues of the Company have increased multifold over the last 3 years, however, it will take some more time for the Company to grow fully and become a market leader in this sector. Also, the overheads of the Company are currently high and will come down gradually with increase in the order book of the Company.
2	Steps taken or proposed to be taken for improvement	Focus would be on stabilizing existing projects and new business acquisitions for organic and inorganic growth in the similar line of business or otherwise.
3	Expected increase in productivity and profits in measurable terms:	The revenue of the Company has increased multi folds during the last few financial years. The Company hopes a further increase in the revenue and profits by improved margins in current and next financial year

Accordingly, Item No. 4 is recommended for your approval as Special Resolution

Except Dr. Vyasmurti Madhavrao Shingatgeri (DIN 07728757), none of the Directors, KMP or their relatives are interested in both the resolutions.

He is not associated with any Director of the Company.

## ANNEXURE TO NOTICE

Details of Directors seeking appointment / re-appointment in forthcoming Annual General Meeting (In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings

Name of Director	Mr. Mohan Krishna Mulakala	Mr. Dopesh Raja Mulakala	Dr.Vyasmurti Madhavrao Shingatgeri
Director Identification Number (DIN)	01448535	01176660	07728757
Date of Birth	01-04-1958	26-05-1984	14-11-1958
Age	65	39	64
Qualifications	Bsc, Sambhalpur University	MBA, Case Western Reserve University, U.S.A	Doctor
Experience	38 Years	14 Years	28 Years
Terms and Conditions of Appointment	Liable to retire by rotation. Offered himself for reappointment	Terms and conditions of appointment are as per resolution at Item No. 3 of the Notice convening the Annual General Meeting read with explanatory statement thereto.	Terms and conditions of appointment are as per resolution at Item No. 4 of the Notice convening the Annual General Meeting read with explanatory statement thereto
Remuneration last Drawn (2022-23)	Nil	Rs. 2,50,000/- p.a.	Rs. 1,00,000/- p.a.
Nature of Expertise in specific functional areas	Experience of over 3 decades Setting up and running companies in the areas of manufacturing, research & development	Setting up and running companies in the areas of manufacturing, research & development	25 years of experience in the pharmaceutical sector
Date of 1st Appointment	Appointed as Director on April 29, 2016	Appointed as Director on April 29, 2016 and Managing Director on April 18, 2017 for 3 years and re-appointed for another 3 years of term March 10,2020	Appointed as Director on February 08, 2017 and Whole Tume Director on April 01, 2017 and re-appointed for another 3 years of term March 10,2020
Number of shares held in the Company	34,85,500 Equity Shares	4,58,000 Equity Shares	50,000 Equity Shares
Inter-se relationship with other Directors and Key Managerial Personnel	Father of Mr. Dopesh Raja Mulakala (Managing Director of the Company)	Son of Mr. Mohan Krishna Mulakala (Chairman – Non Executive Director)	Not Related
No of Board Meetings Attended during the year	Attended 5 meetings during the year	Attended 5 meetings during the year	Attended 3 meetings during the year
Directorships held in other companies (excluding foreign companies and Vanta Bioscience Limited)	<ul style="list-style-type: none"> <li>• Sarvotham Care Limited</li> <li>• Shree Cosmetics Limited</li> <li>• Sarvotham Solutions Limited</li> <li>• Specific Laboratories Pvt. Ltd</li> </ul>	<ul style="list-style-type: none"> <li>• Sarvotham Care Limited</li> <li>• Sarvotham Remedies Limited</li> <li>• Shree Cosmetics Limited</li> <li>• Sarvotham Solutions Limited</li> <li>• Vanta Clinical Research Limited</li> <li>• Vayam Research Solutions Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Pharmaida Pharmaceuticals Limited</li> </ul>
Membership/ Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship)	Nil	Nil	Member- Audit Committee (Pharmaida Pharmaceuticals Limited)

**DIRECTORS REPORT**

Dear  
Members,

Your Directors have pleasure in presenting herewith the 7<sup>th</sup> Annual Report on the business of the Company together with the Audited Financial Statements for the financial year ended March 31, 2023.

**OUR BUSINESS**

Vanta Bioscience Limited (VBS) is a preclinical contract research organization, offering a host of preclinical safety assessment services for clientele from Pharmaceutical, Medical Devices, Nutraceuticals, Feed Additive, Biotech, Agrochemicals, Cosmetics, and Chemical industries. In addition, we also provide risk assessment services for evaluating the safety of the Active Pharmaceutical Ingredients (API), excipients, extractable and leachables including pharmaceutical impurities resulting due to manufacturing process or due to degradation of the product. VBS also provides expert services for determination of health based exposure limits (e.g. permitted daily exposure (PDE) or allowable daily exposure (ADE) including occupational exposure limits (OEL) for pharmaceutical manufacturers.

**FINANCIAL HIGHLIGHTS**

The following are the financial highlights of the Company:

(Amount in Rs. in Thousands)

Particulars	STANDALONE BASIS		CONSOLIDATED BASIS	
	For the FY ended 31.03.2023	For the FY ended 31.03.2022	For the FY ended 31.03.2023	For the FY ended 31.03.2022
Total Revenue	57,963.24	95,175.20	69,630.16	1,01,106.11
Total Expenses	1,00,036.77	93,778.90	1,72,259.26	98,822.45
<b>Profit before tax</b>	<b>-42,073.53</b>	<b>1,396.30</b>	<b>-1,02,629.10</b>	<b>2283.67</b>
Current Tax	-	238.33	-	563.98
MAT Credit Availed	-	238.33	-	238.33
Deferred Tax	281.27	611.30	1818.75	611.30
<b>Profit after tax</b>	<b>-</b>	<b>785.00</b>	<b>-1,04,447.84</b>	<b>936.95</b>
Less: Minority Interest	-	-	-39,641.05	464.65
<b>Profit</b>	<b>-42,354.81</b>	<b>785.00</b>	<b>-64,806.79</b>	<b>882.07</b>

There were no changes in the nature of business of the Company.

**CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)**

CIRP Proceedings were initiated on the Company vide order of Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") dated 27.04.2022 pursuant to which the Board of the Company was suspended and the powers were vested with the appointed IRP. The said order was challenged and appealed by the Promoters of the Company before the National Company Law Appellate Tribunal ("NCLAT") and the Bench had given an interim stay on the CIRP Proceedings and later upheld the order of NCLT and the CIRP was initiated again. The matter then went to the Hon'ble Supreme Court and during the course of the proceedings before the Supreme Court, the Parties have settled the entire dispute and the Promoter has undertaken to pay a total amount of Rs. 90 Lakhs to the operational creditor which shall be full and final settlement of all claims and demands of the respondent, in multiple tranches upto May 15, 2023 as specified in the order dated February 10, 2023 of the Hon'ble Supreme Court. The order of Supreme court, considering the settlement terms have further directed that the impugned order of NCLT dated 27.04.2022 and NCLAT dated 09.01.2023 shall stand set aside conditional on the appellant observing the schedule for payment.

The said payment as directed by the Hon'ble Supreme Court was duly made to the operation creditor and the matter stands resolved. Accordingly, the Board of the Company was duly revived and the operations were carried out by the Board post the said order.

**DIVIDEND**

The Board has not recommended any dividend for the financial year 2022-23.

**TRANSFER TO RESERVES**

No amount has been transferred to general reserves during the year under review. Reserves and Surplus are disclosed in Note 4 of the financial statements.

**DEPOSITS**

The Company has neither accepted nor renewed any deposits from public as defined under the provisions of Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. However, the Company has outstanding loans from Mr. Dopesh Raja Mulakala (DIN 01176660), Managing Director of the Company. Details of the same are disclosed in Note 6 of the Financial Statements.

**SUBSIDIARIES AND ASSOCIATE COMPANIES**

Your Company has 1 subsidiary and 1 associate company, details of which are given below:

**VANTA CLINICAL RESEARCH LIMITED (“VCRL”)**

VCRL is a Wholly Owned Subsidiary of Vanta Bioscience Limited incorporated on September 12, 2018 with the object of dealing in the business of Research & Development in the field of discovery and development of drugs, biologicals, vaccines, gene-based therapies in vitro, ex-vivo and in vivo techniques for screening and evaluation of drugs, dermaticals and cosmetics, clinical data management, statistical analysis, pharmacovigilance, medical writing, bio informatics, computer-aided drug designing, biotechnology, life sciences, diagnostic services and such other similar activities.

The paid up capital of VCRL as on March 31, 2023 was Rs. 3,00,00,000/-. There were no operations during the year under review. The Company had incurred a total expenditure of Rs. 1,15,166/- and accordingly had a Loss after Tax Rs. 1,15,166/-

VCRL is a 100% subsidiary of our Company and has contributed accordingly to the overall performance of the Company.

**VAYAM RESEARCH SOLUTIONS LIMITED (“VAYAM”)**

Vayam was incorporated with the object of carrying business of providing research and development, full range of clinical studies in the areas of pharmaceuticals industry, agro, chemical, food cosmetics and medical devices.

As on March 31, 2023, VCRL holds 30,00,000 equity shares of Rs. 10/- each which is 36.04% of the total shareholding of Vayam. Accordingly, Vayam is an in-direct associate of Vanta Bioscience Limited.

The paid up capital of Vayam as on March 31, 2023 was Rs. 8,32,40,000/-. The total revenue earned during the year was Rs. 1,16,54,408/- as against a total expenditure of Rs. 7,21,07,333/-. The loss after tax was Rs. 6,19,77,880/-

Vayam is an indirect associate of our Company and has accordingly contributed to the overall performance of the Company.

During the year under review, there was no change in the shareholding of VCRL in Vayam of 36%.

The statement containing the salient features of the subsidiaries, its highlights of performance and their contribution to the overall performance of the Company as per sub-sections (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 and other applicable provisions of the Companies Act 2013 are disclosed in Form AOC-1 and the same is herewith annexed as Annexure - I to this report.

The Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company [www.vantabio.com](http://www.vantabio.com). Further, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company. Shareholders interested in obtaining a physical copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary requesting for the same.

Except as stated above, there were no associates or joint ventures of the Company as on the end of financial year March 31, 2023. There were no companies which have ceased to be our subsidiaries, joint ventures or associate companies during the financial year 2022-23.

**DETAILS OF DIRECTORS**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Mohan Krishna Mulakala (DIN: 01448535), Whole Time Director of the Company is liable to retire by rotation, being eligible offers himself for re-appointment.

Owing to CIRP, the Board of the Company was suspended and the Company was run by Interim Resolution Professional, Mr. Kurapati S Chowdary Accordingly, there were no changes in the composition of the Board of the Company post the order of Hon'ble Supreme Court dated February 10, 2023.

During the year under review, Mr. Zoheb S Sayani resigned as the Company Secretary of the Company w.e.f September 15, 2022 and Ms. Vidisha Vimal Hingu was appointed as the Company Secretary w.e.f September 15, 2022.

Apart from above, there were no changes that took place on the Board and the KMPs of the Company.

Post the completion of financial year, Mr. Dopesh Raja Mulakala (DIN: 01176660) and Mr. Vyasmurti Madhavrao Shingatgeri (DIN: 07728757) were re-appointed as Managing Director and Whole Time Director of the Company respectively subject to the approval of the shareholders. The said items form part of the Notice of the 7th AGM of the Company.



**INDEPENDENT DIRECTORS**

The Independent Directors of the Company have given the declaration and confirmation to the Company as required under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

All the independent directors shall complete the online proficiency self-assessment test within the time line as prescribed under the Act.

**DETAILS OF KEY MANAGERIAL PERSONNELS**

Mr. Dopesh Raja Mulakala, Managing Director (DIN: 01176660), Dr. Vyasmurti Madhavrao Shingatgeri, Whole Time Director (DIN: 07728757), Mr. Venkata Sathya Murali Dokka, Chief Financial Officer and Ms Vidisha Vimal Hingu, Company Secretary are Key Managerial Personnels of the Company as on 31.03.2023.

**MEETINGS OF THE BOARD AND COMMITTEES**

The powers of the Board were suspended owing to the CIRP process in the Company. Accordingly, all the powers of the Board were vested with the IRP

Thus, there were no Board Meetings or committee meetings of Directors during the year per se as the Board and the Committees were suspended owing to CIRP

**BOARD EVALUATION**

The said evaluation was done post the order of Hon'ble Supreme Court setting aside the orders of NCLT and NCLAT which order initiation/continuation of CIRP on the Company.

**STATUTORY AUDITORS**

M/s. Mathesh & Ramana, Chartered Accountants (FRN 002020S) were appointed as the statutory auditors of the Company by the members in their 2nd AGM held on August 21, 2018 for a period of 5 years from the conclusion of the 2nd Annual General Meeting of the Company held on August 21, 2018 till the conclusion of 7th Annual General Meeting. Accordingly, the said auditors have carried out the audit for FY 2022-23.

The term of the said auditors expire at the conclusion of the 7th AGM of the Company. The Board hereby recommends their appointment for a further period of 5 years i.e. from the conclusion of the 7th AGM till the conclusion of the 12th AGM of the Company, subject to the approval of shareholders.

The said auditors have provided the requisite consent and eligibility confirmation in accordance with the provisions of the Companies Act, 2013.

**AUDITORS' REPORT**

The Auditors' Report does not contain any qualifications or remarks. However, the report has certain observations w.r.t to the CIRP Process, bank defaults and cash losses.

The said observations are owing to the CIRP Process on the Company. The Company is in the process of taking necessary steps in connection with the same and to regularize the same.

Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments. Further details are also disclosed at various places in this Board's Report

There were no frauds reported by the Statutory Auditors of the Company during the year under review.

**SECRETARIAL AUDIT REPORT**

Putcha Sarada, Practicing Company Secretary were appointed to conduct the secretarial audit of the Company for the financial year 2022-23, as required under Section 204 of the Companies Act, 2013 and rules there-under. The secretarial audit report for FY 2022-23 forms part of this Annual Report as **Annexure – II**.

There are no observations, qualifications or remarks in the report and is self-explanatory and do not call for any further comments.

**CHANGES IN THE AUTHORIZED AND PAID UP CAPITAL**

The Authorized Share Capital of the Company is Rs. 7,50,00,000/- (Rupees Seven Crore and Fifty Lakhs only) and the paid up capital of the Company as at the end of the financial year was Rs.6,31,20,000/- (Rupees Six Crore Thirty-One Lakh and Twenty Thousand Only) comprising of 63,12,000 (Sixty-Three Lakh and Twelve Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each.

During the year under review, there was no change in the authorized and paid up share capital of the Company.

**AUDIT COMMITTEE**

The Company has a duly constituted Audit Committee. The Audit Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Dr. Padmanabhuni Venkata Appaji	Chairman	Independent Director
Dr.Yogeswara Rao Danda	Member	Independent Director
Mr. Dopesh Raja Mulakala	Member	Managing Director

The Committee inter alia reviews the Internal Control System, Reports of Internal Auditors and Compliance of various regulations and all other matters as required under the Companies Act and SEBI (LODR) Regulations. The Committee also reviews the financial statements before they are placed before the Board. The Board of Directors of the Company have accepted all the recommendations given by the Audit Committee.

**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Company has a duly constituted Stakeholders Relationship Committee. The Stakeholders' Relationship Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Dr. Padmanabhuni Venkata Appaji	Chairman	Independent Director
Dr.Yogeswara Rao Danda	Member	Independent Director
Mr. Dopesh Raja Mulakala	Member	Managing Director

**NOMINATION AND REMUNERATION POLICY**

A committee of the Board has been formed which is named as "Nomination and Remuneration Committee". The Committee has formulated a policy which provides for Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters and proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and evaluation of their performance and to recommend the same to the Board from time to time.

The Nomination and remuneration policy of the Company available on the website of the company at [www.vantabio.com](http://www.vantabio.com). There was no change in the policy during the year under review.

The Nomination and Remuneration Committee include the following:

Name of Director	Status in Committee	Nature of Directorship
Dr.Yogeswara Rao Danda	Chairman	Independent Director
Dr. Padmanabhuni Venkata Appaji	Member	Independent Director
Dr. Kathyayani Gonuguntla	Member	Independent Director

**CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 in connection with corporate social responsibility are not applicable to the Company.

**VIGIL MECHANISM**

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and the applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism or Whistle-Blower Policy for directors, employees and other stakeholders to report genuine concerns has been established. The same is also uploaded on the website of the Company – [www.vantabio.com](http://www.vantabio.com)

**RISK MANAGEMENT POLICY**

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. There are no material risks which threaten the very existence of the company.

**INTERNAL FINANCIAL CONTROLS**

The Company has adequate internal financial controls which commensurate with the size of the business of the Company.

The Board had appointed M/s. V Ramachandra Rao ., Chartered Accountants (M. No 203292) as the Internal Auditor of the Company for conducting the Internal Audit of the Company for a period of two financial years i.e., 2022-23. Accordingly, they have carried out the internal audit for FY 2023-24. There were no observations or remarks reported by the said auditors of the Company during the year under review.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (5) of the Companies Act, 2013, the Your Interim Resolution Profesional confirm that:

- i. in preparation of annual accounts for the financial year ended March 31, 2023 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2023 and of the profit and loss of the Company for the year;
- iii. the Directors have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the annual accounts on a going concern basis;
- v. the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO**

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as **Annexure - III**.

#### **ANNUAL RETURN**

Form MGT 7 - the annual return of the Company for FY 2022-23 shall also be uploaded on the website of the Company. The link of the same is <https://www.vantabio.com/investor-relations/>

#### **PARTICULARS OF EMPLOYEES**

Disclosure under Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure – IV**.

Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the financial year no employee was in receipt of remuneration of Rs. 1.02 Crore or more, or where employed for part of the year was in receipt of Rs. 8.5 Lakh or more a month and accordingly disclosure under Rule (2) is not required.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure-V** to this report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The loans, investment and guarantees provided by the Company during the year has not exceeded the limit approved by the shareholders in accordance with Section 186 of the Companies Act, 2013. The Company is in compliance with the provisions of Section 186 of the Companies Act.

The Company has investments in its Wholly Owned Subsidiary – Vanta Clinical Research Limited. Details of the same are disclosed in Note 12 of the financial statements.

#### **LISTING ON SME PLATFORM OF BSE**

The equity shares of the Company are listed on the SME Platform of BSE Ltd. The Company confirms that the annual listing fees to the stock exchanges for the financial year 2022-23 have been paid.

#### **COST RECORDS**

The provisions of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company.

#### **RELATED PARTY TRANSACTIONS**

There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. All related party transactions entered by the Company under Section 188 of the Companies Act, 2013 are at arm's length and in the ordinary course of business. These

related party transactions have been entered considering the business requirements, administrative convenience and in the best interest of the Companies.

The Company has entered into any transactions with person or entity belonging to the promoter/promoter group which holds 10% or more shareholding in our Company. Details of the same are disclosed in Note 3 of the financial statements.

#### **DISCLOSURE OF RELATED PARTY TRANSACTIONS WITH SUBSIDIARIES**

The Company has invested an amount of Rs. 3,00,00,000/- (Rupees Three Crore Only) towards subscription to the equity shares of its Wholly owned subsidiary - Vanta Clinical Research Limited. Further, the Company has also entered transactions with both its subsidiaries- Vanta Clinical Research Limited and Vayam Research Solutions Limited.

Details of all related party transactions with the subsidiary companies are disclosed in Note 33 of the financial statements.

#### **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and date of report.
5. No change in the nature of business of the Company.
6. There was no instance of one time settlement with any Bank or financial institution.
7. There is no proceeding pending under the Insolvency and Bankruptcy code, 2016. An application was filed under Section 9 of Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, Hyderabad Bench by Mr. S Venkata Rao (Whole Time Director & CEO of the Company who has resigned w.e.f. closing hours of January 04, 2021) alleging to a default in payment of salary and interest thereon aggregating to Rs. 1.18 Crand seeking initiation of Corporate Insolvency Resolution Process against the Company. The said dispute has been settled before the Hon'ble Supreme Court and the matter now stands resolved. The details of the same are given above.
8. There are no shares lying in Demat suspense account or unclaimed suspense account.

The Company has complied with all the provisions of the secretarial standards as applicable to the Company.

The Company being listed on SME Exchange. Para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 in connection with disclosures in the annual report are not applicable to the Company.

#### **INSIDER TRADING REGULATIONS**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the Code for Corporate Disclosures ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees.

The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of Vanta Bioscience Limited at the time when there is unpublished price sensitive information.

#### **OBLIGATION OF THE COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent Sexual Harassment of Women at Workplace a new act "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" has been notified on 9th December, 2013. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has adopted "Anti-Sexual Harassment Policy" constituted "Redressal Committee" as required under section 4 (1) of Sexual harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed/registered pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENT**

Your Directors place on record their appreciation of the continued patronage extended to the Company by bankers, dealers, customers, suppliers, employees and shareholders. The trust reposed in your Company by its esteemed customers helped stabilized growth during the year review.

Your Company also acknowledges the support and guidance received from its Bankers, other government agencies during the year under review and look forward to continuing support.

For and on behalf of the Board

**Sd/-**  
**Dopesh Raja Mulakala**  
Managing Director  
DIN: 01176660

**Sd/-**  
**MOHAN KRISHNA MULAKALA**  
Director  
DIN: 01448535

September 06, 2023  
Secunderabad

## ANNEXURE-I

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures.

## PART "A" – Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl.No.	Particulars	Details (Rs. In Thousands)
1.	Sl.No.	1
2.	Name of the subsidiary	Vanta Clinical Research Limited
3.	The date since when subsidiary was acquired	September 12, 2018
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2022 to March 31, 2023
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (In Thousands)
6.	Share capital	30,000
7.	Reserves & surplus	-424.29
8.	Total assets	37,994.31
9.	Total Liabilities	8418.60
10.	Investments	30,000
11.	Turnover	-
12.	Profit before taxation	-115.16
13.	Provision for taxation	-
14.	Profit after taxation	-115.16
15.	Proposed Dividend	-
16.	Extent of shareholding (In percentage)	100.00%

\*Vanta Clinical Research Limited (WOS of Vanta Bioscience Limited) holds 36% in Vayam Research Solutions Limited. Accordingly, Vayam Research Solutions Limited is a step down subsidiary of Vanta Bioscience Limited.

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : **NA**
- Names of subsidiaries which have been liquid dated or sold during the year : **NA\***

\*The Company held 75% shareholding of Vayam Research Solutions Limited through Vanta Clinical Research Limited (WOS) as at 31.03.2021. The said holding has come down in FY 2021-22 from 75% to 57% due to increase in the paid up capital of Vayam Research Solutions Limited. There has been no change in number of shares held by the Company.

**Part “B”: Associates and Joint Ventures – Not Applicable as there are no associates and joint ventures**

1. Names of subsidiaries which are yet to commence operations : NA
2. Names of subsidiaries which have been liquid dated or sold during the year : NA

For and on behalf of the Board of Directors  
**Vanta Bioscience Limited**

For **Mathesh & Ramana**  
Chartered Accountants

**B. V. Ramana Reddy**  
M. No. 026967  
Partner

**(M. Dopesh Raja)**  
Managing Director  
DIN: 01176660

**(Mohan Krishna Mulakala)**  
Director  
DIN: 02906370

Place: Secunderabad  
Date : September 06, 2023

**(DVS MURALI)**  
CFO

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

For The Financial Year Ended on March 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members  
**VANTA BIOSCIENCE LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vanta Bioscience Limited bearing CIN: L74999TG2016PLC109280 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and as per the explanations given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on March 31, 2023 according to the applicable provisions of:

- i. The Companies Act, 1956 and the Companies Act, 2013 ('the Act') and the rules made there under;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable during the audit period)
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable during the audit period)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable during the audit period)
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealings with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable during the audit period)
  - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not Applicable during the audit period) and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof
- (v) Other Laws specifically applicable to the Company:
  - a. Pharmacy Act, 1948
  - b. Bio-Medical Waste (Management and Handling) Rules, 1998
  - c. Legal Metrology Act, 2009;
  - d. Prevention of Cruelty to Animals Act, 1960 and the Breeding of and Experiments on Animals (Control and Supervision) Rules, 1998
  - e. Guidelines for care and use of animals in scientific research
  - f. Good Laboratory Practices
  - g. Water (Prevention and Control of Pollution) Act, 1974
  - h. Water (Prevention and Control of Pollution) Cess Act, 1977



- i. Air (Prevention and Control of Pollution) Act, 1981
- j. Environment (Protection) Act, 1986
- k. The Public Liability Insurance Act, 1991
- l. The Biodiversity Act, 2002
- m. Hazardous Wastes (Management and Handling) Rules, 1989
- n. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- o. Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989;
- p. Explosives Act, 1884.
- q. Explosives Rules, 2008.

I have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India and the Listing Regulations as applicable to the Company.

The compliance of the above laws is based on the Compliance Certificate issued by the Company During the Audit Period under review and as per the explanation and clarifications given to me and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that, during the year under review:

- a) The Company had filed certain forms after the due date.
- b) The compliance by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same has been subject to review by statutory financial audit and other designated professionals;

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non -Executive Directors and Independent Directors. The composition of the Board of Directors are in compliance with the provisions of the Act.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Whenever required, the Board has also met with a notice shorter than seven days.

Decisions at the Board Meetings, as represented by the management, were taken by majority and recorded as part of the minutes.

As per the explanations given to me and the representations made by the Management and relied upon by me, I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period under review:

- An application has been filed under Section 9 of Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, Hyderabad Bench by Mr. S Venkata Rao (Whole Time Director & CEO of the Company who has resigned w.e.f closing hours of January 04, 2021) alleging to a default in payment of salary and interest thereon aggregating to Rs. 1.18 Cr and seeking initiation of Corporate Insolvency Resolution Process against the Company. The said application was admitted by Hon'ble NCLT vide order dated 27.04.2023 and appointed Mr. Kurapati Singarayya Chowdary as Interim Resolution Professional (IRP) of the Company. As the matter is admitted, the Company is now under Corporate Insolvency Process for Corporate Persons (CIRP) as per the provisions of the IBC and the powers of the Board of Directors of the Company have been suspended and the same now vests with the IRP. The IRP has also issued a Public Announcement as per the provisions of IBC. An appeal was filed before the National Company Law Appellate Tribunal ("NCLAT") against the order of Hon'ble National Company Law Tribunal, Hyderabad ("NCLT") dated 27.04.2023 initiating the CIRP process of Vanta Bioscience Limited. NCLAT directed that the constitution of the 'Committee of Creditors' shall be deferred. NCLAT further said that the IRP shall see that the Corporate Debtor functions as a "going concern" in conformity of the IBC. Multiple hearing have taken place post the same. The matter is still in process.

September 06, 2023  
Place: Hyderabad

Sd/-  
**Putcha Sarada**  
**Practicing Company Secretary**  
Memb No. 21717  
C.P. No.: 8735  
UDIN: A021717D002648847

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Encl:**

Annexure - A

To,

The Members,

**VANTA BIOSCIENCE LIMITED**

My report of even date is to be read along with this letter.

**MANAGEMENT'S RESPONSIBILITY**

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances based on my audit

**AUDITOR'S RESPONSIBILITY**

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

**DISCLAIMER**

5. Considering the lockdown measures imposed across the country on account of COVID-19 pandemic and the cascading impact thereof, I have conducted online verification and examination of records, as facilitated by the Company. I have relied on the management representations and assurances for certain verifications and cross checks, wherever required, for forming opinion and eventual reporting. While I have taken all possible steps to verify the records as made available to me by the Company through electronic medium and taken confirmation from the Company wherever required, but the audit was done subject to and with a limitation of inspection of documents.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

September 06, 2023  
Place: Hyderabad

Sd/-  
**Putcha Sarada**  
**Practicing Company Secretary**  
Memb No. 21717  
C.P. No.: 8735  
UDIN: A021717D002648847

**STATEMENT PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT,2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014**

The particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:

**A. Conservation of Energy**

- i. the steps taken or impact on conservation of energy: Nil
- ii. the steps taken by the company for utilizing alternate sources of energy: Nil
- iii. the capital investment on energy conservation equipment's: Nil

**B. Technology Absorption**

- i. the efforts made towards technology absorption: Nil
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - (a) the details of technology imported: Nil
  - (b) the year of import: Nil
  - (c) whether the technology been fully absorbed: Nil
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Nil
- iv. the expenditure incurred on Research and Development: Nil

**C. Foreign exchange earnings and Outgo-**

The Foreign Exchange earned in terms of actual inflows during the year : Rs. In Thousands 21,530.26

The Foreign Exchange outgo during the year in terms of actual outflows :

Sl.No.	Particulars	Amount (Rs.)
1.	Value of Imports	-
2.	Expenditure in foreign currency	-
	<b>Total</b>	-

*During the year, there was a foreign exchange gain of Rs. in Thousands 87.92/- to the Company.*

For and on behalf of the Board of Directors  
**Vanta Bioscience Limited**

**(M. Dopesh Raja)**  
Managing Director  
DIN: 01176660

**(Mohan Krishna Mulakala)**  
Director  
DIN: 01448535

Place: Secunderabad  
Date : September 06, 2023

## Annexure - IV

**Disclosures under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the company.

**(Amount in Rs.)**

Sl. No.	Name of the Director	Remuneration	Median Employee Salary	Ratio
1.	Mr. Mulakala Dopesh Raja	2,50,000	1,90,273	1.31:1
2.	Dr. Vyasmurti Madhavrao	1,00,000	1,90,273	0.53:1

- ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive officer, Company Secretary or manager, if any, in the Financial Year:

There was no percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial Year.

- iii. The percentage increase in the median remuneration of the employees in the financial year: 4.17%

- iv. There were 47 Permanent employees on the rolls of the Company, as on March 31, 2023.

- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average percentile decrease for Non Managerial Personnel was 16.24% during the last Financial Year.

There was no percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial Year.

- vi. The key parameters of any variable component of remuneration availed by the directors; NIL

- vii. Affirmation that the remuneration is as per the remuneration policy of the Company.

The remuneration paid to Directors is as per the remuneration policy of the Company.

## viii. Top 10 Employees in terms of remuneration:

Name	Age	Qualification	Designation	Date of commencement of employment	Experience Gross (years)	Nature of employment	Remuneration Per Month	No of equity shares	Previous Employment	Relative of Director If any
PANKAJ DAGADU SHELAR	41	Msc	HEAD PATHOLOGIST	01-03-2021	15	Permanent	1,57,633	-	Lupin Limited	No
CHIRUKURI RAJASEKHARAM	38	PhD. Chemistry	AGM-ANALYTICAL CHEMISTRY	07-05-2021	16	Permanent	1,50,808	-	IIBAT.	Yes
DEEPAK SHARMA	58	M V SC	ASSOCIATE-VICE PRESIDENT	06-04-2017	35	Permanent	2,74,350	-	RANBAXY	No
HIMANSHU KANAIYALAL SOLANKI	43	Msc	PRINCIPLE SCIENTIST	10-09-2020	23	Permanent	1,22,041	-	SA-FORD	No
K SENTHIL KUMAR	43	Msc. Chemistry	SR.RESEARCH SCIENTIST	19-05-2020	17	Permanent	75,048	-	Choksi Laboratories	No
SHANKARLAL S	37	PhD. Marine Biotechnology	RESEARCH SCIENTIST I	24-08-2020	07	Permanent	57,000	-	Anthem Bioscience	No
SRINIVASARAO VEERAVALLI	36	Msc. Chemistry.	RESEARCH SCIENTIST I	03-08-2022	12	Permanent	81,250	-	Vimta Labs Ltd.	No
RAMKUMAR GANGADHARAN	44	Msc	SR.RESEARCH SCIENTIST	19-02-2018	19	Permanent	72,517	-	Daiichi Saukyo Pharma Ltd	No
PAGADALA KIRAN KUMAR	43	Msc. Microbiology	SR.RESEARCH SCIENTIST	07-01-2019	22	Permanent	74,483	-	RCC Labs Ltd	No
DOKKA VENKATA SATHYA MURALI	55	MBA. FINANCE	CFO	24-04-2017	34	Permanent	78,705	-	Lanco Teesta Hydro Power Ltd.	No

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis given below covers the key issues concerning the business carried on by the Company with respect to Industry Overview, Outlook, Trends, Opportunities, Threats & Risks.

**Industry Structure and Developments:****An Overview of the company**

Vanta Bioscience Limited ("Vanta or Company") is an emerging, full service preclinical contract research organization, operating out of Chennai, India. Vanta is established as a center of excellence for GLP toxicology and safety assessment.

**Industrial Overview**

Indian economy is one of the largest and fastest growing economies in the world. The Food & Agri industry is among the top three sectors in India that propel the Indian economy, which is predicted to experience further robust growth in the coming years. The pharmaceutical industry too is one of the primary economic drivers in India which currently is facing headwinds due to increased regulatory scrutiny and a slowdown in the US and a few other leading pharmaceutical markets globally. However undeterred, the Indian pharmaceutical industry shows a trend of increased spending on outsourcing compliance related testing needs and also an increased R&D spending to develop new drugs. Whether it be the increasing focus on food safety and quality in the country, driven by FSSAI and quality conscious manufacturers and customers, or the regulatory challenges being faced by the Indian pharmaceutical industry, these trends create huge opportunities for food and pharmaceuticals testing and research services (both routine and sophisticated). Like in any business, these opportunities come along with challenges such as increased competition from more local and global players and insufficient number of skilled and trained human resources. Added to this is the unlevel playing field amongst the competition in terms of quality of services and the perceived value of the same by the customers. Healthcare spending is globally high, more now than ever, due to an increasing demand for more and newer medicines in emerging economies. Globally, the pharmaceutical industry continues to be under pressure to get more out of every dollar spent on new product development, and reduce the time between the concept to the product. Given the slow and low returns on investments, the companies look to focus more and more on specialty healthcare segments and products. Therefore, there is an increased demand for cost effective and quick R&D and manufacturing processes. Although India doesn't currently seem to be among the most preferred destination for outsourcing new R&D activities, the cost efficiencies it can deliver to the global pharmaceutical industry is undeniable.

**Outlook:**

Our Company's activities are guided by the principles of quality services, safety of its employees and business prudence. The Company would put all its efforts to achieve good results within its ambit.

The Company regularly focuses on increasing productivity and efficiency, cutting expenses, innovating services and profitable streams of Business. The Company endeavors to use its resources optimally and work persistently towards its set goals.

**Internal Control System and their adequacy:**

The Company has a well-defined internal control system that is adequate and commensurate with the size and nature of its business. Internal Audit department is put in place and adequate internal controls are established to ensure that all assets are safeguarded and protected against any loss from unauthorized use or disposition and all the transactions are authorized, recorded and reported correctly. ERP based controls are in place.

**Opportunities:**

The following are the opportunities:

- The Company has also entered into exclusive tie ups to expand its business in the pre-clinical services sector in Greater China. The Company has also entered into non-exclusive agreements to cover the markets of Latin America (LATAM) and Asia Pacific (APAC) for Chemical and Agrochemical business.
- The recent scope enhancement of our GLP (especially the full scope of Phys-chem and other Toxicological studies, has opened up new revenue streams that are expected to bear fruit the following quarter onwards.
- Strengthening FSSAI's oversight on food safety and quality.
- Global regulatory bodies' emphasis on GLP, NABL, MHRL etc., compliance.
- Indian Health care sector, one of the fastest growing industry, is expected to advance at a CAGR of 22.87% during 2015-20 to reach \$ 280 billion.
- Indian pharmaceuticals market is estimated to reach around \$30 billion in 2015. The pharmaceutical's industry is expected to expand at a CAGR of 12.89 % over 2015-20 to reach \$ 55 billion.

- The number of ANDA approvals granted by US FDA increased from 109 in FY 15 to 201 in FY16 to the Indian companies.

**Threats:**

The following are the threats:

- Facilities are subject to client inspections and quality audits and any failure to meet their expectations or to comply with the quality standards set out in contractual arrangements, could result in the termination of contracts and adversely affects business, results of operations, financial condition and cash flows.
- Significant disruptions of information technology systems or breaches of data security.
- Foreign exchange risks that could adversely affect results of operations.
- Political, economic or other factors that are beyond control may have an adverse effect on business and results of operations.
- Changing laws, rules and regulations and legal uncertainties in India, including adverse application of corporate and tax laws.

**Challenges, Risks and Concerns:**

Risks are inherent to any business. The opportunities compound challenges and vice versa. Risks are managed by your Company through a risk management process of risk identification, risk mitigation through risk reduction strategies & plans and continuous monitoring of the effectiveness of the risk mitigation measures to control them. Your company continues to strive to stay ahead on the competition curve through creation of new service opportunities, and its uncompromising commitment to quality, regulatory compliance and customer service.

**Discussion on Financial Performance with respect to Operational Performance: Key Performance indicators for the year under review is as follows:**

- (i) details of significant changes (i.e. change of 25% or more as compared to the **immediately previous financial year**) in key financial ratios, along with detailed explanations therefor, including:
- (i) Debtors Turnover (61 days)
  - (ii) Inventory Turnover (47 days)
  - (iii) Interest Coverage Ratio (-0.18 times)
  - (iv) Current Ratio (1.09 times)
  - (v) Debt Equity Ratio (1.30 times)
  - (vi) Operating Profit Margin (%) (-67.10%)
  - (vii) Net Profit Margin (%) (-81.91%)
- or sector-specific equivalent ratios, as applicable.
- (j) details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof. Due to CIRP Process, the Company could not operate well, hence revenue have decreased compared to the previous FY resulting in -39% decrease in return on revenue.

**Accounting Treatment and Financial Performance**

The financial statements are prepared in compliance to the Accounting Standards as laid down under the provisions of section 133 of the Companies Act, 2013.

The financial statements are prepared in compliance to the Accounting Standards as laid down under the provisions of section 133 of the Companies Act, 2013. Gross revenue for the year 2022-23 is Rs. 57963.24 Thousands as compared to Gross revenue for the year 2021-22 which was Rs. 95175.20 Thousands and the Net LOSS for the year 2022-23 stood at Rs. 42,354.81 Thousands as compared to the Net profit for the year 2021-22 which was Rs. 785.00 Thousands.

**Segment-wise or Product-wise Performance**

The Company is providing services of Testing and Contract Research in the fields of Clinical Research, Pre-Clinical Research, Biopharma services, Analytical Testing & Research and Environmental studies. Since the inherent nature of all these services are inter related and governed by similar set of risks and returns and operating in the same economic environment, segment reporting is not applicable. Accordingly, for reporting purposes, all these services are treated as single business and geographical segment. The said treatment is in accordance with Accounting Standard-17 Segment Reporting.

**Human Resources Development and Industrial Relations:**

At Vanta, we believe that people embody our most fundamental asset. It is our endeavor to offer a fair, transparent and merit-based working environment, which promotes constant learning, individual and organizational development. Human Resource is one of the key strength of the Company. At the end of the financial year 31.03.2023, the Company had 47 employees. The dedication and expertise of our team has helped us chart a steady growth path.

**Cautionary Statement:**

Statements in this Management Discussion and Analysis describing the Company's objective, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Certain observations made on the industry and other players also reflect on opinion by the management and the management accepts no liability on such opinions. Actual results might differ materially from those either expressed or implied.



**FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING  
DOCUMENTS/NOTICES BY ELECTRONIC MODE**

To.

**Bigshare Services Private Limited**

**RTA of Vanta Bioscience Limited**

306, Right Wing, Amrutha Ville Apts. Somajiguda, Hyderabad - 500 082

Contact No. : 040 2337 4967

**Sub: Registration of email address for receiving documents/notices by electronic mode Ref: Vanta Bioscience Limited  
- Scrip Code: 540729 – ISIN: INE695X01011**

I agree to receive all documents/notices and other correspondences and communications including the annual report from the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

The following are my details Name of Sole/First Holder:

DP ID Client ID/ Regd. Folio No:

PAN No.:

Email Address: Phone No.

I request you to kindly update the same in your records. I instruct you to send all documents/notices and other correspondences and communications including annual report from the Company in electronic mode to the email id mentioned above.

Name:

Signature:

Date:

Place:

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Vanta Bioscience Limited

Report on the Audit of the Standalone Financial Statements

#### **Opinion:**

We have audited the Standalone Financial Statements of Vanta Bioscience Limited which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, Statement of changes in Equity, Statement of Cash Flows for the year then ended, and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2023;
- b) In the case of the Statement of Profit and Loss Account, of the profit for the period ended on that date and
- c) In the case of the Statement of Cash Flow, of the cash flows, for the period ended on that date.

#### **Basis for Opinion:**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Emphasis of Matter:**

*We draw attention to Note No. 46 of the financial statements, which describes regarding a case filed against the Company with NCLT, Hyderabad. NCLT, Hyderabad vide their order dated 27.04.2022 has admitted the application of Operational Creditor and has approved the Corporate Insolvency Resolution Process ("CIRP"). The Operational Creditor has alleged for total amount of due including principal and interest of Rs. 1,18,65,000/-. The Company has settled the entire dispute with the operational creditor in the Supreme Court by agreeing to pay an amount of Rs. 90,00,000/- in 4 installments by 15.05.2023. Our opinion is not modified in respect of this matter.*

#### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon:**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report and the Annexures thereto, but does not include the Standalone Financial Statements and our Auditor's Report thereon. The Directors Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

#### **Management's Responsibility for the Standalone Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the

Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements:**

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

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.

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

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

Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements:**

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give "Annexure-A" a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable to the company.

- 2) As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, we are of the opinion that the company has adequate internal financial controls system in place and the operating effectiveness of such controls. Refer to our separate report in "Annexure - B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no such amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. There has been no delay in transferring to the Investor Education and Protection Fund by the Company.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
    - v. The Company has not declared or paid any dividend during the year hence compliance with provisions of Section 123 of the Companies Act 2013 does not arise.
    - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule (11) of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
- 3) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act and is not in excess of the limit laid down under this Section and Schedule V of the Act.

For **MATHESH & RAMANA**  
CHARTERED ACCOUNTANTS

Place: Hyderabad  
Date: 10.08.2023  
UDIN: 22026967AJYBHX5732

**B. V. RAMANA REDDY**  
M. No. 026967 Partner

**ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT****Re: VANTABIOSCIENCE LIMITED**

Referred to in Paragraph 1 under section (Report on other Legal and Regulatory Requirements of our Report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- © According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
- (b) The Company does not have any working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) During the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
- (a) during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. The details are as follows:

Rupees in Thousands

To whom	The aggregate amount during the year	Balance outstanding at the balance sheet date
Parties other than subsidiaries, joint ventures and associates	2,440.07	5,783.92
Subsidiaries, joint ventures and associates	6,963.24	8,070.94

- (b) According to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
- © schedule of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest is regular;
- (d) According to the information and explanation given to us, no amount is overdue in these respect;
- (e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted no amount has fallen due during the year, hence renewal or extension or grant of fresh loans to settle the over dues of existing loans given to the same parties does not arise;

- (f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, required details in respect thereof are as below:
- (iv) According to the information and explanation given to us, the company has complied with requirements of section 185 and 186 in respect of loans, investments, guarantees or security made by it during the year under audit;
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- (ix) (a) In our opinion, the company has defaulted in repayment of loans and interest to State Bank of India during the year. The same has been regularized by the end of the year;
- (b) Company is not declared willful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;
- (d) According to the information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes;
- (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;

Rupees in Thousands

The aggregate amount	Percentage thereof to the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013
9,403.95	100%	6,963.24

- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year;
- (b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year;

- (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company;
- (xii) Company is not a Nidhi company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company;
- (xiii) According to the information and explanations given to us, we are of the opinion that all transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Accounting Standards and the Companies Act, 2013.
- (xiv) (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the reports of the Internal Auditors for the period under audit;
- (xv) According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable;
- (xvii) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the Company has incurred cash losses during the year. However, the financial statements have been prepared on a going concern basis.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provision of clause 3(xx) of the Order is not applicable.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **MATHESH & RAMANA**  
CHARTERED ACCOUNTANTS

Place: Hyderabad  
Date: 10.08.2023

**B. V. RAMANA REDDY**  
M. No. 026967 Partner

**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT****Re: VANTA BIOSCIENCE LIMITED**

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

We have audited the internal financial controls over financial reporting of **VANTA BIOSCIENCE LIMITED** ("the Company") as of 31<sup>st</sup> March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date

**Management's Responsibility for Internal Financial Controls:**

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

**Auditors' Responsibility:**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting:**

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting:**

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

**Opinion:**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MATHESH & RAMANA**  
CHARTERED ACCOUNTANTS

Place: Hyderabad  
Date: September.06, 2023

**B. V. RAMANA REDDY**  
M. No. 026967 Partner



## BALANCE SHEET AS ON 31.03.2023

Rupees in Thousands

Particulars	Note No	As at 31.03.2023	As at 31.03.2022
<b>1. Equity and Liabilities</b>			
<b>I. Share holder's Funds</b>			
a) Share Capital	3	63,120.00	63,120.00
b) Reserves & Surplus	4	1,34,297.24	1,76,768.03
		<b>1,97,417.24</b>	<b>2,39,888.03</b>
<b>II. Share Application Money pending allotment</b>		-	-
<b>III. Non Current Liabilities</b>			
a) Deferred Tax Liabilities (Net)	5	8,117.12	7,835.85
b) Long Term Borrowings	6	2,08,403.58	1,56,430.33
c) Other Long Term Liabilities		-	-
d) Long Term Provisions		-	-
		<b>2,16,520.70</b>	<b>1,64,266.18</b>
<b>IV. Current Liabilities</b>			
a) Short Term Borrowings	7	49,182.20	51,258.35
b) Trade Payables	8	23,601.95	14,672.70
c) Other Current Liabilities	9	29,666.30	33,914.52
d) Short Term Provisions	10	-	-
		<b>1,02,450.45</b>	<b>99,845.57</b>
<b>Total</b>		<b>5,16,388.40</b>	<b>5,03,999.78</b>
<b>2. Assets</b>			
<b>I. Non Current Assets</b>			
a) Property, Plant & Equipment & Intangible Assets			
Property, Plant & Equipment	11	1,34,059.85	1,45,351.71
Intangible Assets	11	2,39,953.47	2,15,862.74
Capital WIP		-	-
b) Non Current Investments	12	30,000.00	30,000.00
c) Deferred Tax Assets(Net)		-	-
d) Long Term Loans and Advances		-	-
e) Other Non Current Assets	13	1,065.03	2,748.07
		<b>4,05,078.35</b>	<b>3,93,962.52</b>
<b>II. Current Assets</b>			
a) Current Investments		-	-
b) Inventories	14	71,575.36	72,355.49
c) Trade Receivables	15	19,233.39	7,230.34
d) Cash & Cash Equivalent	16	665.21	691.22
e) Short Term Loans & Advances	17	13,854.86	23,374.52
f) Other Current Assets	18	5,981.23	6,385.69
		<b>1,11,310.05</b>	<b>1,10,037.26</b>
<b>Total</b>		<b>5,16,388.40</b>	<b>5,03,999.78</b>

See accompanying notes to the financial statements  
As per our report of even date annexed.

For **Mathesh & Ramana**  
Chartered Accountants

For and on behalf of the Board of Directors  
**Vanta Bioscience Limited**

**B. V. Ramana Reddy**  
Partner  
M. No. 026967

**(M. Dopesh Raja)**  
Managing Director  
DIN: 01176660

**(Mohan Krishna Mulakala)**  
Director  
DIN: 01448535

Place: Secunderabad  
Date : 10-08-2023

**DVS Murali**  
CFO

## Statement of Profit &amp; Loss for the year ending 31.03.2023

Rupees in Thousands

Particulars	Note No	As at 31.03.2023	As at 31.03.2022
<b>Revenue</b>			
a) Revenue from Operations	19	51,709.80	93,498.39
b) Other Income	20	6,253.43	1,676.82
<b>Total Income</b>		<b>57,963.24</b>	<b>95,175.20</b>
<b>Expenses</b>			
a) Cost of Material consumed	21	5,683.62	6,231.91
b) Purchases of Stock in Trade		-	-
c) Changes in Inventories: Work in Progress	22	1,142.35	-
d) Employee Benefit Expenses	23	27,886.14	29,913.40
e) Finance Cost	24	31,068.14	21,137.64
f) Depreciation and Amortization Expenses	25	12,503.30	13,161.18
g) Other Expenses	26	21,753.21	23,334.76
<b>Total Expenses</b>		<b>1,00,036.77</b>	<b>93,778.90</b>
<b>Profit Before Tax</b>		-42,073.53	1,396.30
<b>Tax Expenses</b>			
a) Current Tax		-	238.33
b) MAT Credit Availed		-	238.33
c) Deferred Tax	5	281.27	611.30
<b>Total</b>		<b>281.27</b>	<b>611.30</b>
<b>Net profit for the year</b>		<b>-42,354.81</b>	<b>785.00</b>
<b>Earning per Equity Share (In Rupees)</b>			
1. Basic		-6.71	0.12
2. Diluted		-6.71	0.12

See accompanying notes to the financial statements  
As per our report of even date annexed.

For **Mathesh & Ramana**  
Chartered Accountants

For and on behalf of the Board of Directors  
**Vanta Bioscience Limited**

**B. V. Ramana Reddy**  
Partner  
M. No. 026967

**(M. Dopesha Raja)**  
Managing Director  
DIN: 01176660

**(Mohan Krishna Mulakala)**  
Director  
DIN: 01448535

Place: Secunderabad  
Date : 10-08-2023

**DVS Murali**  
CFO

## Statement of Cash Flow for the year ended 31st March 2023

Rupees in Thousands

Particulars	As at 31.03.2023	As at 31.03.2022
<b>A. Cash Flow from Operating Activities</b>		
Profit before exceptional , Extraordinary items and Tax	-42,073.53	1,396.30
<b>Adjustment for:</b>		
Depreciation	12,503.30	13,161.18
Finance Charges	31,068.14	21,137.64
Profit on Sale of Fixed Assets	-	-
<b>Sub total</b>	<b>43,571.44</b>	<b>34,298.82</b>
<b>Operating profit Before Working Capital Changes</b>	<b>1,497.91</b>	<b>35,695.13</b>
<b>Adjustment for:</b>		
(Increase) /Decrease in Inventories	780.13	25,286.73
(Increase) /Decrease in Trade receivables	-12,003.05	12,562.98
Increase /(Decrease) in Current Liabilities	4,681.03	5,226.23
(Increase) /Decrease Loans & Advances	11,491.17	(11,745.31)
(Increase) /Decrease in Current Investment	-	-
<b>Sub total</b>	<b>4,949.28</b>	<b>31,330.64</b>
<b>Cash Generated from operations</b>	<b>6,447.19</b>	<b>67,025.76</b>
<b>Net Cash Flow from Operating Activities</b>	<b>6,447.19</b>	<b>67,025.76</b>
<b>B: Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(25,302.17)	(80,523.20)
Capital Work In progress		
Capital Work In progress-R&D		
Proceeds from sale of Fixed Assets		
Investment in Subsidiaries		
Purchase of other Non current Investments		
<b>Net Cash Flow from Investing Activities</b>	<b>(25,302.17)</b>	<b>(80,523.20)</b>
<b>C: Cash Flow from Financing Activities</b>		
Increase /(Decrease) in Working capital	(2,076.15)	20,936.27
Increase /(Decrease) in Term Loan	51,973.25	13,961.52
Increase /(Decrease) in share capital	-	-
Increase /(Decrease) in share Premium	-	-
Finance Charges	(31,068.14)	(21,137.64)
<b>Net Cash Flow from Financing Activities</b>	<b>18,828.97</b>	<b>13,760.14</b>
Actual Payment of Income Tax	-	(238.33)
<b>D: Net Increase/Decrease in Cash and cash Equivalents</b>	<b>(26.02)</b>	<b>24.37</b>
<b>Opening of Cash &amp; Cash Equivalents</b>	<b>691.23</b>	<b>666.86</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>665.22</b>	<b>691.23</b>

See accompanying notes to the financial statements  
As per our report of even date annexed.

For **Mathesh & Ramana**  
Chartered Accountants

For and on behalf of the Board of Directors  
**Vanta Bioscience Limited**

**B. V. Ramana Reddy**  
Partner  
M. No. 026967

**(M. Dopesh Raja)**  
Managing Director  
DIN: 01176660

**(Mohan Krishna Mulakala)**  
Director  
DIN: 01448535

Place: Secunderabad  
Date : 10-08-2023

**DVS Murali**  
CFO

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note 1: Corporate information**

**VANTA BIOSCIENCE LIMITED** ("The Company") was incorporated as Private Limited Company on 29<sup>th</sup> April, 2016, subsequently it was converted as a Public Limited Company on 17<sup>th</sup> March, 2017 and thereafter it is listed with BSE SME and the CIN being L74999TG2016PLC109280. The Company presently engaged in the business of Preclinical Activities.

**Note 2: Significant accounting policies****a) Basis of Accounting:**

The financial statements have been prepared and presented under the historic cost convention on accrual basis to comply in all material respects with the notified Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Accounting Policies have been consistently applied by the Company and are consistent with those used in the previous year. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013.

**b) Principles of Consolidation:**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of Assets or Liabilities in the Future periods.

**c) Property, Plant and Equipments:**

Fixed assets are stated at cost less depreciation. All costs (excluding GST and Subsidy), including financing costs till commencement of commercial production and adjustments arising from exchange rate variations relating to borrowings attributable to the fixed assets are capitalized.

**d) Depreciation:**

The Company has provided depreciation for all the assets using Straight Line method as per the provisions specified in the Schedule II of the Companies Act, 2013.

**e) Inventories:**

Inventories have been taken as valued and certified by the Management. The basis of valuation is as under:

Raw materials, Stores & Spares - at cost or net realizable value whichever is lower.

Finished goods – at cost or net realizable value on FIFO basis whichever is lower.

**f) Retirement benefits:**

(i) Company's contribution to provident fund is charged to Profit & Loss Account.

(ii) Provision has been made in accounts for the future payment of gratuity to the employees of the Company, Pursuant to the payment of Gratuity Act, 1972 however provision has not been made based on the actuarial valuation.

**g) Revenue recognition:**

Income from operations is accounted Inclusive of GST on accrual basis.

i) Dividend from investments is recognized when the right to receive the payment is established.

ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income-" in the statement of profit and loss.

iii) Revenue accrued, but not due at the end of financial year is recognized on proportionate completion basis in profit & Loss Account as per AS-7.

**h) Investments:**

Current Investments are valued at cost or market price whichever is lower and in the absence of market quotation, cost price is adopted. Long Term Investments are valued at cost.

**l) R&D Expenditure:**

Capital expenditure is included in the fixed assets and depreciation as per Company's policy.

Revenue expenditure is charged to profit & loss account of the year in which they are incurred and included in the

respective heads of expenditure.

**j) Borrowing Costs:**

Borrowings costs that are directly attributable to the acquisition of qualifying assets are capitalized as part of cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**k) Cash Flow Statement:**

The Cash Flow Statement has been compiled with and is based on the Balance Sheet as at 31st March, 2023 and the related Profit and Loss Account for the year ended on that date. The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow statement issued by ICAI.

**l) Accounting for Taxes on Income:**

**Current Tax:** Provision for Current Income Tax is made on the basis of the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

**Deferred Tax:** Deferred income tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws. Enacted or substantially enacted as of the Balance Sheet date.

**m) Impairment of Assets:**

The management assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of cash flow expected to arise from the continuing use of the asset and its eventual disposal. The provision for impairment loss is made when recoverable amount of the asset is lower than the carrying amount.

**n) Provisions and Contingent Liabilities and Contingent Assets:**

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of obligations and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but if material, are disclosed in the notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

**o) Cash and Cash Equivalents:**

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

**p) Intangible Assets:**

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized as per Accounting Standard 26.

**q) Earnings per share:**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

**r) Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Net exchange gain or loss resulting in respect of foreign exchange translations settled during period is recognized in the profit & loss account except for the net exchange gain or loss on account of imported fixed assets, which is adjusted in the carrying amount of the related fixed assets. Foreign currency denominated current assets and current liabilities at the period end are translated at the period end exchange rates and the resulting net gain or loss is recognized in the profit & loss account, except for exchange difference related to fixed assets purchased from foreign countries is adjusted in the carrying amount of related fixed assets.

**Note No: 3 Share Capital**

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Rupees in Thousands	No. of Shares	Rupees in Thousands
<b>a) Share Capital</b>				
Authorized Equity Shares of Rs. 10 Each	75,00,000	75,000.00	75,00,000	75,000.00
Issued, Subscribed and fully paid up Equity Shares of Rs. 10 Each	63,12,000	63,120.00	63,12,000	63,120.00
<b>Total</b>	<b>63,12,000</b>	<b>63,120.00</b>	<b>63,12,000</b>	<b>63,120.00</b>

**b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Rupees in Thousands	No. of Shares	Rupees in Thousands
Equity Shares outstanding at the beginning of the year	63,12,000	63,120.00	63,12,000	63,120.00
Equity Shares Issued during the year	-	-	-	-
<b>Total</b>	<b>63,12,000</b>	<b>63,120.00</b>	<b>63,12,000</b>	<b>63,120.00</b>

**c) Terms/ Rights attached to Equity Shares**

The company has only one class of equity shares having par value of Rs. 10 Per share. Each holder of equity share is entitled to one vote per share.

**d) Details of share held by each share Holder holding more than 5% Equity Shares**

Name of the Share holder	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Rupees in Thousands	No. of Shares	Rupees in Thousands
Mulakala Mohan krishna	34,85,500	34,855.00	34,85,500	34,855.00
Mulakala Dopesh Raja	4,58,000	4,580.00	4,58,000	4,580.00
<b>Total</b>	<b>39,43,500</b>	<b>39,435.00</b>	<b>39,43,500</b>	<b>39,435.00</b>

**e) Details of shares held by promoters at the end of the year along with % of change**

Name of the Promoter	As at 31.03.2023		As at 31.03.2022		% of change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
MOHAN KRISHNA MULAKALA	3485500	55.22	3485500	55.22	-
PRADEEP CHOWDARY VEERAMACHINENI	21500	0.34	21500	0.34	-
DOPESH RAJA MULAKALA	458000	7.26	458000	7.26	-
VYASMURTI MADHAVRAO SHINGATGERI	50000	0.79	50000	0.79	-
MULAKALA KARISHMA	50100	0.79	50100	0.79	-
SHRAVAN CHINTAPATLA	80100	1.27	80100	1.27	-
S CHANDRA SEKHAR RAO	122500	1.94	122500	1.94	-
M SAJAN KIRAN	20100	0.32	20100	0.32	-
SOUMYA SIMHADRI	90100	1.43	90100	1.43	-
SUJANA SHEELA MULAKALA	100	0.00	100	0.00	-

**4. Reserves & Surplus**

Particulars	As at 31.03.2022	As at 31.03.2021
Share Premium	1,52,120.00	1,52,120.00
<b>General Reserve</b>		
Balance as per the last Balance Sheet		-
Add: Transferred during the Year		-
<b>Surplus in Profit &amp; Loss Statement</b>		
Balance as per the last Balance Sheet	24,648.03	23,863.03
Add: Transferred during the Year	-42,354.81	785.00
Add: MAT Credit adjustment	-115.98	-
<b>Total</b>	<b>1,34,297.24</b>	<b>1,76,768.03</b>

**5. Deferred Tax Liability**

Particulars	As at 31.03.2023	As at 31.03.2022
Opening Balance	7,835.85	7,224.55
Add: During the Year	281.27	611.30
<b>Deferred Tax Liability</b>	<b>8,117.12</b>	<b>7,835.85</b>

**6. Long Term Borrowings**

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Term Loan</b>		
<b>From Banks and from Financial Institutions</b>		
Secured Borrowings		
Term Loan from State Bank of India	1,65,228.58	1,57,905.89
Unsecured Loans		
Loans from Directors and Related parties	75,225.00	34,795.00
Less: Amount disclosed under the head Short Term Borrowings payable with in 1 year	32,050.00	36,270.56
<b>Total</b>	<b>2,08,403.58</b>	<b>1,56,430.33</b>

- a. Term Loan from State bank of India, SME Branch, Saifabad is secured by the hypothecation of Plant & Machinery including Lab Equipment standing in the name of the Company and primary security of Plot No. K2 11th Cross, SIPCOT, Industrial Complex, Gummidipudi, Tamilnadu-601201
- b. Collateral Security of Module A123 Quatrant 3, 5th Floor, Cyber Towers, Madhapur, Serlingampally, Rangareddy-500050 and Personal Gurantee of two directors Mr. Mulakala Mohan Krishna and Mr.Mulakala Dopesh Raja.

**7. Short Tem Borrowings**

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Unsecured Loans</b>		
Loan from Directors (M.Dopesh Raja)	-	-
Loan from Sarvotham Remedies Limited	-	-
Loan from Sarvotham Care Limited	-	-
Loan from Sarvotham Care	-	-
Loan from Sarvotham Solutions Limited	-	-
<b>Secured Loans</b>		
Cash Credit from State Bank of India	14,225.76	12,003.87
Working Capital Demand Loan	2,906.44	2,983.93
Current Maturity on Term Loan	32,050.00	36,270.56
<b>Total</b>	<b>49,182.20</b>	<b>51,258.35</b>

The Cash Credit and Working Capital Demand Loan from State Bank of India, SME Branch, Saifabad is secured by way of hypothecation of Stocks, Book Debts, first charge on movable fixed assets and further guaranteed by the directors.

## 8. Trade Payables

Particulars	As at 31 March, 2023					As at 31 March, 2022				
	Outstanding for following periods from due date of payment				Total	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Dues - MSME	-	-	-	-	-	-	-	-	-	-
Undisputed Dues - Others	16435.42	2708.40	2417.81	2040.32	23601.95	9,148.10	2,700.79	2,379.04	444.77	14,672.70
Disputed Dues - MSME	-	-	-	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>16435.42</b>	<b>2708.40</b>	<b>2417.81</b>	<b>2040.32</b>	<b>23601.95</b>	<b>9,148.10</b>	<b>2,700.79</b>	<b>2,379.04</b>	<b>444.77</b>	<b>14,672.70</b>



**9. Other Current Liabilities**

Particulars	As at 31.03.2023	As at 31.03.2022
Outstanding Interest on Term Loan	261.64	18,887.11
Advance From Debtors		6.45
Outstanding Liabilities	5,556.57	1,523.92
Salaries & Wages Payable	13,165.97	11,393.48
Interest Payable on Unsecured Loan	4,486.92	
<b>Statutory Liabilities Payable</b>		
PF Payable	896.29	178.31
ESI Payable	17.39	13.98
Professional Tax Payable	345.21	219.42
GST Payable	984.55	136.09
TDS Payable	3,951.76	1,555.73
<b>Total</b>	<b>29,666.30</b>	<b>33,914.52</b>

**10. Short Term Provisions**

Particulars	As at 31.03.2023	As at 31.03.2022
Provision of Income Tax	-	441.76
Add: Interest on Income Tax	-	-
Less: TDS & TCS	-	441.76
<b>Total</b>	<b>-</b>	<b>0.00</b>

**12. Long Term Investments**

Particulars	As at 31.03.2023	As at 31.03.2022
Investment in Vanta Clinical Research Limited [30,00,000 Shares of Rs. 10/- each (30,00,000 Shares of Rs. 10/- each) stated at cost]	30,000.00	30,000.00
<b>Total</b>	<b>30,000.00</b>	<b>30,000.00</b>

**13. Other Non Current Assets**

Particulars	As at 31.03.2023	As at 31.03.2022
Electricity Deposit	1,065.03	2,748.07
Security Deposit with BSE	-	-
<b>Total</b>	<b>1,065.03</b>	<b>2,748.07</b>

**14. Inventories**

Particulars	As at 31.03.2023	As at 31.03.2022
Services / Method Under Process	70,670.18	71,812.53
Closing Stock of Material	905.18	542.96
<b>Total</b>	<b>71,575.36</b>	<b>72,355.49</b>

## NOTE 11 PROPERTY, PLANT &amp; EQUIPMENT (Fig. in Rupees)

DESCRIPTION	G R O S S B L O C K				D E P R E C I A T I O N				N E T B L O C K		
	As on 01-04-2021	During the Year		Capitalisation of Preoperative Expenses	Total as on 31-03-2023	As on 01-Apr-22	For the Year	Adjustments/ Deletions	Total as on 31-03-2023	As on 31-03-2023	As on 31-03-2022
		Additions	Deletions								
<b>Tangible Assets:</b>											
LAND	11,750.80	-	-	-	11,750.80	-	-	-	-	11,750.80	11,750.80
BUILDING	60,017.25	-	-	-	60,017.25	8,978.23	1,900.55	-	10,878.78	49,138.46	51,039.01
PLANT & MACHINERY	31,848.27	-	-	-	31,848.27	8,902.85	2,017.06	-	10,919.91	20,928.36	22,945.42
LAB EQUIPMENT	58,263.04	1,192.74	-	-	59,455.78	16,596.57	5,615.31	-	22,211.88	37,243.90	41,666.47
MISC. FIXED ASSETS	1,543.19	-	-	-	1,543.19	667.59	146.60	-	814.19	729.00	875.60
COMPUTERS	4,390.70	18.70	-	-	4,409.40	4,236.40	170.23	-	4,406.63	2.77	154.30
ELECTRICAL EQUIPMENT	11,075.09	-	-	-	11,075.09	4,875.16	1,052.13	-	5,927.29	5,147.80	6,199.93
FURNITURE & FITTINGS	16,857.16	-	-	-	16,857.16	6,136.98	1,601.43	-	7,738.41	9,118.75	10,720.18
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,95,745.49</b>	<b>1,211.44</b>	<b>-</b>	<b>-</b>	<b>1,96,956.93</b>	<b>50,393.78</b>	<b>12,503.30</b>	<b>-</b>	<b>62,897.08</b>	<b>1,34,059.85</b>	<b>1,45,351.71</b>
Previous Year	1,92,424.35	3,321.13	-	-	1,95,745.48	37,232.60	13,161.18	-	50,393.78	1,45,351.70	1,55,191.75
<b>Intangible Assets:</b>											
Research & Development	2,15,862.74	24,090.73	-	-	2,39,953.47	-	-	-	-	2,39,953.47	2,15,862.74
<b>TOTAL</b>	<b>2,15,862.74</b>	<b>24,090.73</b>	<b>-</b>	<b>-</b>	<b>2,39,953.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,39,953.47</b>	<b>2,15,862.74</b>
Previous Year	1,38,660.67	77,202.07	-	-	2,15,862.74	-	-	-	-	2,15,862.74	1,38,660.67

**NOTE No. 15  
TRADE RECEIVABLES**

Particulars	As at 31 March, 2023					As at 31 March, 2022						
	Outstanding for following periods from due date of payment					Total	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		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered Good	17741.67	-	1105.44	374.53	11.75	19233.39	6384.17	37.80	400.29	11.75	396.33	7230.34
Undisputed Trade Receivables - Considered Doubt	-	-	-	-	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - Considered Doubt	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>17741.67</b>	<b>-</b>	<b>1105.44</b>	<b>374.53</b>	<b>11.75</b>	<b>19233.39</b>	<b>6384.17</b>	<b>37.80</b>	<b>400.29</b>	<b>11.75</b>	<b>396.33</b>	<b>7230.34</b>

**16. Cash & Cash Equivalents**

Particulars	As at 31.03.2023	As at 31.03.2022
In Current Accounts	-	-
Cash on Hand	665.21	691.22
<b>Total</b>	<b>665.21</b>	<b>691.22</b>

**17. Short Term Loans & Advances**

Particulars	As at 31.03.2023	As at 31.03.2022
Advance for Capital Goods	-	485.59
Advances to Creditors	4,874.47	3,908.91
Staff Advance - Salary	1,123.41	1,036.90
Other Business Advances	7,856.99	15,027.05
GST Input Credit	-	2,916.07
<b>Total</b>	<b>13,854.86</b>	<b>23,374.52</b>

**18. Other Current Assets**

Particulars	As at 31.03.2023	As at 31.03.2022
Prepaid Expenses	76.86	451.31
IT Refund	1,726.12	1,640.15
MAT Credit	4,178.25	4,294.23
<b>Total</b>	<b>5,981.23</b>	<b>6,385.69</b>

**19. Revenue from Operations**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Revenue from Testing Analysis Service Charges(Domestic)	30,179.54	20,414.70
Revenue from Testing Analysis Service charges(Export)	21,530.26	53,466.46
Service Executed Bills Under process		
Unbilled Revenue		19,617.23
<b>Total</b>	<b>51,709.80</b>	<b>93,498.39</b>

**20. Other Income**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Other Income	6,165.52	1,528.59
Profit on Sale of Assets	-	-
Foreign Exchange Fluctuation	87.92	148.23
<b>Total</b>	<b>6,253.43</b>	<b>1,676.82</b>

**21. Consumption of Material**

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Opening Stock of Materials	542.96	446.91
<b>Add: Purchases</b>		
Purchase of Lab Chemicals	1,918.07	1,282.30
Feed Cost	886.93	904.74
Purchase of Consumables	1,086.64	1,392.24
Purchase of Live Animals	2,094.95	2,277.30
Testing Charges	59.25	471.38
<b>Sub Total</b>	<b>6,588.80</b>	<b>6,774.87</b>
<b>Less: Closing Stock</b>	<b>905.18</b>	<b>542.96</b>
<b>Total</b>	<b>5,683.62</b>	<b>6,231.91</b>

**22. Change in Inventory-Work in Progress**

Particulars	For the Year ended 31.03.2023
Opening Method and process	71,812.53
Less: Closing Method and process	70,670.18
<b>Total</b>	<b>1,142.35</b>

**23. Employment Benefit Expenses**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Salaries & Wages	26,233.91	21,003.96
Director Remuneration	350.00	4,200.00
Staffwelfare Expenses	561.81	992.86
Insurance to Employees		412.80
Contribution to PF	481.82	1,108.73
Contribution to ESI	42.04	77.98
Leave Encashment		11.92
Labour Charges	216.55	2,105.15
<b>Total</b>	<b>27,886.14</b>	<b>29,913.40</b>

**23. Finance Cost**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Interest on Cash Credit	2,809.06	2,334.16
Interest on Term Loan	19,257.34	15,494.58
Interest on Working Capital Term Loan	1,023.64	2,294.09
Interest on GECL Loan	2,757.85	562.48
Interest on Others	5.88	131.49
Interest on Unsecured Loan	4,985.47	
Interest on Income Tax	-	-
Bank Charges	133.91	185.15
Loan Processing Fee	94.99	135.70
<b>Total</b>	<b>21,137.64</b>	<b>20,585.27</b>

**25. Depreciation and Amortisation Expenses**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Depreciation	12,503.30	13,161.18
<b>Total</b>	<b>12,503.30</b>	<b>13,161.18</b>

**26. Other Expenses**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Goods and Service Tax	4,468.66	2,933.34
Factory Maintenance	115.80	148.63
Lab Maintenance	409.84	675.64
Repairs & Maintenance - P&M	339.99	310.76
Repairs & Maintenance - Others	90.15	823.55
Diesel Charges	420.97	759.52
Electricity Charges	5,805.07	4,729.64
Advertisement Expenses		31.25
Rent	58.41	63.72
Audit Fee		
Statutory Audit Fee	150.00	150.00
Internal Audit Fee	75.00	75.00
Audit Expenses	4.93	2.50
Business Development Expenses	181.45	126.63
Commission	430.98	2,398.05
Computer Expenses		210.46
Consultancy Charges	1,823.12	1,213.20
Conveyance	191.42	617.33
Director's Sitting Fee		160.00
General Expenses	5.75	63.88
Income Tax		7.18
Insurance	69.10	103.41
Internet Expenses	166.86	203.29
Legal Expenses	715.00	500.00
Office Maintenance	97.29	166.54
Postage & Telegrams	40.52	110.60
Printing & Stationery	136.28	626.42
Rates & Taxes	446.59	1,024.86
Registration & Renewals	142.34	287.14
Safety Expenses	138.24	548.28
Security Expenses	1,066.80	638.83
Staff Recruitment Expenses	278.81	326.85
Subscription & Membership Fee	202.84	823.77
Telephone Expenses	126.15	212.30
Travelling Expenses	222.82	336.93
Vehicle Hire Charges	3,324.84	1,873.11
Lodging & Boarding Expenses	-	59.33
Foreign Exchange Fluctuation	-	-
<b>Total</b>	<b>21,753.21</b>	<b>23,334.76</b>

## Note No. 27 : FINANCIAL RATIOS

Sl. No.	Ratio	Numerator	Denominator	2023	2022	% Variance	Reasons for variance of above 25%
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.09	1.10	-1.42	-
2	Debt- Equity Ratio	Total Debt	Total Equity	1.30	0.87	50.71	Variance is primarily on account of increase in debt.
3	Debt Service Coverage Ratio (in times)	Earnings available for Debt Service	Debt Service	-0.18	4.78	-103.71	Variance is primarily on account of decrease in payment of term loan installments.
4	Return on Equity Ratio (in %)	Profit After Tax	Average Equity	-67.10	1.24	-5495.51	Variance is primarily on account of decrease in profit.
5	Inventory Turnover Ratio (in times)	Net Sales	Average Inventory	NA	NA	NA	-
6	Trade Receivables Turnover Ratio (in times)	Revenue from Operations	Average Trade Receivables	2.69	12.93	-79.21	Variance is primarily on account of decrease in Revenue from Operations and increase in trade receivables.
7	Trade Payables Turnover Ratio (in times)	Adjusted Expenses	Average Payables	0.26	0.43	-40.60	Variance is primarily on account of decrease in adjusted expenses and increase in trade payables.
8	Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Working Capital (i.e. Total current assets)	5.84	9.17	-36.38	Variance is primarily on account of decrease in Revenue from Operations.
9	Net Profit Ratio (in %)	Profit After Tax	Revenue from Operations	-81.91	0.84	-9855.82	Variance is primarily on account of decrease in profit.
10	Return on Investment (in %)	Income generated from Investments	Average Investments	NA	NA	NA	-
11	Return on Capital Employed (in %)	Profit before tax and finance costs	Capital Employed = Net Worth + Lease Liabilities +	-0.05	0.09	-158.86	Variance is primarily on account of decrease in profit.

## 28. FOREIGN EXCHANGE TRANSACTIONS:

	Particulars	31 March 2023 Rupees in Thousands
A	expenditure on Foreign Currency	NIL
B	earnings on Foreign Currency	21,530.26
C	foreign Exchange Gain	87.92

## 29. CONTINGENT LIABILITIES: NIL

**30. MANAGERIAL REMUNERATION:**

		<b>31 March 2023</b> Rupees in Thousands
1.	Sri. M. Dopesha Raja	250.00
2.	Dr. Vyas Murthy Madhava Rao	100.00

The above figures do not include Sitting fee paid and provision for gratuity and leave encashment.

**31. REMUNERATION TO AUDITORS:**

Particulars	31 March 2023 Rupees in Thousands	31 March 2022 Rupees in Thousands
A. Statutory Auditor:		
Statutory Audit Fee	125.00	
Tax Audit Fee	25.00	
Total A		150.00
B. Internal Auditor:		
Internal Auditor Fee	75.00	
Total B		75.00
<b>Total (A) and (B)</b>		<b>225.00</b>

**32. DEFERRED TAX:**

	<b>31 March 2023</b> Rupees in Thousands
In Conformity with the Accounting Standard 22 on Accounting for Taxes on income issued by Institute of Chartered Accountants of India, during the year the Company has provided for the Net Deferred Tax Liability/ Assets in the books of account.	
Net Block as per Companies Act	1,34,059.85
Net Block as per Income Tax Act	1,02,840.13
Timing Difference	31,219.72
Net Tax Liability as on 31-03-2023	8,117.12
Less: Deferred Tax Liability as on 31-03-2022	7,835.85
Effect on Profit and Loss Account (Deferred Tax for the year)	281.27

#Deferred Tax liability represents timing differences in depreciation on fixed assets.

**33. EARNING PER SHARE:****(A) BASIC EARNING PER SHARE**

i.	Number of equity shares outstanding at the beginning of the year.	63,12,000
ii.	Number of equity shares issued during the year.	-NIL-
iii.	Total number of equity shares outstanding at the end of the year.	63,12,000
iv.	Profit available to share holders (Rupees in Thousands)	(42,354.81)
v.	Basic Earning per Share (Face value Rs. 10/-) in Rupees	(6.71)

**(B) DILUTED EARNING PER SHARE**

i.	Number of equity shares outstanding as per Point No. iii above.	63,12,000
ii.	Weighted average number of potential equity shares outstanding	-NIL-
iii.	Weighted average number of shares outstanding	63,12,000
iv.	Profit available to share holders (Rupees in Thousands)	(42,354.81)
v.	Diluted Earning per Share (Face value Rs. 10/-) in Rupees	(6.71)



**34. RELATED PARTY TRANSACTIONS:**

Disclosure as required by Accounting Standard AS 18: Related party disclosures issued by the Institute of Chartered Accountant of India (ICAI) are as follows:

S. No.	Name of the Related Party	Relation	Nature of Transaction	Volume of Transaction (Rupees in Thousands)	Closing Balance as on 31/03/2023 (Rupees in Thousands)
1.	Sarvotham Care	Promoter Director is the proprietor of the firm	Unsecured Loan received by the Company	0.00	800.00
2.	M. Sujana Sheela	Promoter's Spouse	Office Rent	58.41	313.49
3.	Sarvotham Remedies Limited	Promoter Directors are Directors of the Company	Unsecured Loan received by the Company	4,500.00	14,000.00
4.	Sarvotham Solutions Limited	Promoter Directors are Directors of the Company	Unsecured Loan received by the Company	1,050.00	14,550.00
5.	Vayam Research Solutions Limited	Step Subsidiary	Expenses incurred on behalf Vayam Research Solutions Limited	6,973.34	NIL
6.	Vanta Clinical Research Limited	Subsidiary Company	Expenses incurred on behalf of Vanta Clinical Research Limited and Business Advances given by the company	7170.06	8070.34
7.	Sri. M. Dopesh Raja	KMP	Unsecured Loan received by the Company & Key Managerial Personal Compensation	5,150.00 & 250.00	15,975.00
8.	Sri. Zoheb Sayani	KMP	Key Managerial Personal Compensation	285.00	Nil
9.	Dr. Vyas Murthy Madhava Rao	KMP	Key Managerial Personal Compensation	100.00	Nil
10.	D V S Murali	KMP	Key Managerial Personal Compensation	808.82	Nil
11.	Vidhisha Vimalhingu	KMP	Key Managerial Personal Compensation	316.67	Nil
12.	Simhadri Chandra Sekhar Rao	KMP	Unsecured Loan received by the Company	29,900	29,900

**35. SEGMENT REPORTING:**

The Company is engaged in the business of full service preclinical contract research organization. Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

**36. SHARE CAPITAL:**

The authorized capital of the company is Rs. 7,50,00,000/- divided into 75,00,000 equity shares of Rs. 10/- each.

Total Paid up Equity Share Capital of Rs. 6,31,20,000/- are divided into 63,12,000 equity shares of Rs. 10/- each.

**37.** The cash balance as on 31/03/2023 amounts to Rs. 665.21 Thousand. Since we could not undertake physical verification of cash on 31/03/2023 we have relied upon the certificate issued by the management in this regard.

38. In the view of Management, no event has taken place to trigger the need for testing its assets for impairment. Accordingly, as per the management's assessment, the carrying values of its assets as at the Balance sheet date are not higher than their corresponding recoverable amounts
39. In the opinion of the Board the Current assets, Loans and advances are approximately of the value stated if realized in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and not in excess of the amount considered reasonably necessary.
40. Confirmation of balances has not been received from any of the Creditors, Debtors and for Loans & Advances, which are subject to reconciliation. Provision for doubtful debts, if any, in respect of the above and the consequential adjustment, if any, whether of revenue nature or otherwise, will be dealt accordingly.
41. DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
	Principal	Interest	Principal	Interest
Amount due to Vendor	Nil	Nil	Nil	Nil
Principal amount paid (includes unpaid) beyond the appointed date	Nil	Nil	Nil	Nil
Interest due and payable for the period	Nil	Nil	Nil	Nil
Interest accrued and remaining paid	Nil	Nil	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of the information collected by management.

42. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPHS 3 & 4 OF PART II OF SCHEDULE III TO THE COMPANIES ACT 2013, (AS CERTIFIED BY A DIRECTOR): NIL
43. The company has not proposed any dividend for the year under review.
44. During the year the following provisions were made:

Particulars	Rupees in Thousands
Current Tax	NIL

45. An amount of Rs. 24,090.73 Thousands was spent towards Research & Development during the year under review.
46. NCLT, Hyderabad vide their order dated 27.04.2022 has admitted the application of Operational Creditor and has approved the Corporate Insolvency Resolution Process ("CIRP"). The Operational Creditor has alleged for total amount of due including principal and interest of Rs. 1,18,65,000/-. The Company has settled the entire dispute with the operational creditor in the Supreme Court by agreeing to pay an amount of Rs. 90,00,000/- in 4 installments by 15.05.2023.
47. The Company has given a Corporate Guarantee of Rs. 17,00,00,000/- to Vayam Research Solutions Limited, a Step Subsidiary Company of this Company and the same was discharged, but the Satisfaction of Charges is not yet filed with ROC
48. Previous year figures have been regrouped and rearranged wherever necessary.
49. All the amounts are rounded off to the nearest thousands.

As per our attached report of even date

For **Mathesh & Ramana**  
Chartered Accountants

**B. V. Ramana Reddy**  
Partner  
M. No. 026967

On behalf of the Board  
For **Vanta Bioscience Limited**

**(M. Dopesh Raja)**  
Managing Director  
DIN: 01176660

**(Mohan Krishna Mulakala)**  
Director  
DIN: 01448535

Place: Hyderabad  
Date : 10.08.2023

**Zoheb S Sayani**  
Company Secretary  
M.No. F10881

**DVS Murali**  
CFO

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Vanta Bioscience Limited

Report on the Audit of the Consolidated Financial Statements:

#### **Opinion:**

We have audited the accompanying Consolidated Financial Statements of VANTA BIOSCIENCE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of Affairs of the Company as at March 31, 2023, Consolidated Loss, its Consolidated Cash Flows and Consolidated Changes in equity for the year then ended.

#### **Basis for Opinion:**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Emphasis of Matter:**

We draw attention to Note No. 40 of the financial statements, which describes regarding a case filed against the Holding Company with NCLT, Hyderabad. NCLT, Hyderabad vide their order dated 27.04.2022 has admitted the application of Operational Creditor and has approved the Corporate Insolvency Resolution Process ("CIRP"). The Operational Creditor has alleged for total amount of due including principal and interest of Rs. 1,18,65,000/-. The Company has settled the entire dispute with the operational creditor in the Supreme Court by agreeing to pay an amount of Rs. 90,00,000/- in 4 installments by 15.05.2023. Our opinion is not modified in respect of this matter.

#### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon:**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report and the Annexures thereto, but does not include the Financial Statements and our Auditor's Report thereon. The Directors Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

#### **Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements:**

The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the

Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Company is responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group is also responsible for overseeing the Company's financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:**

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

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.

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

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

Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the Independent Auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other Auditors, such other Auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters:**

We did not audit the financial statements / financial information of two subsidiaries, whose financial statements / financial information reflect total assets of Rs. 3,68,773.01 Thousands as at 31st March, 2023 and total revenues of Rs. 11,666.93 Thousands and net cash flows amounting to Rs. (1,249.83) Thousands for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of Net Profit of Rs. (22,451.98) Thousands for the year ended 31<sup>st</sup> March 2023 as considered in the Consolidated Financial Statements in respect of the Subsidiary whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other Auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other Auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other Auditors and the financial statements / financial information certified by the Management.

#### **Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give "Annexure-A" a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable to the company.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other Auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its Subsidiary Companies, none of the Directors of the Group Companies is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of Internal Financial Controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure-B.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) There were no pending litigations which would impact the consolidated financial position of the Group.
    - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.
    - (iv) (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Group to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Group from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - (v) The Holding Company and its Subsidiary has not declared or paid any dividend during the year hence compliance with provisions of Section 123 of the Companies Act 2013 does not arise.
  - (vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule (11) of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its Directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act and is not in excess of the limit laid down under this section and Schedule.

For **MATHESH & RAMANA**  
CHARTERED ACCOUNTANTS

**B. V. RAMANA REDDY**  
M. No. 026967 Partner

Place: Hyderabad  
Date: 10.08.2023  
UDIN: **23026967BGUSDG4690**

## ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT OF CONSOLIDATED FINANCIAL STATEMENTS

### Re: VANTA BIOSCIENCE LIMITED

**Referred to in Paragraph 1 under section (Report on other Legal and Regulatory Requirements of our Report of even date)**

- (xxi) According to the information and explanations given to us, the Company has only two subsidiaries namely Vanta Clinical Research Limited (CIN: U73100TG2018PLC126673) and Vayam Research Solutions Limited (CIN: U73100TG2018PLC127550) which have been included in the Consolidated Financial Statements. The paragraph numbers of the CARO Report of the Subsidiary Company containing the qualifications or adverse remarks are indicated below along with the qualifications or adverse remarks given by the Statutory Auditors of the Subsidiary Company.

### Vanta Bioscience Limited:

#### Clause (iii) (a):

During the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. The details are as follows:

Rupees in Thousands

To whom	The aggregate amount during the year	Balance outstanding at the balance sheet date
Parties other than subsidiaries, joint ventures and associates	2,440.07	5,783.92
Subsidiaries, joint ventures and associates	6,963.24	8,070.94

#### Clause (iii) (f):

The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, required details in respect thereof are as below:

Rupees in Thousands

The aggregate amount	Percentage thereof to the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013
9,403.95	100%	6,963.24

#### Clause (ix) (a):

In our opinion, the company has defaulted in repayment of loans and interest to State Bank of India during the year. The same has been regularised by the end of the year;

#### Clause (xvii):

According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the Company has incurred cash losses during the year. However, the financial statements have been prepared on a going concern basis.

### Vanta Clinical Research Limited:

#### Clause (vii) (a):

The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Goods and Service Tax, Income-Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities except for Tax Deducted at Source that were deposited after the due date. There are no dues outstanding as at the year-end for a period of more than six months from the date they became payable.

#### Clause (ix) (e):

According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has repaid part of the advance received from its Parent Company during the year and had received part amount of unsecured loan given to its subsidiary in previous year.

Advance received during the previous years amounted to Rs. 1,52,40,399/-and the amount outstanding at the year-end was Rs. 80,70,339/-.

**Clause (xvii):**

In our opinion and to the best of our information and according to the explanations given to us and on the basis of examination of the books of account, as the Company had not yet started its operations, it has incurred cash losses during the year and in the immediately preceding financial year. However, the Management is confident that the operations will be started soon and accordingly, no adjustments have been made to the financial statements and these have been prepared on a going concern basis.

**Vayam Research Solutions Limited:****Clause (vii) (a):**

The Company is regular in depositing undisputed statutory dues including Employees' State Insurance, Goods and Service Tax, Income-Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities except for Provident Fund and Tax Deducted at Source that were deposited after the due date. There are no dues outstanding as at the year-end for a period of more than six months from the date they became payable.

**Clause (xvii):**

In our opinion and to the best of our information and according to the explanations given to us and on the basis of examination of the books of account, the Company has incurred cash losses during the year. However, the Management is confident that the operations will generate cash profits during the next year and accordingly, no adjustments have been made to the financial statements and these have been prepared on a going concern basis.

For **MATHESH & RAMANA**  
CHARTERED ACCOUNTANTS

**B. V. RAMANA REDDY**  
M. No. 026967 Partner

Place: Hyderabad  
Date: 10.08.2023



## **ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT**

### **Re: VANTA BIOSCIENCE LIMITED**

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31<sup>st</sup> March, 2023, we have audited the internal financial controls over financial reporting of **VANTA BIOSCIENCE LIMITED** (hereinafter referred to as "the Holding Company") and have adopted the report on the internal financial controls over financial reporting issued by the respective Auditors of its Subsidiary Companies, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls:**

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

#### **Auditors' Responsibility:**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting:**

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting:**

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

The Internal Financial Controls over financial reporting of Subsidiaries have been audited by other Auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Internal Financial Controls over financial reporting, included in respect of these Subsidiaries and our report in terms of Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls insofar as it relates to the aforesaid Subsidiaries, is based solely on the reports of the other Auditors.

**Opinion:**

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

For **MATHESH & RAMANA**  
CHARTERED ACCOUNTANTS

**B. V. RAMANA REDDY**  
M. No. 026967 Partner

Place: Hyderabad  
Date: 10.08.2023

## CONSOLIDATED BALANCE SHEET AS ON 31.03.2023

Rupees in Thousands

Particulars	Note No	As at 31.03.2023	As at 31.03.2022
<b>1. Equity and Liabilities</b>			
<b>I. Share holder's Funds</b>			
a) Share Capital	3	63,120.00	63,120.00
b) Reserves & Surplus	4	1,12,027.35	1,76,950.12
c) Minority Interest		14,149.10	53,373.94
		<b>1,89,296.45</b>	<b>2,93,444.06</b>
<b>II. Share Application Money pending allotment</b>		-	-
<b>III. Non Current Liabilities</b>			
a) Deferred Tax Liabilities (Net)	5	9,654.60	7,835.85
b) Long Term Borrowings	6	4,70,669.55	3,69,974.69
c) Other Long Term Liabilities		-	-
d) Long Term Provisions		-	-
		<b>4,80,324.14</b>	<b>3,77,810.54</b>
<b>IV. Current Liabilities</b>			
a) Short Term Borrowings	7	1,00,944.65	78,693.22
b) Trade Payables	8	42,189.83	24,639.22
c) Other Current Liabilities	9	34,335.98	39,065.68
d) Short Term Provisions	10	-	387.11
		<b>1,77,470.47</b>	<b>1,42,785.24</b>
<b>Total</b>		<b>8,47,091.06</b>	<b>8,14,039.84</b>
<b>2. Assets</b>			
<b>I. Non Current Assets</b>			
a) Property, Plant & Equipment & Intangible Assets			
Property, Plant & Equipment	11	3,32,294.39	1,45,351.71
Capital Work in Progress		-	2,27,803.16
Intangible Under Development		1,06,035.02	56,881.23
Intangible Assets	11	2,39,953.47	2,15,862.74
b) Non Current Investments		-	-
c) Deferred Tax Assets(Net)		-	-
d) Long Term Loans and Advances		-	-
e) Other Non Current Assets	12	16,378.88	23,161.92
		<b>6,94,661.76</b>	<b>6,69,060.76</b>
<b>II. Current Assets</b>			
a) Current Investments		-	-
b) Inventories	13	71,575.36	72,355.49
c) Trade Receivables	14	19,588.57	11,340.80
d) Cash & Cash Equivalents	15	966.47	2,242.31
e) Short Term Loans & Advances	16	53,798.94	51,836.55
f) Other Current Assets	17	6,499.96	7,203.94
		<b>1,52,429.30</b>	<b>1,44,979.09</b>
<b>Total</b>		<b>8,47,091.06</b>	<b>8,14,039.84</b>

See accompanying notes to the financial statements  
As per our report of even date annexed.

For **Mathesh & Ramana**  
Chartered Accountants

For and on behalf of the Board of Directors  
**Vanta Bioscience Limited**

**B. V. Ramana Reddy**  
Partner  
M. No. 026967

**(M. Dopesha Raja)**  
Managing Director  
DIN: 01176660

**(Mohan Krishna Mulakala)**  
Director  
DIN: 01448535

Place: Secunderabad  
Date : 10-08-2023

**DVS Murali**  
CFO

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR  
THE YEAR ENDED 31ST MARCH, 2023**

Rupees in Thousands

Particulars	Note No	As at 31.03.2023	As at 31.03.2022
<b>Revenue</b>			
a) Revenue from Operations	18	62,758.60	96,874.99
b) Other Income	19	6,871.56	4,231.13
<b>Total Income</b>		<b>69,630.16</b>	<b>1,01,106.11</b>
<b>Expenses</b>			
a) Cost of Material consumed	20	8,334.16	7,020.70
b) Purchases of Stock in Trade		-	-
c) Changes in Inventories: Work in Progress	21	1,142.35	-
d) Employee Benefit Expenses	22	39,428.75	30,863.61
e) Finance Cost	23	58,858.91	23,469.71
f) Depreciation and Amortization Expenses	24	26,703.17	13,161.18
g) Other Expenses	25	37,791.91	24,307.25
<b>Total Expenses</b>		<b>1,72,259.26</b>	<b>98,822.45</b>
<b>Profit Before Tax</b>		-1,02,629.10	2,283.67
<b>Tax Expenses</b>			
a) Current Tax		-	563.98
b) MAT Credit Aailed		-	238.33
c) Deferred Tax		1,818.75	611.30
<b>Total</b>		<b>1,818.75</b>	<b>936.95</b>
<b>Net profit for the year</b>		<b>-1,04,447.84</b>	<b>1,346.72</b>
Less: Minority Interest		-39,641.05	464.65
<b>Net profit for the year</b>		<b>-64,806.79</b>	<b>882.07</b>
<b>Earning per Equity Share (In Rupees)</b>			
1. Basic		-10.27	0.14
2. Diluted		-10.27	0.14

See accompanying notes to the financial statements  
As per our report of even date annexed.

For **Mathesh & Ramana**  
Chartered Accountants

For and on behalf of the Board of Directors  
**Vanta Bioscience Limited**

**B. V. Ramana Reddy**  
Partner  
M. No. 026967

**(M. Dopesh Raja)**  
Managing Director  
DIN: 01176660

**(Mohan Krishna Mulakala)**  
Director  
DIN: 01448535

Place: Secunderabad  
Date : 10-08-2023

**DVS Murali**  
CFO

## Consolidated Statement of Cash Flow for the year ended 31st March 2023

Rupees in Thousands

Particulars	As at 31.03.2023	As at 31.03.2022
<b>A. Cash Flow from Operating Activities</b>		
Profit before exceptional , Extraordinary items and Tax	(1,02,629.10)	2283.67
<b>Adjustment for:</b>		
Depreciation	26,703.17	13161.18
Finance Charges	58,858.91	23469.71
Profit on Sale of Fixed Assets	-	-
<b>Sub total</b>	<b>85,562.09</b>	<b>36,630.89</b>
<b>Operating profit Before Working Capital Changes</b>	<b>(17,067.01)</b>	<b>38,914.56</b>
<b>Adjustment for:</b>		
(Increase) /Decrease in Inventories	780.13	25,286.73
(Increase) /Decrease in Trade receivables	-8,247.77	8,807.70
Increase /(Decrease) in Current Liabilities	12,850.01	(3,003.58)
(Increase) /Decrease Loans & Advances	-1,962.39	(17,218.41)
(Increase) /Decrease in Current Investment	7,371.03	-
<b>Sub total</b>	<b>10,791.00</b>	<b>13,872.45</b>
Cash Generated from operations	(6,276.01)	52,787.00
<b>Net Cash Flow from Operating Activities</b>	<b>(6,276.01)</b>	<b>52,787.00</b>
<b>B: Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(2,86,890.37)	(3,321.13)
Capital Work In progress	2,27,803.16	(1,68,486.15)
Investment in Subsidiaries	-	-
<b>Net Cash Flow from Investing Activities</b>	<b>(59,087.21)</b>	<b>(1,71,807.28)</b>
<b>C: Cash Flow from Financing Activities</b>		
Increase /(Decrease) in Unsecured Loan	38,497.10	24,323.00
Increase /(Decrease) in Working capital	5,134.30	(3,315.11)
Increase /(Decrease) in Term Loan	79,314.89	67,961.71
Increase /(Decrease) in share capital	-	29,823.79
Increase /(Decrease) in share Premium	-	-
Finance Charges	(58,858.91)	(23,469.71)
<b>Net Cash Flow from Financing Activities</b>	<b>64,087.38</b>	<b>95,323.68</b>
Actual Payment of Income Tax	-	(563.98)
<b>D: Net Increase/Decrease in Cash and cash Equivalents</b>	<b>(1,275.84)</b>	<b>(24,260.58)</b>
<b>Opening of Cash &amp; Cash Equivalents</b>	<b>2,242.31</b>	<b>26,502.89</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>966.47</b>	<b>2,242.31</b>

See accompanying notes to the financial statements  
As per our report of even date annexed.

For **Mathesh & Ramana**  
Chartered Accountants

For and on behalf of the Board of Directors  
**Vanta Bioscience Limited**

**B. V. Ramana Reddy**  
Partner  
M. No. 026967

**(M. Dopesha Raja)**  
Managing Director  
DIN: 01176660

**(Mohan Krishna Mulakala)**  
Director  
DIN: 01448535

Place: Secunderabad  
Date : 10-08-2023

**DVS Murali**  
CFO

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH, 2022**Note: 1. Corporate information**

Vanta Bioscience Limited ("The Company") was incorporated on 29<sup>th</sup> April 2016. The company is engaged in the business of Preclinical Activities.

Vanta Bioscience Limited has one subsidiary and one step subsidiary. The details are as given below.

- a. Vanta Clinical Research Limited – Wholly Owned Subsidiary of Vanta Bioscience Limited
- b. Vayam Research Solutions Limited - Subsidiary of Vanta Clinical Research Limited

These Companies are engaged in Research & Development in the field of discovery and development of drugs, biological, vaccines, gene-based therapies as well as diagnostics and cosmetics including clinical research.

The list of subsidiaries considered in these financial statements with percentage of holding is as follows.

Name of the Subsidiary	Country of Incorporation	Percentage of Holding	Period of Consolidation
M/s. Vanta Clinical Research Limited	A wholly owned subsidiary of Vanta Bioscience Limited	100%	01.04.2022 to 31.03.2023
M/s. Vayam Research Solutions Limited	A subsidiary of Vanta Clinical Research Limited	Directly – 36.04% Through Directors – 36.33%	01.04.2022 to 31.03.2023

**Note: 2. Summary of Significant Accounting Policies:****a) Basis of Preparation:**

These Consolidated Financial statements have been prepared to meet the requirements under Section 133 of the Companies Act 2013 read with Companies (Accounts) Rules, 2015. The consolidated financial statements of Vanta Bioscience Limited and its subsidiaries (as listed above) collectively referred to as the 'Group', have been prepared and presented under the historical cost convention, on the accrual basis of accounting, in accordance with the provisions of the Companies Act, 2013, to the extent considered necessary for the purpose of these accounts, and in accordance with the accounting principles generally accepted in India ('Indian GAAP') issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

The financial statements of the Company and its subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealized profits are eliminated in full. Unrealized losses resulting from intra group transactions are also eliminated unless cost cannot be recovered.

The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

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

**b) Principles of Consolidation:**

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard 110 "Consolidated Financial statement" issued by the ICAI. The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Parent company and its subsidiaries have been consolidated on a line-by-line basis by adding together the fair values of like items of assets, liabilities, income and expenses, after eliminating the intra-group balances/ transactions and resulting unrealized profits in full. Unrealized losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered, and are presented to the extent possible, in the same manner as the company's independent financial statements.
- ii) The excess of cost to the parent company of its investment in the subsidiary over the parent company's portion of equity at the date on which investment in the subsidiary is made, is recognized as Goodwill (on consolidation). When the cost to the parent of its investment in the subsidiary is less than the parent's company's portion of equity of the subsidiary at the date on which investment in the subsidiary is made, the difference is treated as Capital Reserve (on consolidation) in the consolidated financial statements.
- iii) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the parent company i.e. period ended 31<sup>st</sup> March, 2023.
- iv) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments in the subsidiary companies are made and further movements in their share in the equity, subsequent to the dates of investments.

**c) Use of Estimates:**

The preparation of the consolidated financial statements requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Management believes that estimates made in the preparation of consolidated financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**d) Property, Plant & Equipment:**

Fixed assets are stated at cost less depreciation. Cost includes freight, duties, taxes and incidental expenses related to acquisition and installation of the fixed assets. The expenses related to, and incurred during implementation period have been capitalized under the appropriate heads.

**e) Depreciation:**

Depreciation on Fixed assets has been charged on straight-line method at the rates and the manner specified in Schedule II to the companies act, 2013. The cost of plant materials including re-plantation expenses is being written off over a period of five years.

**f) Inventories:**

Inventories have been taken as valued and certified by the Management. The basis of valuation is as under:

Raw materials, Stores & Spares - at cost or net realizable value whichever is lower.

Finished goods – at cost or net realizable value on FIFO basis whichever is lower.

**g) Revenue recognition:**

The company follows mercantile system of accounting and recognizes significant items of income and expenditure as and when they are incurred and accrued.

**h) Retirement benefits:**

1. Company's contribution to provident fund if any is charged to Profit & Loss Account.
2. Provision has been made in accounts for the future payment of gratuity to the employees of the Company. But the Company has not complied with the actuarial valuation requirements of Gratuity as per the Accounting Standard

**i) Investments:**

Current Investments are valued at fair value. Long Term Investments are valued at fair value. The difference of Book Value and Fair Value is treated as Impairment Loss.

**j) R&D Expenditure:**

Capital expenditure is included in the fixed assets and depreciation as per Company's policy.

Revenue expenditure is charged to profit & loss account of the year in which they are incurred is included in the respective heads of expenditure.

**k) Borrowing Costs:**

Borrowings costs that are directly attributable to the acquisition of qualifying assets are capitalized as part of cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**l) Cash Flow Statement:**

The Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31<sup>st</sup> March, 2023 and the related Profit and Loss Account for the year ended on that date. The Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard - 7 on Cash Flow statement issued by ICAI.

**m) Accounting for Taxes on Income:**

**Current Tax:** Provision for Current Income Tax is made on the basis of the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

**Deferred Tax:** Deferred income tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year-end based on tax rates and laws. Enacted or substantially enacted as of the Balance Sheet date.

**n) Employee Stock Option Scheme:**

The company accounts for equity settled stock options as per the accounting treatment prescribed by Securities and Exchange Board of India (share based employee benefits) Regulations, 2014 and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India.

**o) Impairment of Assets:**

The management assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of cash flow expected to arise from the continuing use of the asset and its eventual disposal. The provision for impairment loss is made when recoverable amount of the asset is lower than the carrying amount.

**p) Government Grants & Other Claims:**

Revenue grants including subsidy/rebates, refunds, claims etc., are credited to profit & loss account under other income or deducted from the related expenses. Grants related to fixed assets are credited to capital reserves account or adjusted in the cost of such assets as the case may be, as and when the ultimate realisability of such grants etc., are established/realized.

**q) Provisions and Contingent Liabilities and Contingent Assets:**

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of obligations and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but if material, are disclosed in the notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

**r) Cash and Cash Equivalents:**

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

**s) Leases:**

Lease rentals in respect of assets acquired under operating lease are charged to Statement of Profit and Loss.

**t) Intangible Assets:**

The expense incurred on the development of overseas markets has been recognized as Intangible Assets and will be amortized over a period of five years. The company is following the practice of writing off Deferred Revenue Expenses over a period of five years and the same accounting treatment is consistently followed for the current year also. Any new deferred revenue expenditure incurred will be written off in the year of such expenditure as per Indian Accounting Standard 38.

**u) Segment Reporting:**

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the company. Further,

- (i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market based.
- (ii) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under "Un-allocated corporate expenses net of un-allocated income".

**v) Foreign Currency transactions:**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the period is recognized in the profit and loss account except for the net exchange gain or loss on account of imported fixed assets, which is adjusted in the carrying amount of the related fixed assets. Foreign currency denominated current assets and current liabilities at period end are translated at the period end exchange rates and the resulting net gain or loss is recognized in the profit and loss account, except for exchange differences related to acquisition of fixed assets purchased from foreign countries is adjusted in the carrying amount of the related fixed assets.

**w) Foreign Currency translation:**

The consolidated financial statements are reported in Indian rupees. Since the company has the non-integral subsidiaries, assets and liabilities are translated at exchange rates prevailing at the date of the Balance sheet. The items in the Profit and loss account are translated at the average exchange rate during the period. The differences arising out of the transactions are transferred to Exchange translation reserve on consolidation of non-integral subsidiary, under Reserves and Surplus.

**x) Earnings per share:**

The basic earnings per equity share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti-dilutive.



**Note No: 3 Share Capital**

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Rupees in Thousands	No. of Shares	Rupees in Thousands
<b>a) Share Capital</b>				
Authorized	75,00,000	75,000.00	75,00,000	75,000.00
Equity Shares of Rs. 10 Each				
Issued, Subscribed and fully paid up	63,12,000	63,120.00	63,12,000	63,120.00
Equity Shares of Rs. 10 Each				
<b>Total</b>	<b>63,12,000</b>	<b>63,120.00</b>	<b>63,12,000</b>	<b>63,120.00</b>

**b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Rupees in Thousands	No. of Shares	Rupees in Thousands
Equity Shares outstanding at the beginning of the year	63,12,000	63,120.00	63,12,000	63,120.00
Equity Shares Issued during the year	-	-	-	-
<b>Total</b>	<b>63,12,000</b>	<b>63,120.00</b>	<b>63,12,000</b>	<b>63,120.00</b>

**c) Terms/ Rights attached to Equity Shares**

The company has only one class of equity shares having par value of Rs. 10 Per share. Each holder of equity share is entitled to one vote per share.

**d) Details of share held by each share Holder holding more than 5% Equity Shares**

Name of the Share holder	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Rupees in Thousands	No. of Shares	Rupees in Thousands
Mulakala Mohan krishna	34,85,500	34,855.00	34,85,500	34,855.00
Mulakala Dopesh Raja	4,58,000	4,580.00	4,58,000	4,580.00
<b>Total</b>	<b>39,43,500</b>	<b>39,435.00</b>	<b>39,43,500</b>	<b>39,435.00</b>

**e) Details of shares held by promoters at the end of the year along with % of change**

Name of the Promoter	As at 31.03.2023		As at 31.03.2022		% of change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
MOHAN KRISHNA MULAKALA	3485500	55.22	3485500	55.22	-
PRADEEP CHOWDARY VEERAMACHINENI	21500	0.34	21500	0.34	-
DOPESH RAJA MULAKALA	458000	7.26	458000	7.26	-
VYASMURTI MADHAVRAO SHINGATGERI	50000	0.79	50000	0.79	-
MULAKALA KARISHMA	50100	0.79	50100	0.79	-
SHRAVAN CHINTAPATLA	80100	1.27	80100	1.27	-
S CHANDRA SEKHAR RAO	122500	1.94	122500	1.94	-
M SAJAN KIRAN	20100	0.32	20100	0.32	-
SOUMYA SIMHADRI	90100	1.43	90100	1.43	-
SUJANA SHEELA MULAKALA	100	0.00	100	0.00	-

**4. Reserves & Surplus**

Particulars	As at 31.03.2023	As at 31.03.2022
Share Premium	152120.00	152120.00
<b>Surplus in Profit &amp; Loss Statement</b>		
Balance as per the last Balance Sheet	24830.12	23948.05
Add: transferred during the Year	-64806.79	882.07
Add: MAT Credit adjustment for earlier years	-115.98	0.00
<b>Total</b>	<b>112027.35</b>	<b>176950.12</b>

**5. Deferred Tax Liability**

Particulars	As at 31.03.2023	As at 31.03.2022
Deferred Tax Liability	9654.60	7835.85

**6. Long Term Borrowings**

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Term Loan</b>		
<b>From Banks and from Financial Institutions</b>		
Secured Borrowings		
Term Loan	319988.53	157905.89
ICICI Bank Term Loan I		114415.29
ICICI Bank Term Loan II		9114.52
ICICI GEC Loan		4693.89
Axis Finance Limited Term Loan	95455.95	50000.00
Unsecured Borrowings	118830.10	80333.00
Less: Amount disclosed under the head short term borrowings payable with in 1 year	63605.03	46487.90
<b>Total</b>	<b>470669.55</b>	<b>369974.69</b>

- Term Loan from State bank of India, SME Branch, Saifabad is secured by the hypothecation of Plant & Machinery including Lab Equipment standing in the name of the Company and primary security of Plot No. K2 11th Cross, SIPCOT, Industrial Complex, Gummidipudi, Tamilnadu-601201
- Collateral Security of Module A123 Quatrant 3, 5th Floor, Cyber Towers, Madhapur, Serlingampally, Rangareddy-500050 and Personal Gurantee of two directors Mr. Mulakala Mohan Krishna and Mr.Mulakala Dopesh Raja
- Term Loan of Subsidiary taken from ICICI Bank is secured by (i) all movable and immovable properties of the company, present and future (ii) corporate guarantee given by Vanta Clinical Research Limited and Vanta Bioscience Limited and (iii) personal guarantee of the Directors.

**7. Short Tem Borrowings**

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Secured Loans</b>		
Cash Credit Loan	34433.18	29221.39
Working Capital Demand Loan	2906.44	2983.93
Current Maturity on Term Loan	63605.03	46487.90
<b>Total</b>	<b>100944.65</b>	<b>78693.22</b>

The Cash Credit and Working Capital Demand Loan from State Bank of India, SME Branch, Saifabad is secured by way of hypothecation of Stocks, Book Debts, first charge on movable fixed assets and further guaranteed by the directors.

Over Draft of Subsidiary taken from ICICI Bank is secured by (i) all movable and immovable properties of the company, present and future (ii) corporate guarantee given by Vanta

Clinical Research Limited and Vanta Bioscience Limited and (iii) personal guarantee of the Directors.

## 8. Trade Payables

Particulars	As at 31 March, 2023				As at 31 March, 2022				Total	
	Outstanding for following periods from due date of payment				Outstanding for following periods from due date of payment					
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 Year	1-2 Years	2-3 Years		More than 3 Years
Undisputed Dues - MSME	-	-	-	-	-	-	-	-	-	-
Undisputed Dues - Others	26,297.84	3,096.47	2,828.36	2,040.32	34,262.99	14,758.74	6,328.94	3,106.77	444.77	24,639.22
Disputed Dues - MSME	-	-	-	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-	-	-	-
<b>Total</b>					<b>7,926.84</b>	<b>14,758.74</b>	<b>6,328.94</b>	<b>3,106.77</b>	<b>444.77</b>	<b>24,639.22</b>

**9. Other Current Liabilities**

Particulars	As at 31.03.2023	As at 31.03.2022
Outstanding Interest on Term Loan	261.64	18887.11
Current Maturity on Term Loan		0.00
Creditors for Expenses	0.00	0.00
Creditors for Capital Goods	2274.69	0.00
Advance from Debtors	0.00	6.45
Outstanding Liabilities	5556.57	1523.92
Salaries & Wages Payable	13165.97	11393.48
Interest Payable on Unsecured Loan	4486.92	0.00
Other Current Liabilities	0.00	4641.25
Statutory Liabilities Payable	8590.19	2613.46
<b>Total</b>	<b>39,065.68</b>	<b>28,010.49</b>

**10. Short Term Provisions**

Particulars	As at 31.03.2023	As at 31.03.2022
Provision of Income Tax	0.00	828.88
Add: Interest on Income Tax	0.00	0.00
Less: TDS	0.00	441.76
<b>Total</b>	<b>0.00</b>	<b>387.11</b>

**12. Other Non Current Assets**

Particulars	As at 31.03.2023	As at 31.03.2022
Electricity Deposit	1065.03	2748.07
Security Deposit with BSE	0.00	0.00
Rental Deposit	0.00	0.00
Security Deposit with NSDL	0.00	0.00
Security Deposits	6213.85	6213.85
Other Deposits with Banks	9100.00	14200.00
Loan to Vayam Research Solutions Limited		
<b>Total</b>	<b>16378.88</b>	<b>23161.92</b>

**13. Inventories**

Particulars	As at 31.03.2022	As at 31.03.2021
Services / Method Under Process	70670.18	71812.53
Closing Stock of Material	905.18	542.96
<b>Total</b>	<b>71575.36</b>	<b>72355.49</b>

## NOTE 11 PROPERTY, PLANT &amp; EQUIPMENT (Fig. in Rupees)

DESCRIPTION	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	As on 01-04-2021	During the Year		Total as on 31-03-2023	As on 01-Apr-22	For the Year	Adjustments/ Deletions	Depreciation transferred to Process under Development	Total as on 31-03-2023	As on 31-03-2023	As on 31-03-2022
		Additions	Deletions								
<b>Tangible Assets:</b>											
LAND	11,750.80	-	-	11,750.80	-	-	-	-	-	11,750.80	11,750.80
BUILDING	60,017.24	39,656	-	99,673.12	8,978.23	9,181.88	5,764.39	12,395.72	81,513.00	51,039.01	51,039.01
PLANT & MACHINERY	31,848	-	-	31,848.27	8,902.85	2,017.06	-	10,919.91	20,928.36	22,945.42	22,945.42
LAB EQUIPMENT	55,080	3,183	-	1,32,328.28	16,596.57	12,538.19	5,480.62	23,654.14	1,03,193.51	41,666.47	41,666.47
MISC. FIXED ASSETS	1,530	13	-	1,543.19	667.59	146.60	-	814.19	729.00	875.60	875.60
COMPUTERS	4,341	50	-	40,694.56	4,236.40	11,613.46	9,059.23	6,790.63	24,844.69	154.30	154.30
ELECTRICAL EQUIPMENT	11,075	-	-	63,436.75	4,875.16	5,954.53	3,881.07	6,948.62	52,607.06	6,199.93	6,199.93
FURNITURE & FITTINGS	16,782	75	-	48,865.48	6,136.98	6,198.47	2,466.91	9,868.54	6,530.03	10,720.18	10,720.18
Vehicles		215.00	-	215.00	-	17.07	-	17.07	197.93	-	-
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,95,745.49</b>	<b>2,34,609.95</b>	<b>-</b>	<b>4,30,355.44</b>	<b>50,393.78</b>	<b>47,667.27</b>	<b>26,652.22</b>	<b>71,408.83</b>	<b>3,32,294.39</b>	<b>1,45,351.72</b>	<b>1,45,351.72</b>
<b>Intangible Assets:</b>											
Research & Development	2,15,862.74	24,090.73	-	2,39,953.47	-	-	-	-	2,39,953.47	2,15,862.74	2,15,862.74
<b>TOTAL</b>	<b>2,15,862.74</b>	<b>24,090.73</b>	<b>-</b>	<b>2,39,953.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,39,953.47</b>	<b>2,15,862.74</b>	<b>2,15,862.74</b>
<b>Intangible Assets:</b>											
Research & Development	1,38,660.67	77,202.07	-	2,15,862.74	-	-	-	-	2,15,862.74	1,38,661.00	1,38,661.00
<b>TOTAL</b>	<b>1,38,660.67</b>	<b>77,202.07</b>	<b>-</b>	<b>2,15,862.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,15,862.74</b>	<b>1,38,661.00</b>	<b>1,38,661.00</b>

**NOTE No. 14  
TRADE RECEIVABLES**

Particulars	As at 31 March, 2023					As at 31 March, 2022						
	Outstanding for following periods from due date of payment					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	Total	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good	17,741.67	-	1,105.44	374.53	366.93	19,588.57	10,139.45	37.80	400.29	366.93	396.33	11,340.80
Undisputed Trade Receivables - Considered Doubt	-	-	-	-	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - Considered Doubt	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>17,741.67</b>	<b>-</b>	<b>1,105.44</b>	<b>374.53</b>	<b>366.93</b>	<b>19,588.57</b>	<b>10,139.45</b>	<b>37.80</b>	<b>400.29</b>	<b>366.93</b>	<b>396.33</b>	<b>11,340.80</b>

**15. Cash & Cash Equivalents**

Particulars	As at 31.03.2023	As at 31.03.2022
In Current Accounts	251.261546.04	
Cash on Hand	715.21696.27	
<b>Total</b>	<b>966.472242.31</b>	

**16. Short Term Loans & Advances**

Particulars	As at 31.03.2023	As at 31.03.2022
Advance for Capital Goods	9976.35	10594.40
Advance for Expenses	4969.83	4214.44
Staff Advance-Salary	1123.41	1036.90
GST Input Credit	35644.97	34755.95
TDS Receivable	351.08	346.61
Other Business Advances	661.26	78.60
Interest Accrued	1072.06	809.65
<b>Total</b>	<b>53798.94</b>	<b>51836.55</b>

**17. Other Current Assets**

Particulars	As at 31.03.2023	As at 31.03.2022
Prepaid Expenses	595.60	1269.56
IT Refund	1726.12	1640.15
MAT Credit	4178.25	4294.23
<b>Total</b>	<b>6499.96</b>	<b>7203.94</b>

**18. Revenue from Operations**

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Revenue from Testing Analysis Service Charges(Domestic)	41,228.34	23,791.30
Revenue from Testing Analysis Service charges(Export)	21,530.26	53,466.46
<b>Service Executed Bills Under process</b>		
Unbilled Revenue	-	19,617.23
<b>Total</b>	<b>62,758.60</b>	<b>96,874.99</b>

**19. Other Income**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Gain in Sale of Investment	-	-
Foreign Exchange Fluctuation	87.92	148.23
Profit on Sale of Asset	-	-
Other Income	6,189.81	3,306.38
Interest Income	593.83	776.52
<b>Total</b>	<b>6,871.56</b>	<b>4,231.13</b>

**20. Consumption of Material**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Opening Stock of materials	<b>446.91</b>	<b>446.91</b>
<b>Add: Purchases</b>		
Purchase of Lab chemicals	1,918.07	1,282.30
Feed Cost	886.93	904.74
Purchase of consumables	1,086.64	1,392.24
Purchase of Live animals	2,094.95	2,277.30
Testing Charges	59.25	471.38
Other Direct Expenses	1,655.20	477.26
Purchases	995.34	311.53
<b>Sub Total</b>	<b>9,239.34</b>	<b>7,563.66</b>
Less: Closing Stock	905.18	542.96
<b>Total</b>	<b>8,334.16</b>	<b>7,020.70</b>

**21. Change in Inventory-Work in Progress**

Particulars	For the Year ended 31.03.2023
Opening Method and process	71,812.53
Less: Closing Method and process	70,670.18
<b>Total</b>	<b>1,142.35</b>

**22. Employment Benefit Expenses**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Salaries & Wages	32,277.52	21,954.17
Director Remuneration	4,850.00	4,200.00
Staff Welfare Expenses	753.30	992.86
Insurance to Employees		412.80
Contribution to PF	1,246.92	1,108.73
Contribution to ESI	42.04	77.98
Leave Encashment	17.42	11.92
Labour Charges	216.55	2,105.15
Staff Training Expenses	25.00	
<b>Total</b>	<b>39,428.75</b>	<b>30,863.61</b>

**23. Finance Cost**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Interest on Cash On Credit	4,794.72	4,290.92
Interest on Term Loan	19,257.34	15,494.58
Interest on Working Capital Term Loan	1,023.64	2,294.09
Interest on GECL Loan	2,757.85	739.36
Interest on Others	5.88	3,299.19
Interest on Unsecured Loan	4,985.47	
Interest on Income Tax	-	-
Interest on Loan taken	23,226.92	
Bank Charges	133.91	185.15
Loan Processing Fee	2,673.19	135.70
<b>Total</b>	<b>58,858.91</b>	<b>26,438.99</b>



**24. Depreciation and Amortisation Expenses**

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Depreciation	21,015.05	13,161.18
Amortisation	5,688.12	
<b>Total</b>	<b>26,703.17</b>	<b>13,161.18</b>

**25. Other Expenses**

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Goods and Service Tax	4,468.66	2,933.34
Factory Maintenance	115.80	148.63
Lab Maintenance	409.84	675.64
Repairs & Maintenance - P&M	339.99	310.76
Repairs & Maintenance - Others	90.15	823.55
Diesel Charges	420.97	759.52
Electricity Charges	7,070.80	4,729.64
Advertisement Expenses	-	31.25
Rent	4,769.04	191.16
Audit Fee		
Statutory Audit Fee	350.00	350.00
Internal Audit Fee	75.00	75.00
Audit Expenses	4.93	2.50
Business Development Expenses	181.45	126.63
Commission	430.98	2,398.05
Computer Expenses	-	210.46
Consultancy Charges	1,823.12	1,213.20
Conveyance	191.42	617.33
Director's Sitting Fee	-	160.00
Filing Fees	5.40	1.20
General Expenses	5.75	63.89
Income Tax	<b>7.18</b>	
Insurance	459.14	103.41
Internet Expenses	166.86	203.29
Legal Expenses	715.00	500.00
Office Maintenance	97.29	166.54
Other Expenses	3,280.45	643.84
Postage & Telegrams	40.52	110.60
Printing & Stationery	136.28	626.42
Professional Charges	3,999.86	
Rates & Taxes	446.59	1,024.86
Registration & Renewals	142.34	287.14
Safety Expenses	138.24	548.28
Security Expenses	1,817.54	638.83
Staff Recruitment Expenses	278.81	326.85
Subscription & Membership Fee	202.84	823.77
Telephone Expenses	227.86	212.30
Travelling Expenses	1,556.97	336.93
Vehicle Hire Charges	3,324.84	1,873.11
Lodging & Boarding Expenses	-	59.33
Foreign Exchange Fluctuation	-	-
<b>Total</b>	<b>37,791.91</b>	<b>24,307.25</b>

## Note No. 26 : FINANCIAL RATIOS

Sl. No.	Ratio	Numerator	Denominator	2023	2022	% Variance	Reasons for variance of above 25%
1	Current Ratio (in times)	Current Assets	Current Liabilities	0.82	1.02	-15.41	-
2	Debt - Equity Ratio (in times)	Total Debt	Total Equity	3.02	1.53	97.50	Variance is primarily on account of increase in debt.
3	Debt Service Coverage Ratio (in times)	Earnings available for Debt Service	Debt Service	-0.71	2.45	-128.75	Variance is primarily on account of increase in payment of term loan installments.
4	Return on Equity Ratio (in %)	Profit After Tax	Average Equity	-102.67	1.40	-7447.14	Variance is primarily on account of decrease in profit.
5	Inventory Turnover Ratio (in times)	Net Sales	Average Inventory	NA	NA	NA	-
6	Trade Receivables Turnover Ratio (in times)	Revenue from Operations	Average Trade Receivables	3.20	8.54	-62.49	Variance is primarily on account of decrease in Revenue from Operations and decrease in trade receivables.
7	Trade Payables Turnover Ratio (in times)	Adjusted Expenses	Average Payables	0.42	0.63	-34.33	Variance is primarily on account of increase in trade payables.
8	Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Working Capital (i.e. Total current assets)	-2.51	44.16	-105.68	Variance is primarily on account of decrease in Revenue from Operations and Working Capital.
9	Net Profit Ratio (in %)	Profit After Tax	Revenue from Operations	-166.43	1.39	-12071.83	Variance is primarily on account of decrease in profit.
10	Return on Investment (in%)	Income generated from Investments	Average Investments	NA	NA	NA	-
11	Return on Capital Employed (in %)	Profit before tax and finance costs	Capital Employed = Net Worth + Lease Liabilities +	-22.00	8.55	-357.38	Variance is primarily on account of decrease in profit.

27. In the view of Management, no event has taken place to trigger the need for testing its assets for impairment. Accordingly, as per the management assessment, the carrying values of its assets as at the Balance sheet date are not higher than their corresponding recoverable amounts.

## 28. FOREIGN EXCHANGE TRANSACTIONS

	Particulars	31 March 2023 Rupees in Thousands
A	Expenditure on Foreign Currency	NIL
B	Earnings on Foreign Currency	21,530.26
C	Foreign Exchange Gain	87.92

## 29. CONTINGENT LIABILITIES: NIL

**30. AUDITOR'S REMUNERATION:**

Rupees in Thousands

Particulars	31 March 2023	31 March 2022
A. Statutory Auditor:		
Statutory Audit Fee	325.00	
Tax Audit Fee	25.00	
Total A		350.00
B. Internal Auditor:		
Internal Auditor Fee	75.00	
Total B		75.00
<b>Total (A) and (B)</b>		<b>425.00</b>

**31. MANAGERIAL REMUNERATION:**

		31 March 2023 Rupees in Thousands
1.	Sri. M. Dopesha Raja	4,750.00
2.	Dr. Vyas Murthy Madhava Rao	100.00

The above figures do not include Sitting fee paid and provision for gratuity and leave encashment.

**32. EARNING PER SHARE (EPS):**

Particulars	Period Ended 31 March 2022	Period Ended 31 March 2021
Profit attributed to the Equity Shareholders (Rupees in Thousands) (A)	(64,806.79)	882.07
Weighted average number of Equity Shares Outstanding during the year (B)	63,12,000	63,12,000
Face Value of Equity Shares (Rs)	10/-	10/-
Basic Earnings per share (Rs.) - (A/B)	(10.27)	0.14
Diluted Earnings per Share (Rs.) (A/B)	(10.27)	0.14

**33. OPERATING SEGMENTS:**

The Company is engaged in the business of Preclinical Activities and is not engaged in any other kind of business. Hence segment reporting is not applicable.

**34. RELATED PARTY TRANSACTIONS:**

Disclosure as required by Accounting Standard AS 18: Related party disclosures issued by the Institute of Chartered Accountant of India (ICAI) are as follows:

S. No.	Name of the Related Party	Relation	Nature of Transaction	Volume of Transaction (Rupees in Thousands)	Closing Balance as on 31/03/2023 (Rupees in Thousands)
<b>VANTA BIOSCIENCE LIMITED (HOLDING COMPANY)</b>					
1.	Sarvotham Care	Promoter Director is the proprietor of the firm	Unsecured Loan received by the Company	0.00	800.00
2.	M. Sujana Sheela	Promoter's Spouse	Office Rent	58.41	313.49
3.	Sarvotham Remedies Limited	Promoter Directors are Directors of the Company	Unsecured Loan received by the Company	4,500	14,000.00
4.	Sarvotham Solutions Limited	Promoter Directors are Directors of the Company	Unsecured Loan received by the Company	1,050.00	14,550.00
5.	Sri. M. Dopesha Raja	KMP	Unsecured Loan received by the Company & Key Managerial Personal Compensation	5,150 & 250	15,975.00
6.	Sri. Zoheb Sayani	KMP	Key Managerial Personal Compensation	285.00	Nil
7.	Dr. Vyas Murthy Madhava Rao	KMP	Key Managerial Personal Compensation	100.00	Nil
8.	D V S Murali	KMP	Key Managerial Personal Compensation	808.82	Nil
9.	Vidhisha Vimalhingu	KMP	Key Managerial Personal Compensation	316.67	Nil
10.	Simhadri Chandra Sekhar Rao	KMP	Unsecured Loan received by the Company	29,900	29,900
<b>VANTA CLINICAL RESEARCH LIMITED (SUBSIDIARY COMPANY)</b>					
1.	Sarvottam Remedies Limited	Common Directors	Repayment of Unsecured Loans	10,500.00	0.00
2.	Sarvottam Solutions Limited	Common Directors	Repayment of Unsecured Loans	7300.00	4,100.00
3.	M. Dopesha Raja	Director	Unsecured Loans	20,467.10	35,405.10
4.	Yati Chugh	KMP	Remuneration	642.47	382.07
5.	Sarvottam Care Limited	Common Directors	Repayment of Unsecured Loans	4,600.00	0.00

**35. DEFERRED TAX:**

Particulars	31 March 2023 Rupees in Thousands
In Conformity with the Accounting Standard 22 on Accounting for Taxes on income issued by Institute of Chartered Accountants of India, during the year the Company has provided for the Net Deferred Tax Liability/ Assets in the books of account.	
Net Block as per Companies Act	3,32,294.39
Net Block as per Income Tax Act	2,94,965.83
Timing Difference	37,328.56
Net Tax Liability as on 31-03-2023	9,654.60
Less: Deferred Tax Liability as on 31-03-2022	7,835.35
Effect on Profit and Loss Account (Deferred Tax for the year)	1,818.75

#Deferred Tax liability represents timing differences in depreciation on fixed assets.

- 36.** In the opinion of the Board the Current assets, Loans and advances are approximately of the value stated if realized in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and not in excess of the amount considered reasonably necessary.
- 37.** Confirmation of balances has not been received from any of the Creditors, Debtors and for Loans & Advances, which are subject to reconciliation. Provision for doubtful debts, if any, in respect of the above and the consequential adjustment, if any, whether of revenue nature or otherwise, will be dealt accordingly.
- 38. DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:**

As regards to the compliance of provisions relating to the dues to Micro, Small and Medium Enterprises in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, the Company has sent letters to the Creditors to confirm whether they are Micro, Small and Medium Enterprises. The Company is yet to receive the confirmations from them. Hence, the Company could not quantify the dues, if any to the Micro, Small and Medium Enterprises.

Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
	Principal	Interest	Principal	Interest
Amount due to Vendor	Nil	Nil	Nil	Nil
Principal amount paid (includes unpaid) beyond the appointed date	Nil	Nil	Nil	Nil
Interest due and payable for the period	Nil	Nil	Nil	Nil
Interest accrued and remaining paid	Nil	Nil	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of the information collected by management.

- 39.** Additional information pursuant to Part II of Schedule III of the Companies Act, 2013. Quantitative and other details: Not Applicable.
- 40.** NCLT, Hyderabad vide their order dated 27.04.2022 has admitted the application of Operational Creditor and has approved the Corporate Insolvency Resolution Process ("CIRP"). The Operational Creditor has alleged for total amount of due including principal and interest of Rs. 1,18,65,000/-. The Company has settled the entire dispute with the operational creditor in the Supreme Court by agreeing to pay an amount of Rs. 90,00,000/- in 4 installments by 15.05.2023.
- 41.** During the year the following provisions are made:

Particulars	Rupees in Thousands
Current Tax	Rs. NIL

## 42. Information on Net Assets and Share of Profits as at March 31, 2023:

Name of the Entity	Net Assets (Total Assets less Total Liabilities)		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount in Rupees	As % of Net Profits	Amount in Rupees
<b>Parent</b>				
Vanta Bioscience Limited	112.71%	1,97,417.24	40.55%	(42,354.81)
<b>Subsidiaries</b>				
Vanta Clinical Research Limited	(12.71)%	(22,269.89)	21.50%	(22,451.98)
Minority Interest		14,149.10	37.95%	(39,641.05)

## Information on Net Assets and Share of Profits as at March 31, 2022:

Name of the Entity	Net Assets (Total Assets less Total Liabilities)		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount in Rupees	As % of Net Profits	Amount in Rupees
<b>Parent</b>				
Vanta Bioscience Limited	99.92%	2,39,888.03	58.29%	785.00
<b>Subsidiaries</b>				
Vanta Clinical Research Limited	0.08%	182.09	7.21%	97.07
Minority Interest		53,373.94	34.50%	464.65

## 42. Figures have been rounded off to the nearest thousands.

As per our attached report of even date

For **Mathesh & Ramana**  
Chartered AccountantsFor and on behalf of the Board of Directors  
**Vanta Bioscience Limited****B. V. Ramana Reddy**  
Partner  
M. No. 026967**(M. Dopesh Raja)**  
Managing Director  
DIN: 01176660**(Mohan Krishna Mulakala)**  
Director  
DIN: 01448535Place: HYDERABAD  
Date : 10-08-2023**Zoheb S Sayani**  
Company Secretary  
M.No. F10881**DVS Murali**  
CFO

**VANTA BIOSCIENCE LIMITED  
(Under CIRP)**

CIN: L74999TG2016PLC109280

Address: No.02/G/308/G NO.3/FF/SF/1-20-248, Umajay Complex Rasoolpura,  
Secunderabad – 500003, Telangana

Tel No.: +91 40 6657 5454, Email ID: cs@vantabio.com

**ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING**6<sup>th</sup> Annual General Meeting

(Please complete this attendance slip and hand it over at the entrance of the registered office)

I/ We hereby record my/ our presence at the 6th Annual General Meeting of the Company held on Saturday, December 31, 2022 at 10:00 A.M. at 197, Arun Khetarpal Rd, Uma Nagar Colony, Sikh Village, Bowenpally, Secunderabad – 500009, Telangana.

Name of the Member/Proxy \_\_\_\_\_ Signature \_\_\_\_\_

Folio No. \_\_\_\_\_ No. of Shares Held \_\_\_\_\_

\*DP ID \_\_\_\_\_ \*Client ID \_\_\_\_\_

\*Applicable to investors holding shares in Electronic Form

## Notes:

1. Electronic copy of the Annual Report for 2022 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.
2. Physical copy of the Annual Report for 2022 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email ids are not registered with the Company or have requested for a hard copy.

**VANTA BIOSCIENCE LIMITED  
(Under CIRP)**

CIN: L74999TG2016PLC109280  
Address: No.02/G/308/G NO.3/FF/SF/1-20-248, Umajay Complex Rasoolpura,  
Secunderabad – 500003, Telangana  
Tel No.: +91 40 6657 5454, Email ID: cs@vantabio.com

**FORM NO. MGT-11**

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the  
Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
E-mail ID:	
Folio No/ Client ID:	
DP ID:	No. of Shares Held:

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1.	Name:	
	Address	
	Email ID	Signature
	Or failing him	
2.	Name:	
	Address	
	Email ID	Signature
	Or failing him	
3.	Name:	
	Address	
	Email ID	Signature
	Or failing him	

as my/ our proxy to attend and vote (on poll) for me/ us and on my/ our behalf at the 6th Annual General Meeting of the Company held on Saturday, December 31, 2022 at 10:00 A.M. at 197, Arun Khetarpal Rd, Uma Nagar Colony, Sikh Village, Bowenpally, Secunderabad – 500009, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No.	Resolution	For	Against
1.	To receive, consider and adopt the Standalone and Consolidated audited financial statements for the financial year ended March 31, 2022 along with the Reports of the Auditors and Board of Directors thereon.		

Please put a tick mark ( ) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signed this ..... day of ..... 2022.

Signature of Member



Signature of Proxy holder(s):



**FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS/NOTICES BY  
ELECTRONIC MODE**

To  
Bigshare Services Private Limited  
RTA of Vanta Bioscience Limited  
306, Right Wing, Amrutha Ville Apts. Somajiguda, Hyderabad – 500 082  
Contact No. : 040 2337 4967

**Sub: Registration of email address for receiving documents/notices by electronic mode**

**Ref: Vanta Bioscience Limited - Scrip Code: 540729 – ISIN: INE695X01011**

I agree to receive all documents/notices and other correspondences and communications including the annual report from the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

The following are my details

Name of Sole/First Holder:

DP ID Client ID/ Regd. Folio No:

PAN No.:

Email Address:

Phone No.

I request you to kindly update the same in your records. I instruct you to send all documents/notices and other correspondences and communications including annual report from the Company in electronic mode to the email id mentioned above.

Name:\_\_\_\_\_

Signature:\_\_\_\_\_

Date:

Place:



# ROUTE MAP



