

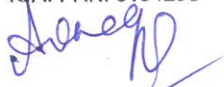
Alivira Animal Health Limited, Ireland  
 Balance Sheet as at 31 March 2022  
 Amounts in USD (\$) unless otherwise stated

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	161	582
(b) Intangible asset	4	124,447	166,110
(c) Intangible asset under development	4	82,093	143,087
(d) Non-current Investments	5	63,661,375	63,059,915
<b>Total non-current assets</b>		<b>63,868,076</b>	<b>63,369,694</b>
<b>2 Current assets</b>			
(a) Inventories	6	-	223,401
(b) Financial assets			
(i) Trade receivables	7	3,612,502	4,843,764
(ii) Cash and cash equivalents	8	180,103	650,258
(iii) Loans	9	19,476,232	14,158,351
(c) Other current assets	10	178,944	74,757
		<b>23,447,781</b>	<b>19,950,631</b>
<b>TOTAL ASSETS</b>		<b>87,315,857</b>	<b>83,320,225</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	11	16,063,086	16,063,086
(b) Other equity	12	34,264,352	33,447,355
<b>Total equity</b>		<b>50,327,438</b>	<b>49,510,441</b>
<b>2 Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	7,909,281	9,104,432
<b>Total non-current liabilities</b>		<b>7,909,281</b>	<b>9,104,432</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Short-term borrowings	14	26,881,152	21,465,945
(ii) Trade payables	15	2,194,661	3,239,407
(iii) Other financial liabilities	16	3,325	-
<b>Total current liabilities</b>		<b>29,079,138</b>	<b>24,705,352</b>
<b>Total liabilities</b>		<b>36,988,419</b>	<b>33,809,784</b>
<b>Total equity and liabilities</b>		<b>87,315,857</b>	<b>83,320,225</b>

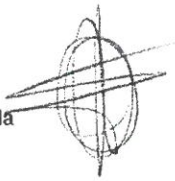
The accompanying notes are integral part of these standalone financial statements

For and on behalf of the Board Of Directors

For M O J & ASSOCIATES  
 Chartered Accountants  
 ICAI FRN: 015425S

  
 Avneep L Mehta  
 Partner  
 Membership no. 225441



  
 Ramon Vila  
 Director

Date: 23 May 2022  
 Place: Bangalore

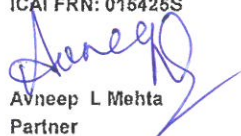
Date: 23 May 2022  
 Place: Thane

Allvira Animal Health Limited, Ireland  
Statement of Profit and Loss for the year ended March 2022  
Amounts in USD (\$) unless otherwise stated

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
(I) Revenue From Operations	17	4,992,302	6,884,151
Other Income	18	3,175,243	1,652,404
<b>Total Income (I)</b>		<b>8,167,545</b>	<b>8,536,555</b>
(II) <b>EXPENSES</b>			
(a) Purchases of stock-in-trade	19	3,629,270	5,606,186
(b) Changes in inventories of finished goods and work-in-progress	20	223,401	-
(c) Employee benefits expense	21	12,109	150,657
(d) Finance costs	22	718,854	396,716
(e) Depreciation and amortisation expenses	23	43,704	36,983
(f) Other expenses	24	4,298,676	2,434,000
<b>Total expenses (II)</b>		<b>8,926,014</b>	<b>8,624,542</b>
(III) <b>Profit before tax (I-II)</b>		<b>(758,469)</b>	<b>(87,987)</b>
(IV) Tax expense		-	-
(V) <b>Profit (Loss) for the year (IV-III)</b>		<b>(758,469)</b>	<b>(87,987)</b>
(VI) Other Comprehensive Income		-	-
(VII) <b>Total Comprehensive Income for the period (VII+VIII)</b>		<b>(758,469)</b>	<b>(87,987)</b>
<b>Earnings per equity share</b>	26		
(1) Basic (in Rs.)		(0.06)	(0.01)
(2) Diluted (In Rs.)		(0.06)	(0.01)

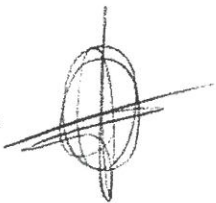
The accompanying notes are an integral part of the financial statements.

For M O J & ASSOCIATES  
Chartered Accountants  
ICAI FRN: 015425S

  
Avneep L Mehta  
Partner  
Membership no. 226441



For and on behalf of the Board Of Directors

  
Ramon Vila  
Director

Date: 23 May 2022  
Place: Bangalore

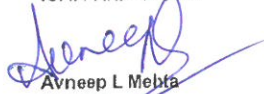
Date: 23 May 2022  
Place: Thane

Allvira Animal Health Limited, Ireland  
Statement of cash flows for the year ended 31 March 2022  
Amounts in USD (\$) unless otherwise stated

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash flow from operating activities</b>		
Net Profit before tax	(758,469)	(87,987)
Adjustments for:		
Depreciation and amortisation expense	43,704	36,983
Finance cost	718,854	396,716
Provision for diminution in value of Investments	1,304,100	-
Inventory written off	223,401	-
Intangible assets under development written off	60,994	-
Dividend Income	(1,948,587)	(762,455)
Unrealised forex gain/ loss (net)	(173,763)	74,831
Interest Income	(610,266)	(548,166)
Operating profit before working capital changes	(1,140,032)	(890,078)
Changes in working capital		
(Increase)/decrease in trade receivables	1,038,196	(2,332,047)
Increase/(decrease) in trade and other payables	(1,237,491)	1,902,965
Net change in working capital	(199,295)	(429,082)
Cash generated from/ (used in) operations	(1,339,327)	(1,319,160)
Direct taxes (paid)/refund	-	-
Net cash generated from/ (used in) operations	A (1,339,327)	(1,319,160)
Cash flow from investing activities		
Dividend received	1,948,587	762,455
Loans given and repaid by related parties (net)	(4,963,393)	(1,486,208)
Acquisitions of intangible assets	(1,820)	(32,849)
Investment in Subsidiaries	(330,094)	(19,486,066)
Net cash used in investing activities	B (3,346,520)	(20,252,668)
Cash flow from financing activities		
Proceeds from bank loan	1,633,800	9,870,000
Loan taken from related parties	7,432,920	12,800,000
Loan repaid by related parties	-	303,300
Repayment of Loan taken from related parties	(2,704,035)	(869,048)
Repayment of Bank Borrowings	(2,006,173)	(340,691)
Interest Cost	(140,821)	(135,218)
Net cash generated from financing activities	C 4,215,692	21,638,344
Net increase/(decrease) in cash and cash equivalents during the year/	A+B+C (470,155)	66,516
Cash and cash equivalents at the beginning of the year (refer note 8)	650,258	583,742
Cash and cash equivalents at the end of the year	180,103	650,258
Significant Accounting Policies	2	

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

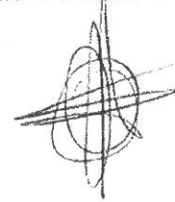
As per our report of event date  
For M O J & ASSOCIATES  
Chartered Accountants  
ICAI FRN: 015426S

  
Avneep L Mehta  
Partner  
Membership no. 226441

Date: 23 May 2022  
Place: Bangalore



For and on behalf of the Board Of Directors

  
Ramon Vila  
Director

Date: 23 May 2022  
Place: Thane

Allvira Animal Health Limited, Ireland

Statement of Changes In Equity (SOCIE) for the year ended 31 March 2022

Amounts in USD (\$) unless otherwise stated

(a) Equity share capital	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	13,781,275	16,063,086	12,565,751	14,725,888
Changes in equity share capital during the year			1,215,524	1,337,198
Balance at the end of the reporting year	13,781,275	16,063,086	13,781,275	16,063,086

(b) Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance at April 1, 2020	37,661,814	(4,126,572)	33,535,342
Movement during the year	-	-	-
Loss for the year	-	(87,987)	(87,987)
Balance at March 31, 2021	37,661,914	(4,214,559)	33,447,355
Movement during the year	1,675,466	-	1,675,466
Profit for the year	-	(758,469)	(758,469)
Balance at March 31, 2022	39,237,380	(4,973,028)	34,264,352

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

As per our report of event date

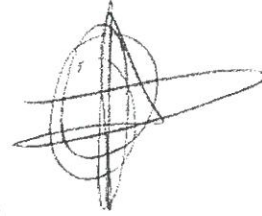
For and on behalf of the Board Of Directors

For M O J & ASSOCIATES  
Chartered Accountants  
ICAI FRN: 016425S

  
Anoop L Mehta  
Partner  
Membership no. 225441  
Date: 23 May 2022  
Place: Bangalore



Ramon Vila  
Director



Date: 23 May 2022  
Place: Thane

Note

1 Corporate Information

The Company incorporated on 1 September 2014, is a private company limited by shares, incorporated and domiciled in Ireland with company registration number 548942. The company seeks to develop, manufacture and sell veterinary products, including both active pharmaceutical ingredients (API) and formulations to cater to the global market through its various subsidiaries.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The Financial Statements have been prepared on accrual basis under the historical cost convention.

The financial statements of Alivra Animal Health Limited (the Company) have been prepared, in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Functional and Presentation Currency

These financial statements are presented in US Dollars ("\$") which is the Company's functional currency. The Directors of the Company believe that \$ most faithfully represents the economic effects of the underlying transactions, events and conditions.

2.3 Investment in Subsidiary Companies

These investments are held at cost less any impairment. The investments are reviewed for impairment if there are events or changes in circumstances that indicate that the carrying values may not be recoverable. If such a review indicates the carrying amount of an investment exceeds the recoverable amount, the investments carrying amount is written down to its recoverable amount in the period in which it is identified. Any impairment is charged to the statement of comprehensive income.

2.4 Inventory

Inventories comprises of finished goods. These are valued at the lower of cost and net realizable value. Cost is determined on First in First out basis for finished goods - 'At material cost, conversion costs and an appropriate share of production overheads.

2.5 Revenue recognition

The company recognises revenue as per IND AS 115 i.e "Revenue from Contracts with Customers". The standard requires to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration that it expects to be entitled to in exchange for those goods or services. The standard uses 5-step model to recognize revenue when the control is transferred: Identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when or as the performance obligations are satisfied.

Revenue from export sales is recognized on the basis of the shipping bills for exports. Revenue from domestic sales is recognized based on the passage of title of goods which generally coincides with dispatch. Sales are stated net of discounts, other taxes, and sales returns.

Dividend income is recognised when the right to receive the same is established.

Interest income is recognised on an accrual basis.

2.6 Employee benefits

Short term employee benefits are accrued based on the terms of employment when services are rendered by the employees and charged as an expense to the statement of profit and loss.

2.7 Foreign currency transactions

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the Balance Sheet date

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the period-end rates. Non monetary items of the Company are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the period.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the statement of profit and loss.

2.8 Taxes on Income

Income Tax comprises the current tax provision. Current tax is the amount of tax payable on the taxable income for the period.

2.9 Share-based compensation

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 30.

2.10 Earnings per share (EPS)

In determining the Earnings per share, the Company considers the net profit after tax. The number of shares used in computing Basic Earnings per share is 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 equity shares considered for deriving Basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.



#### 2.11 Provisions and contingencies

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not recognized but are disclosed in the notes to financial statements.

#### 2.12 Use of estimates

The preparation of the financial statements in conformity with the Accounting Standards generally accepted in India requires that the Management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Management believes that the estimates used in preparation of financial statement are prudent and reasonable. Actual results could differ from those estimates and the estimates are recognised in the period in which the results are known/materialise.

#### 2.13 Segment

Segments have been identified taking into account the nature of services, the differing risks and returns, the organizational structure and the internal reporting system.

#### 2.14 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

#### 2.15 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

#### 2.16 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities are segregated based on the available information.

#### 2.17 Cash and cash equivalents (for purposes of cash flow statement)

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### 2.18 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



Alivira Animal Health Limited, Ireland  
Notes to the financial statements for year ended 31 March 2022  
Amounts in USD (\$) unless otherwise stated

**3 Property, plant and equipment**

Carrying Amounts of:	As at 31 March 2022	As at 31 March 2021
Computers	161	582
	<b>161</b>	<b>582</b>

Cost	Computers
Balance as on 01 April 2020	1,190
Balance as on 31 March 2021	1,190
Balance as on 31 March 2022	1,190

Accumulated depreciation	Computers
Balance as on 01 April 2020	183
Depreciation expense for the year	425
Balance as on 31 March 2021	608
Depreciation expense for the year	421
Balance as on 31 March 2022	1,029

Carrying amount	Computers
Balance as on 31 March 2021	582
Balance as on 31 March 2022	161

4 Other intangible assets

Carrying amounts of:	As at 31 March 2022	As at 31 March 2021
Marketing rights	124,447	166,110
	124,447	166,110
Intangible assets under development	82,093	143,087
	82,093	143,087

Cost	Marketing rights	Total
Balance as on 01 April 2020	202,668	202,668
Additions	-	-
Transfer on account of Business combination (refer note 50)	-	-
Deletions	-	-
Balance as on 31 March 2021	202,668	202,668
Additions	1,620	1,620
Deletions	-	-
Balance as on 31 March 2022	204,288	204,288

Accumulated amortisation	Marketing rights	Total
Balance as on 01 April 2020	36,558	36,558
Amortisation expense for the year	-	-
Deletions	-	-
Balance as on 31 March 2021	36,558	36,558
Amortisation expense for the year	43,283	43,283
Deletions	-	-
Balance as on 31 March 2022	79,841	79,841

Carrying amount	Marketing rights	Total
Balance as on 31 March 2021	166,110	166,110
Balance as on 31 March 2022	124,447	124,447



6	Non-current Investments	Face value	No. of shares	As at 31 March 2022	No. of shares	As at 31 March 2021
	<b>A. Investments in subsidiaries</b>					
	Unquoted equity instruments (fully paid-up) carried at cost					
	Bremer Pharma GmbH	1 share =30000 EUR 1 Share =50000 EUR 1 share =400000EUR 1 share =250000EUR	4	1,728,521	4	1,510,508
	Fendigo SA	Euro 10	6,250	5,188,789	6,250	5,188,789
	N-Vet AB	SEK 100	5,766	2,869,816	5,766	2,869,816
	Alivira Italia S.R.L.	Euro 1	95,000	107,099	95,000	107,099
	Alivira France	Euro 1500	750	1,304,100.00	750	1,304,100
	Less:Provsion for dimunltion in value of Investments			-1,304,100.00		
	Fendigo BV	Euro 10	3,000	408,271	3,000	408,271
	Provet Veteriner Ürünleri San. ve Tic. A.S.	TL 10,000	200	37,482,113	200	37,100,588
	Alivira Saude brasil participacoes Ltda	BRL 1	999,900	579,517	999,900	307,000
	Vila Viña Participações S.L.	Euro 10	127,890	14,408,489	127,890	13,975,605
	Alivira Animal Health USA LLC	USD 1	597,500	870,017	288,000	288,000
	Alivira Animal Health UK Ltd	GBP 1	15,100	20,733	100	139
	<b>Total</b>			<b>63,681,376</b>		<b>63,059,916</b>

Allvira Animal Health Limited, Ireland  
Notes to the financial statements for year ended 31 March 2022  
Amounts in USD (\$) unless otherwise stated

6 Inventories

	As at 31 March 2022	As at 31 March 2021
Finished goods	-	223,401
<b>Total</b>	<b>-</b>	<b>223,401</b>

7 Trade receivables

	As at 31 March 2022	As at 31 March 2021
Other debts		
(a) Unsecured, considered good	3,612,502	4,843,764
<b>Total</b>	<b>3,612,502</b>	<b>4,843,764</b>

Trade receivable ageing schedule

As on 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	1,499,494	295,928	71,453	93,163	2,000	1,650,474	3,612,502

As on 31 March 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	1,979,654	854,739.46	58,248.00	58,868.24	441.80	1,891,811.79	4,843,764

8 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- In current accounts	180,103	650,258
<b>Total</b>	<b>180,103</b>	<b>650,258</b>

9 Loans

	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good;		
Loans & advances to related parties	19,476,232	14,158,351
<b>Total</b>	<b>19,476,232</b>	<b>14,158,351</b>

10 Other current assets

	As at 31 March 2022	As at 31 March 2021
Advance to supplier	99,808	
Balances with government authorities	127	13
Prepaid expenses	79,009	74,744
<b>Total</b>	<b>178,944</b>	<b>74,757</b>

11 Share capital

	As at 31 March 2022	As at 31 March 2021
Equity share capital [Refer note 11 (a)]	16,063,086	16,063,086
<b>Total</b>	<b>16,063,086</b>	<b>16,063,086</b>



Alivira Animal Health Limited, Ireland  
Notes to the financial statements for year ended 31 March 2022  
Amounts in USD (\$) unless otherwise stated

12 Other equity

	As at 31 March 2022	As at 31 March 2021
<b>a) Retained earnings</b>		
Opening balance	(4,214,559)	(4,126,572)
Add: Profit/(Loss) for the year	(758,489)	(87,987)
Closing balance	<u>(4,973,028)</u>	<u>(4,214,559)</u>
<b>b) Other reserves</b>		
Balance at the beginning of the year	37,661,914	29,730,179
Share Options Outstanding Account	1,575,466	
Add: Premium on shares issued during the year		7,931,735
Balance at the end of the year	<u>39,237,380</u>	<u>37,661,914</u>
<b>Other Equity (Total)</b>	<u><u>34,264,352</u></u>	<u><u>33,447,355</u></u>

13 Long term borrowings

	As at 31 March 2022	As at 31 March 2021
<b>Term loan from banks</b>		
Secured	5,726,094	8,207,504
Unsecured	2,183,187	896,928
Total	<u>7,909,281</u>	<u>9,104,432</u>

Notes:

(i) Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

Particulars	Terms of repayment	As at 31 March 2022	As at 31 March 2021
<b>Secured term loan from banks:</b>			
The Hongkong and Shanghai Banking corporation Limited-Backed by:	Repayable in 18 quarterly instalments, commencing from July 2021. Repayable fully by September 2025	5,726,094	8,207,504
1. Standby Letter of Credit (Standby Documentary Credit) from HSBC, India			
2. The assignment agreement on the intercompany loan given to Provet			
3. Floating charge on the Current Account at Alivira Ireland			
<b>Unsecured term loan from banks:</b>			
B.B.V.A.	Repayable in 20 quarterly instalments, commencing from October 2019. Repayable fully by July 2024.	515,842	8,207,504
B.B.V.A.	Repayable in 20 quarterly instalments, commencing from May 2023. Repayable fully by February 2027.	1,667,345	896,928
<b>Total</b>		<u>7,393,439</u>	<u>9,104,432</u>

(ii) The interest on above term loans from banks are fixed in nature.

(iii) For the current maturities of long-term borrowings, refer note 14 in short term borrowings

(iv) The Company has satisfied all the covenants prescribed in the terms of borrowings

(v) The interest on above term loans from bank ranges from 1.60% to 1.75%

Allvira Animal Health Limited, Ireland  
Notes to the financial statements for year ended 31 March 2022  
Amounts in USD (\$) unless otherwise stated

14 Short term borrowings

	As at 31 March 2022	As at 31 March 2021
Loan from related parties		
Unsecured		
Allvira Animal Health Limited, India [Refer Note (i)]	23,174,454	17,061,531
Fendigo BV [Refer Note (i)]	223,130	235,673
Fendigo SA [Refer Note (i)]	-	590,327
-N-Vet AB (Repayable on demand)	222,359	-
Laboratorios Karizoo, S.A [Refer Note (ii)]	853,115	1,547,390
Loan from other parties		
HSBC Bank	296	
Current maturities of long-term debt	2,407,798	2,031,024
<b>Total</b>	<b>26,881,152</b>	<b>21,465,945</b>

Notes:

- (i) The above loans are repayable on demand  
(ii) This loan is repayable as per repayment schedule  
(iii) The interest on the above loan ranges from 1.80% to 2.25%

15 Trade payable

	As at 31 March 2022	As at 31 March 2021
Trade payable	2,194,661	3,239,407
<b>Total</b>	<b>2,194,661</b>	<b>3,239,407</b>

As on 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(ii) Others	88,395.03	1,389,354.19	715,902.30	1,009.48			2,194,661.00

As on 31 March 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(ii) Others	28,039.12	1,901,417.97	1,309,949.91				3,239,407.00

16 Other Financial liabilities

Derivative Instruments (fair value)

3,325	
<b>3,325</b>	<b>-</b>



11 Share capital	No. of shares	As at 31 March 2022	No. of shares	As at 31 March 2021
(a) Issued, subscribed and fully paid-up Equity shares of Euro 1 each	13,781,275	16,063,086	13,781,275	16,063,086
Total		<u>16,063,086</u>		<u>16,063,086</u>

Notes:

(i) Reconciliation of the number of shares and amount outstanding:

Fully paid equity shares	No. of shares	Share capital
Balance as on 01 April 2020	12,565,751	14,726,888
Shares Issued during the year	<u>1,215,524</u>	<u>1,337,188</u>
Balance as on 31 March 2021	<u>13,781,275</u>	<u>16,063,086</u>
Shares Issued during the year	-	-
Balance as on 31 March 2022	<u>13,781,275</u>	<u>16,063,086</u>

(ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Euro. 1 per share. Each holder of equity shares is entitled to one vote per share. Each equity shareholder is entitled to dividend in the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
Alivira Animal Health Limited, India	13,781,275	100.00%	12,565,751	100.00%

(b) Share Application money pending allotment

During the previous year ended March 31, 2021, the Company has Issued 1,215,524 shares at Euro 6.93 per share with face value of Euro 1 each.



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	Year ended 31 March 2022	Year ended 31 March 2021
<b>17 Revenue from operations</b>		
Sale of products	4,863,739	6,834,151
Other operating revenues	128,563	50,000
<b>Total</b>	<b>4,992,302</b>	<b>6,884,151</b>
<b>18 Other Income</b>		
Interest income	610,268	548,166
Dividend income	1,948,587	762,455
Miscellaneous income	493,188	341,783
Net gain on foreign currency transactions and translation	123,202	-
<b>Total</b>	<b>3,175,243</b>	<b>1,652,404</b>
<b>19 Purchases of stock-in-trade</b>		
Purchases of stock-in-trade	3,852,671	5,606,186
<b>Total</b>	<b>3,852,671</b>	<b>5,606,186</b>
<b>20 Changes in Inventories of finished goods and work-in-progress &amp; intermediates</b>		
Opening stock	223,401	223,401
Finished goods (including stock-in-trade)	223,401	223,401
Closing stock		
Work-in-progress and intermediates	-	223,401
Finished goods (including stock-in-trade)	-	223,401
<b>Net (Increase) / decrease</b>	<b>223,401</b>	<b>-</b>
<b>21 Employee benefits expense</b>		
Salaries and wages	12,109	12,705
Expense on employee stock based compensation	0	137,952
<b>Total</b>	<b>12,109</b>	<b>150,657</b>
<p>Note: During the previous year, the ultimate Holding Company has allotted 14,00,000 shares to the employees of its Subsidiary companies, where in, the charged has borne by the Company.</p>		
<b>22 Finance costs</b>		
Interest expense	627,580	358,234
Other borrowing costs	91,274	38,482
<b>Total</b>	<b>718,854</b>	<b>396,716</b>



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23 Depreciation and amortization expense

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment	421	425
Amortisation on intangible assets	43,283	36,558
<b>Total</b>	<b>43,704</b>	<b>36,983</b>

24 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Travel expenses	-	8,197
Consumables	-	1,756
Legal and professional charges	810,871	1,573,911
Marketing expenses	5,157	77,778
Rates and taxes	1,223	-
Remuneration to directors	-	46,879
Net loss on foreign currency transactions and translation	-	74,831
Other expenses	-	7,347
Research & Development Expenses	2,171,407	638,817
Provision for diminution in value of investments	1,304,100	-
Communication expenses	5,163	4,484
<b>Total</b>	<b>4,298,676</b>	<b>2,434,000</b>



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25 Earnings per share

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net profit / (loss) for the year as per statement of profit and loss	(758,469)	(87,987)
Weighted average number of equity shares	13,781,275	13,781,275
Earnings / (Loss) per share - Basic	(0.06)	(0.01)
Earnings / (Loss) per share - Diluted	(0.06)	(0.01)

26 Control of the Company

Sequent Scientific Limited is the ultimate controlling Company, which is incorporated and domiciled in India.

27 Contingent liabilities and commitments

There are no contingent liability and commitments

28 Segment Information

Segments have been identified taking into account the nature of services, the differing risks and returns, the organisational structure and the internal reporting system

**Primary segment: Business segment**

The Company is mainly engaged in the business of trading and marketing of Pharmaceutical products. Considering the nature of business and financial reporting of the Company, the Company has only one business segment viz; Pharmaceuticals as primary reportable segment.

**Secondary segment: Geographical segment**

The company operates in three principal geographic locations.

- (i) Europe
- (ii) Asia
- (iii) Rest of the world

	Year ended 31 March 2022	Year ended 31 March 2021
<b>I. Revenue from Operations</b>		
Europe	4,766,912	5,791,108
Asia	125,390	95,343
Rest of the world	100,000	997,700
<b>Total</b>	<b>4,992,302</b>	<b>6,884,151</b>
<b>II. Total Assets</b>		
Europe	4,098,189	5,856,843
Asia	80,061	40,116
Rest of the world	-	205,000
Unallocated	83,137,607	77,218,266
	<b>87,315,857</b>	<b>83,320,225</b>





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29 Related Party Disclosures:

A List of related parties:

- i) Holding company:  
Alivira Animal Health Limited, India  
Sequent Scientific Limited, India (Ultimate Holding Company)
- ii) Subsidiaries  
Bremer Pharma GmbH  
Alivira Animal Health USA LLC  
Fendigo SA (Refer note 1 below)  
N-Vet AB  
Alivira Italla S.R.L.  
Alivira France  
Fendigo BV (Refer note 2 below)  
Provet Veteriner Ürünleri San. ve Tic. A.Ş. (Refer notes 3 below)  
Alivira Saude brasil participacoes Ltda  
Alivira UA Limited  
Alivira Animal Health Australia Pty Limited ( Strike off w.e.f 13 May 2020)  
Vila Viena Participações S.L.  
Alivira Animal Health UK Ltd  
Alivira Animal Health USA LLC
- iii) Step Down Subsidiaries  
Alivira Saude Animal Ltda. (Name changed from Interchange Veterinária Indústria E Comércio Ltda w.e.f 30 January 2022)  
Topkim İlaç Premiks San. ve Tic. A.Ş  
Laboratorios Karizoo, S.A  
Laboratorios Karizoo, S.A. DE C.V. (Mexico)  
Comercial Vila Veterinaria De Lleida S.L.  
Phytotherapeutic Solutions S.L  
Evanvet Distribuidora De Productos Veterinarios Ltda ( Name changed from Evance Saude Animal Ltda w.e.f 03 February 2021)  
Nourri Sae Nutria Animal (Nourrie) (Refer Note 4)

Note 1: During the previous year, the Company acquired remaining 7.5% stake in Fendigo SA

Note 2: During the previous year, the Company remaining 15% stake in Fendigo BV

Note 3: During the previous year, the Company acquired remaining 40% stake in Provet Veteriner Ürünleri San. ve Tic. A.Ş

Note 4: During the year Alivira Saude Animal Ltda acquired 100% stake in Nourri Sae Nutria Animal (Nourrie),S







Alivira Animal Health Limited, Ireland  
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B. Balance as at balance sheet date:

Nature of Transactions	Ultimate Holding Company		Holding Company		Subsidiaries		Step Down Subsidiaries		Key management personnel	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
(i) Loan Receivables: Provect Veterinær Ürünleri San. ve Tic. A.Ş. Alivira Saude brasil participacoes Ltda Bremer Pharma GmbH Alivira Italy Alivira Saude Animal Ltda.					5,641,104 5,782,523 5,066,801 103,877 2,881,926	5,443,870 4,739,084 3,867,581 107,817 -				
(ii) Borrowings: Alivira Animal Health Limited, India Fendigo BV Fendigo SA Laboratorios Kantzoo, S.A Alivira France N-Vet AB		17,061,531	23,174,454		223,130 - - -	235,873 590,327 - -	853,115 222,359	1,547,390		
(iii) Trade receivables Bremer Pharma GmbH Laboratorios Kantzoo, S.A Topkim ilaç Premiks San. ve Tic. A.Ş Provect Veterinær Ürünleri San. ve Tic. A.Ş. Alivira UA Limited Interchange Veterinária Indústria E Comércio Ltda. Alivira Animal Health Limited, India Alivira Italy Fendigo SA					143,508 1,875,086 298,010 175,913	400,564 1,872,470 127,876 37,397 94,641	58,569 - 124,655	201,756 34,735 454 58,224		
(vi) Trade Payables Laboratorios Kantzoo, S.A Bremer Pharma GmbH Sequent Scientific Limited, India Alivira Animal Health Limited, India			14,865	17,016						
			1,727,376	2,480,374						



30 Financial instruments  
The carrying value and fair value of financial instruments by categories are as follows:

	Carrying value and fair value	
	As at 31 March 2022	As at 31 March 2021
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
Investment in subsidiaries	63,661,375	63,059,915
Trade receivables	3,612,502	4,843,764
Cash and cash equivalents	180,103	650,258
Loans	19,476,232	14,168,351
<b>Total</b>	<b>86,930,212</b>	<b>82,712,288</b>
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
Borrowings (including current maturity of long-term borrowings)	34,790,433	30,570,377
Trade payables	2,194,661	3,239,407
<b>Total</b>	<b>36,985,094</b>	<b>33,809,784</b>

30.1 Financial risk management objectives and policies

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

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these standalone financial statements.

**Risk management framework**

The Company's activities makes it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.



30.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from the Company's trade receivables. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies.

The Company's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

Given below is ageing of trade receivable spread by period of six months:

	31 March 2022	31 March 2021
Outstanding for more than 6 months	1,817,080	2,009,370
Others	1,795,422	2,834,394
	<u>3,612,502</u>	<u>4,843,764</u>

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls.

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and where appropriate, credit guarantee insurance cover is purchased for export customers.

Information about major customer

Revenue from two external customer is approximately USD 3,516,110 (31 March 2021 : USD 43,39,329 ) representing 72% (31 March 2021 : 63%) of Company's total revenue from business for the year ended 31 March 2022 and total exposure in receivables is 32% for the year ended 31 March 2022 (31 March 2021 : 27%). Apart from the aforesaid two customer, the Company does not have a significant credit risk exposure to any other single counterparty.

30.3 Liquidity risk

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

The Company has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022 and 31 March 2021:

Particulars	As at 31 March 2022			
	Less than 1 year	1-2 years	2 years and above	Total
Borrowings (including current maturity of long-term borrowings)	28,881,152	2,444,753	5,464,527	34,790,433
Trade payables	2,191,309	1,009,46	-	2,194,661
Particulars	As at 31 March 2021			
	Less than 1 year	1-2 years	2 years and above	Total
Borrowings (including current maturity of long-term borrowings)	21,465,945	2,537,523	6,566,909	30,570,377
Trade payables	3,239,407	-	-	3,239,407
Other financial liabilities	-	-	-	-



30.4 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is exposed to interest rate risk arising mainly from debt. The Company is exposed to interest rate risk because the fair value of fixed rate borrowings and the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

The Company is also exposed to foreign currency risk on certain transactions that are denominated in a currency other than the Company's functional currency; hence exposures to exchange rate fluctuations arise. Considering the country and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rate foreign currency exposure.

Foreign currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales.

a) Foreign currency risk from financial instruments are given below:

Foreign currency	As at 31 March 2022		As at 31 March 2021	
	Receivable / (payable)	Receivable / (payable) in foreign currency	Receivable / (payable)	Receivable / (payable) in foreign currency
Euro	7,707,258	6,942,850.01	6,476,940	5,524,043
Euro	-12,065,144	-10,668,519.77	-14,348,097	-12,237,183
AUD	112	150.00	1,601	2,104
GBP	19,685	15,000	20,640	15,000
Net Exposure	<u>(4,338,089)</u>		<u>(7,848,916)</u>	

b) Derivatives Instruments

Derivative transactions are undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. As at 31 March 2022, The Company has EUR 1,500,000 outstanding forward exchange contracts (31 March 2021:Nil)

c) Foreign currency sensitivity analysis

The Company is mainly exposed to currency fluctuation of USD and Euro.

The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balance below would be negative.

10% decrease in foreign currency	Impact on profit or loss and total equity	
	31 March 2022	31 March 2021
Currency of Euro (Eur)	435,789	787,116
Others	(11)	(2,224)
10% Increase in foreign currency		
Currency of Euro (Eur)	(435,789)	(787,116)
Others	11	2,224

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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 Notes to the standalone financial statements for the period ended 31 March 2022  
 All amounts are in Rs. million unless otherwise stated

30.5 Financial Instrument - Risk exposure and fair value

Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates

Interest rate risk

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments are as follows:

	31 March 2022	31 March 2021
Fixed rate Instruments		
Financial liabilities		
-Borrowings from bank	10,317,079	11,135,456
-Borrowings from others	24,473,354	19,434,921
<b>Total</b>	<b>34,790,433</b>	<b>30,570,377</b>

31 Capital Management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. As at 31 March 2021, there is no breach of covenant attached to the borrowings.

The Company manages its capital to ensure that Company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (offset by cash and bank balances) and total equity of the Company.

The Company's Gearing Ratio at end of the year is as follow.

Particulars	31 March 2022	31 March 2021
Borrowings(Including current maturity of long-term borrowings) (i)	34,790,433	30,570,377
Cash and cash equivalents (ii)	180,103	650,258
Net debt (i) - (ii)	34,610,330	29,920,119
<b>Total equity</b>	<b>49,510,441</b>	<b>49,598,428</b>
<b>Gearing ratio</b>	<b>70%</b>	<b>60%</b>

(i) Debt is defined as long-term (including current maturity of long term borrowings excluding financial guarantee contracts) and short-term borrowings.

(iii) Gearing ratio : Net debt / Equity.

As per our report of even date

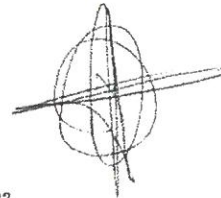
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For M O J & ASSOCIATES  
 Chartered Accountants  
 ICAI FRN: 0154255

*(Signature)*  
 Anoop L Mehta  
 Partner  
 Membership no. 225441



Ramon Villa  
 Director



Date: 23 May 2022  
 Place: Thane

Date: 23 May 2022  
 Place: Bangalore