INDEPENDENT AUDITOR'S REPORT
To the Members of Sapien Biosciences Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion:

We have audited the accompanying standalone financial statements of **Sapien Biosciences Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements 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, Board of Directors are 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) 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 of the Act.

   h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For KARRA & CO.,
Chartered Accountants
Firm's Registration No. 001749S

K.Sathiyanarayan an
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Date: 2020.06.17 15:25:48 +05'30'

K.Sathiyanarayanan
Partner
Membership No.210737
UDIN: 20210737AAAABP7652
Date: 17th June 2020
Place: Chennai

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Sapien Biosciences Private Limited** of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **Sapien Biosciences Private Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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, to the best of our information and according to the explanations given to us, 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 March 31, 2020, 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 Karra & Co.,
Chartered Accountants,
FRN:001749S

K.Sathiyanarayan
an
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Date: 2020.06.17 15:26:17 +05'30'

K.Sathiyanarayanan
Partner
Mem.No.210737
UDIN: 20210737AAAABP7652
Date: 17th June 2020
Place: Chennai

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sapien bio science Private Limited of even date).

i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets

(b) The fixed assets are physically verified by the Management to cover all the assets every year, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Refer Note. 30 forming part of the financial statements for the physical verification of fixed assets during the year.

(c) According to the information and explanations given to us the company does not have any immovable properties and hence the provisions of this clause are not applicable.

ii) The Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.

iii) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of Companies Act 2013.

iv) This clause is not applicable since the Company has not granted any loan or advances or has provided any guarantee or security as per the Section 185 & 186 of the Companies Act,2013.

v) According to the information and explanation given to us, the Company has not accepted any deposits from the public under the provisions of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under and the directives issued by the Reserve Bank of India are not applicable.

vi) The maintenance of cost records has not been specified by Central Government hence this clause is not applicable.

vii) (a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues applicable to the Company including provident fund, employees' state insurance, income-tax, cess and other statutory dues with the appropriate authorities during the financial year ended 31st March 2020. There are no undisputed amounts payable in respect of income tax, cess and other statutory dues which are outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.

(b) There are no dues in respect of income tax, Goods and service tax, cess and other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

viii) This clause is not applicable as there is no loan from financial institution.

ix) The company has not raised moneys by way of initial public offering or further public offer (including debt instruments). However, the company has taken term loan from a bank during the year and it was applied for the purpose for which the term loan was raised.

x) To the best of our knowledge and belief and according to the information and explanation given to us no fraud on or by the Company has been noticed or reported during the period under Audit. Hence disclosure of the nature and the amount involved in the fraud is not applicable.

xi) This clause is not applicable as no Managerial Remuneration has been paid / provided during the year.

xii) This clause is not applicable as the company is not a Nidhi Company.

xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year

xv) The Company has not entered into any non-cash transactions with the directors or persons connected with them.

xvi) This clause is not applicable as the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Karra& Co.,
Chartered Accountants
Firm Registration Number: 001749S

K.Sathiyanarayanan Digitally signed by K.Sathiyanarayanan
Date: 2020.06.17 15:26:43 +05'30'

K.Sathiyanarayanan
Partner
Membership Number: 210737
UDIN: 20210737AAAABP7652
Place : Chennai
Date : 17th June 2020

Sapien Biosciences Private Limited

Statement of Profit and Loss for the Year ended March 31, 2020

(All amounts are in Rs unless otherwise stated)

Statement of unaudited financial results

Particulars	Quarter ended 31 March 2020 (Unaudited)	Quarter ended 31 December 2019 (Unaudited)	Quarter ended 31 March 2019 (Unaudited)	Year ended 31 March 2020 (Audited)	Year ended 31 March 2019 (Audited)
1 Income					
(a) Revenue from Operations	42,05,620	48,01,421	1,42,13,994	2,50,56,933	2,38,97,267
(b) Other Income	5,53,802	58,61,393	32,909	63,73,328	1,86,686
2 Total Income	47,59,422	1,06,62,814	1,42,46,903	3,14,30,261	2,40,83,953
3 Expenses					
(a) Cost of materials & Services	1,85,016	12,56,504	13,46,942	25,09,649	30,80,503
(b) Changes in stock of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
(c) Employee benefit expense	42,23,082	36,07,865	28,40,317	1,33,81,127	1,20,05,179
(d) Finance costs	1,49,235	1,47,567	1,46,931	5,91,711	5,99,596
(e) Depreciation and amortisation expense	50,022	41,021	24,106	1,62,098	87,846
(f) Other expenses	(96,045)	10,34,762	43,93,633	29,87,409	73,89,413
4 Total Expenses	45,11,310	60,87,720	87,51,929	1,96,31,994	2,31,62,537
5 Profit/(loss) before tax	2,48,112	45,75,094	54,94,975	1,17,98,267	9,21,416
6 Tax expense:					
(a) Current tax	3,99,784	-	-	3,99,784	29,752
(b) Deferred tax	(2,269)	1,73,948	-	2,17,090	6,507
7 Profit (Loss) for the year from continuing operations	(1,53,941)	44,01,146	54,94,975	1,11,81,393	8,85,157
8 Profit/(loss) for the year (7-8)	(1,53,941)	44,01,146	54,94,975	1,11,81,393	8,85,157
9 Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss					
(a) Remeasurements of the defined benefit liabilities/(assets)	(1,33,313)	-		(1,33,313)	-
(ii) income tax relating to items that will not be reclassified to profit or loss		-			-
10 Total Other Comprehensive Income	(1,33,313)	-	54,94,975	1,10,48,080	-
11 Total Comprehensive Income for the Year (8+10)	(2,87,254)	44,01,146	54,94,975	1,10,48,080	8,85,157
12 Paidup Equity share capital (net) (Face value Rs.10/-)	1,42,860	1,42,860	1,42,860	1,42,860	1,42,860
13 Other Equity (excluding revaluation reserve)		-		(1,93,77,210)	(3,04,25,289)
14 Earnings per equity share :					
(a) Basic (in Rs.)	-20	308	385	773	62
(b) Diluted (in Rs.)	-20	308	385	773	62

1 These financial results were reviewed and recommended and approved by the Board of Directors at their meetings held on 17th June 2020. These results are as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modifiied by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The Statutory auditors have carried out a limited review of the financial results for the quarter ended 31st March 2020.

2 The Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

3 The Company is engaged in the business of building a high-quality bio-repository that integrates ethically consented human samples with associated medical, pathological & diagnostic data and leverage this resource to develop & deliver high-end diagnostic applications, which in the context of Indian Accounting Standards (Ind AS) - 108 Operating segments, is considered as the operating segment of the Company.

4 Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on 20 September 2019, corporate assesses have been given the option to apply lower income tax rate with effect from 01 April 2019, subject to certain conditions specified therein. The Company has evaluated the options and have decided to adopt the lower income tax rate w.e.f.1-4-2019.

5 Previous period figures have been regrouped / reclassified wherever necessary to correspond with the current periods classification / disclosure.

See accompanying notes forming part of the financial statements

In terms of our report attached

For Karra & Co.,
Chartered Accountants
FRN:001749S
K.Sathiyanarayanan
Partner
Membership No: 210737

For and on behalf of the Board of Directors

Name: Jugnu Jain
Director
DIN: 03518645

Name: [illegible]
Director
DIN: 02559343

Place: Chennai
Date : 17th June 2020

KARRA & CO.
F.R.N 001749S
"Anugraha"
No. 28,
Murray's Gate Rd.,
Alwarpet,
Chennai - 18.
Chartered Accountants

K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road,
Alwarpet, Chennai - 600 018.

Sapien Biosciences Private Limited
Balance Sheet as at March 31, 2020
(All amounts are in Rs unless otherwise stated)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	8,74,781	6,56,311
(b) Financial Assets		-	-
(c) Deferred tax assets (net)		-	1,72,253
Total Non - Current Assets		**8,74,781**	**8,28,565**
Current assets			
(a) Financial Assets			-
(i) Trade receivables	5	27,64,638	93,87,773
(ii) Cash and cash equivalents	6	1,07,55,078	18,02,072
(iii) Tax Assets	7	5,09,309	6,65,720
(b) Other current assets	8	3,09,261	1,80,475
Total Current Assets		**1,43,38,286**	**1,20,36,040**
Total Assets		**1,52,13,067**	**1,28,64,605**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital			
Share Capital		1,42,860	1,42,860
(b) Other Equity	9	(1,93,77,210)	(3,04,25,289)
Total Equity		**(1,92,34,350)**	**(3,02,82,429)**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i)Borrowings measured at amortised cost	10	2,90,00,000	3,13,60,000
(ii) Other Financial Liabilities	11	20,05,501	26,67,835
(b) Provisions	12	10,97,728	5,89,685
(c) Deferred tax liabilities		-	-
(d) Other Non Current liabilities		-	-
Total Non - Current Liabilities		**3,21,03,229**	**3,46,17,520**
Current liabilities			
(a) Financial Liabilities			
(i)Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	6,41,041	15,53,128
(ii)Others			
(b) Provisions	12	1,07,492	1,54,793
(c) Other current liabilities	14	15,95,655	68,21,592
Total Current Liabilities		**23,44,188**	**85,29,513**
Total Liabilities		**3,44,47,417**	**4,31,47,033**
Total Equity and Liabilities		**1,52,13,067**	**1,28,64,605**

See accompanying notes forming part of the financial statements

In terms of our report attached

For **Karra & Co.,**
Chartered Accountants
FRN 001749S
K. Sathiyan
K.Sathiyanarayanan
Partner
Membership No: 210737

K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road,
Alwarpet, Chennai - 600 018.

Place: Chennai
Date : 17th June 2020

KARRA & CO. F.R.N 001749S "Anugraha" No. 28, Murray's Gate Rd., Alwarpet, Chennai - 18. Chartered Accountants

For and on behalf of the Board of Directors

Name: Jugraj Jain
Director
DIN: 03518645

Name: K HariPrasad
Director
DIN: 02559343

Sapien Biosciences Private Limited
Statement of Profit and Loss for the year ended 31, March, 2020
(All amounts are in Rs unless otherwise stated)

	Particulars	Notes	Year ended 31 March 2020	Year ended 31 March 2019
I	Revenue from Operations	15	2,50,56,933	2,38,97,267
II	Other Income	16	63,73,328	1,86,686
III	Total Income		3,14,30,261	2,40,83,953
IV	Expenses			
	Cost of materials & Services	17	25,09,649	30,80,503
	Changes in stock of finished goods, work-in-progress and stock-in-trade		-	-
	Employee benefit expense	18	1,33,81,127	1,20,05,179
	Finance costs	19	5,91,711	5,99,596
	Depreciation and amortisation expense	20	1,62,098	87,846
	Other expenses	21	29,87,409	73,89,413
V	Total Expenses		1,96,31,994	2,31,62,537
VI	Profit/(loss) before tax		1,17,98,267	9,21,416
VII	Tax expense:			
	(1) Current tax		3,99,784	29,752
	(2) Deferred tax		2,17,090	6,507
	Profit (Loss) for the year from continuing operations		1,11,81,393	8,85,157
VIII	Profit/(loss) for the year		1,11,81,393	8,85,157
IX	Other Comperhensive Income			
	Other Comperhensive Income not to be reclassified to Profit or Loss in subsequent periods			
	Remeasurement - Gains/ (loss) on defined benefit plans		(1,78,150)	-
	Income Tax Effect		44,837	-
	Total		(1,33,313)	-
	Total Other Comprehensive Income			-
X	Total Comprehensive Income for the Year		1,10,48,080	8,85,157
	Earnings per equity share :			
	Basic (in Rs.)		773	62
	Diluted (in Rs.)		773	62

See accompanying notes forming part of the financial statements

In terms of our report attached

For Karra & Co.,
Chartered Accountants
FRN 001749S
K.Sathiyanarayanan
Partner
Membership No: 210737

K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road,
Alwarpet, Chennai - 600 018.

KARRA & CO. F.R.N 001749S "Anugraha" No. 28, Murray's Gate Rd., Alwarpet, Chennai - 18 Chartered Accountants

For and on behalf of the Board of Directors

Name: Jugnu Jain
Director
DIN: 03518645

Name: K HariPrasad
Director
DIN: 02559343

Sapien Biosciences Private Limited

Cash Flow Statement for the period Year Ended 31st March , 2020

(All Amounts in Indian Rupees)

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
A) CASH FLOW FROM OPERATING ACTIVITIES:	**Rs.**	**Rs.**
Net Profit before tax and extraordinary items	1,17,98,267	9,21,416
Adjustment for:		
Depreciation and Amortisation expenses	1,62,098	87,846
Provision for Gratuity	2,26,756	30,225
Interest and Finance charges	5,89,600	5,99,596
Operating Profit Before Working Capital Changes	**1,27,76,721**	**16,39,083**
Changes in Working Capital		
(Increase)/Decrease in Trade Receivables	66,23,135	(15,99,434)
(Increase)/Decrease in Tax Assets	-	-
Increase/(Decrease) in Trade Payables	(9,12,088)	11,37,126
Increase/(Decrease) in Other Current Liabilities	(52,25,937)	(21,52,830)
Increase/(Decrease) in Other Non Current Assets	-	-
Increase/(Decrease) in Provisions	-	-
Increase/(Decrease) in Other Liabilities	-	-
Increase/(Decrease) in Other Financial Liabilities	(6,62,334)	-
(Increase)/Decrease in Other Current Assets	(1,28,786)	(5,06,740)
Cash Generated from Operations	(3,06,010)	(14,82,794)
Direct Taxes Paid	55,838	(29,752)
Net Cash Flow from Operating Activities	(2,50,172)	(15,12,546)
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Inflow/(Outflow)		
Purchase of Fixed Assets	(3,80,571)	(2,94,970)
Movement in Loans and Advances	-	-
Proceeds from Fixed deposit	-	16,63,247
(Increase) / Decrease in Non-current Assets	-	11,236
Increase / (Decrease) in share capital & premium	-	-
Net Cash Flow from Investing Activities	(3,80,571)	13,79,513
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Inflow / (Outflow)		
Increase in provisions		-
Proceeds from Short Term Borrowings		-
Repayment of Long Term Borrowings	(23,60,000)	-
Interest Paid	(5,89,600)	(5,99,596)
Net Cash Flow from Financing Activities	(29,49,600)	(5,99,596)
D) NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS:	91,96,378	(7,32,629)
Cash and Cash Equivalents at the beginning of the year	18,02,072	25,34,698
Cash and Cash Equivalents at the end of the year	1,07,55,078	18,02,072
Notes :		
1. Cash and cash equivalent includes		
Cash in hand	-	-
Balance with Banks in Current Accounts	1,07,55,078	18,02,072

See accompanying notes forming part of the financial statements

In terms of our report attached

For Karra & Co.,
Chartered Accountants
FRN 001749S
K. Sathiyan
K.Sathiyanarayanan
Partner
Membership No: 210737

K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road,
Alwarpet, Chennai - 600 018.

Place: Chennai
Date: 17th June 2020

KARRA & CO. F.R.N 001749S "Anugraha" No. 28, Murray's Gate Rd., Alwarpet, Chennai - 18. Chartered Accountants

For and on behalf of the Board of Directors

Name: Jugnu Jain
Director
DIN: 03518645

Name: K HariPrasad
Director
DIN: 02559343

Sapien Biosciences Private Limited
Statement of Changes in Equity for the year ended 31st March 2020
(All amounts are in Rs unless otherwise stated)

Share capital		Amount
As at 31st March 2019		
Equity Share Capital		1,42,860
	Total	1,42,860
As at 31st March 2020		
Equity Share Capital		1,42,860
	Total	1,42,860

Statement of Changes in Other Equity for the year ended 31 March 2020

	Reserve and surplus					Items of other comprehensive income		Total
Particulars	Securities premium reserve	Share options outstanding account	IND AS Translstation Reserve	Capital reserve on common control transaction	Retained earnings	Remeasurements of defined benefit plans	Equity investments through other comprehensive income	
Balance as at March 31, 2019	-	-	-	-	(3,04,25,290)	-	-	(3,04,25,290)
Profit for the year	-	-	-	-	1,11,81,393	-	-	1,11,81,393
Other comprehensive income for the year, net of taxes	-	-	-	-		(1,33,315)	-	(1,33,313)
Total Comprehensive income for the year 2019-20	-	-	-	-	1,11,81,393	(1,33,313)	-	1,10,48,080
Premium on shares issued during the year	-	-	-	-	-	-	-	-
Recognition of share-based payments	-	-	-	-	-	-	-	-
Balance as at March 31 2020	-	-	-	-	(1,92,43,897)	(1,33,313)	-	(1,93,77,210)

See accompanying notes forming part of the financial statements

In terms of our report attached

For Karra & Co.,
Chartered Accountants
FRN 001749S
K.Sathiyanarayanan
Partner
Membership No: 210737

K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road,
Alwarpet, Chennai - 600 018.

Place: Chennai
Date : 17th June 2020

KARRA & CO. F.R.N 001749S "Anugraha" No. 28, Murray's Gate Rd., Alwarpet, Chennai - 18. Chartered Accountants

For and on behalf of the Board of Diretors

Name: Jugnu Jain
Director
DIN: 03518645

Name: K HariPrasad
Director
DIN: 02559343

4) Property, Plant & Equipment

4 Property, Plant and Equipment

	As at 31 March 2020	As at 31 March 2019
Carrying Amounts of:		
Furnitures, Fixtures & Fittings	1,75,247	1,73,115
Office Equipments	3,77,608	3,30,709
Computers and accessories	3,21,926	1,52,488
Total	**8,74,781**	**6,56,311**
Capital work-in progress	-	-
Total	**8,74,781**	**6,56,311**

Note No 4 : Fixed Assets & Depreciation as on 31st March 2020

Description	Gross Block			Depreciation			Net Block	
	As at 01/04/2019	Additions (Deletions)	As at 31/03/2020	upto 31/03/2019	for the Period	upto 31/03/2020	As at 31/03/2019	As at 31/03/2020
Computers	9,22,030	2,53,256	11,75,286	7,69,544	83,815	8,53,359	1,52,485	3,21,926
Equipment	4,72,792	1,00,499	5,73,291	1,42,083	53,600	1,95,683	3,30,709	3,77,608
Furniture & Fixtures	2,58,030	26,816	2,84,846	84,915	24,684	1,09,599	1,73,115	1,75,247
Total	**16,52,852**	**3,80,571**	**20,33,423**	**9,96,543**	**1,62,099**	**11,58,642**	**6,56,309**	**8,74,781**

Sapien Biosciences Private Limited
Notes forming part of the Financials Statements

ASSETS
Non-current assets

5. Trade Receivables	**As at 31 March 2020**	**As at 31 March 2019**
Secured, Considered Good	4,985,420	11,464,571
Unsecured, Considered Good	-	-
Doubtful	-	-
Allowance for Doubtful debts (Under ECL)	(2,220,782)	(2,076,798)
Total	**2,764,638**	**9,387,773**

6. Cash and Cash Equivalents	**As at 31 March 2020**	**As at 31 March 2019**
Cash on hand	-	-
Balances with banks in current accounts	5,408,647	1,802,072
Balances with banks in deposit accounts	5,346,431	-
Total	**10,755,078**	**1,802,072**

7. Tax Assets	**As at 31 March 2020**	**As at 31 March 2019**
TDS Receivable	392,309	695,472
Advance Tax	117,000	-
Less: Provision for Income Tax	-	29,752
Total	**509,309**	**665,720**

8. Other Current Assets	**As at 31 March 2020**	**As at 31 March 2019**
Sarrum Innovation Private Limited	-	-
AHERF	-	49,344
Advances to Employees	-	-
Prepaid Expenses	86,880	33,325
Advance to Suppliers	13,990	61,360
GST Credit Receivable	208,390	36,446
Total	**309,261**	**180,475**

9. Other Equity	**As at 31 March 2020**	**As at 31 March 2019**
General Reserve	(30,425,290)	(31,310,447)
Surplus in P&L	11,181,393	885,157
Other Comprehensive Income (OCI)	(133,313)	-
Total	**(19,377,210)**	**(30,425,290)**

10. Borrowings	**As at 31 March 2020**	**As at 31 March 2019**
Non Current		
9% Fully paid Non-Cummulative Redeemable Preference shares of Re.10/- each	26,000,000	26,000,000
Unsecured at amortised cost		
Loan from related parties	3,000,000	3,000,000
Loan from Director	-	2,360,000
Total	**29,000,000**	**31,360,000**

11. Other Financial Liabilities	As at 31 March 2020	As at 31 March 2019
Non Current		
Interest on Unsecured Loans	2,005,501	2,667,835
Total	**2,005,501**	**2,667,835**

12. Provisions	As at 31 March 2020	As at 31 March 2019
Non-Current		
Provision for Gratuity	1,097,728	589,685
	1,097,728	**589,685**
Current		
Provision for Gratuity	107,492	154,793
Total	**107,492**	**154,793**

13. Trade Payables	As at 31 March 2020	As at 31 March 2019
(a)Total outstanding dues of micro enterprises and small enterprises	-	-
(b)Total outstanding dues of creditors other than micro enterprises and small enterprises	641,041	1,553,128
Total	**641,041**	**1,553,128**

14. Other Current Liabilities	As at 31 March 2020	As at 31 March 2019
TDS Payable	208,568	266,068
Duties & Taxes Payable	91,146	170,145
Salaries Payable	1,154,934	121,108
Director Remuneration payable	-	758,364
Outstanding Rent	-	4,788,540
Audit fee payable	72,000	92,000
Dues to Employees	4,257	48,562
Other Payables	64,750	576,805
Total	**1,595,655**	**6,821,592**

Sapien Biosciences Private Limited

Notes forming part of the Financials Statements

15. Revenue from Operations	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Sale of Services		
Testing Receipts	1,88,500	16,90,600
Research Income	2,48,68,433	2,22,06,667
Total	**2,50,56,933**	**2,38,97,267**

16. Other Income	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Interest Income	4,13,821	57,855
Other Income	59,59,507	26,773
Forex Gain	-	1,02,058
Total	**63,73,328**	**1,86,686**

17.Cost of Material & Services	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Chemicals and Consumables	8,12,879	10,11,522
Diagnostic Services	14,91,950	18,22,554
Ethics Committee Expenses	1,54,000	1,76,730
Other Consumables	50,820	69,697
Total	**25,09,649**	**30,80,503**

18. Employee Benefit Expense	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Salaries and Wages	96,28,175	93,62,298
Director Remuneration	30,00,000	19,87,500
Contribution to provident fund and other funds	2,68,418	2,65,164
Employee Insurance Cost	1,66,099	1,40,046
Staff welfare expenses	16,719	93,913
Gratuity	2,26,756	30,275
Others	74,960	1,25,983
Total	**1,33,81,127**	**1,20,05,179**

19. Finance Costs	Year ended 31 March 2020	Year ended 31 March 2019
Bank Charges	2,111	9,996
Interest on Unsecured Loans	5,89,600	5,89,600
Total	**5,91,711**	**5,99,596**

20. Statement of Depreciation enclosed separately.

21. Other Expenses	Year ended 31 March 2020	Year ended 31 March 2019
Rent	-	10,58,400
Taxes & Duties	62,336	5,750
Legal Charges	10,650	44,600
Loss on foreign exchange transactions	98,949	-
Repairs & Maintenance	2,17,626	29,400
Lab Maintenance	24,200	52,526
Professional & Consultancy Charges	9,21,469	23,97,248
Data Storage Charges	55,915	49,580
Audit Fee	80,000	1,15,000
Office Expenses	1,78,223	1,60,713
Electricty charges	-	1,20,000
Printing & Stationary	14,777	15,740
Telephone Expenses	1,75,817	1,59,841
Membership & Subscription	72,012	91,058
Donations	8,000	40,000
Travelling & Conveyance Expenses	5,74,090	6,76,086
Software and Licenses	1,59,370	1,31,100
Miscellaneous Expenses	11,000	28,706
Postage & Courier	1,36,743	1,36,869
Provision for Doubtful Debts	1,43,984	20,76,798
Business Promotion Expenses	21,661	-
Sample Collection Charges	20,588	-
Total	**29,87,409**	**73,89,414**

Particulars	As Per Books of Accounts	As Per IT Act	Net Amount	Rate of tax	(DTL)/DTA	Net DTA/(DTL)
Fixed Assets WDV	8,74,781	7,92,218	82,563	25.17%	DTL	(20,780)
Provision for doubtful debts	22,20,782	-	22,20,782	25.17%	DTA	5,58,926
Provision for Gratuity	12,05,220	-	12,05,220	25.17%	DTA	3,03,330
Actuarial gain	44,837	-	44,837	25.17%	DTA	11,285
					DTA	8,52,761
Opening Balance					DTA	1,72,253
Balance to be transfererd to P&L						**172253.486**

1. Corporate Information

Sapien Bioscience Private Limited, a company incorporated under the Companies Act, 1956 having its place of business at 1st Floor, AHERF Building, Apollo Health City, Jubilee Hills, Hyderabad-500096.

Sapien is India's premier biobank. It puts 'medical waste' to use for healthcare innovation. It was established in 2012 in partnership with Apollo Hospitals, a pan-India network of 69 multi-specialty hospitals, and has expanded to include other hospitals as well. Sapien has bio banked ~ 200,000 patient samples in strict compliance with ICMR's ethical and regulatory guidelines. These biospecimens and associated digitized data are used for establishing advanced research platforms in demand by pharma, biotech & diagnostic companies globally for the development and validation of their products and marketing strategy. Clinical diagnostics are also developed by Sapien by itself or in partnership with diagnostics & AI companies. SBPL is inter alia engaged in the business of building a high-quality bio-repository that integrates ethically consented human samples with associated medical, pathological & diagnostic data and leverage this resource to develop & deliver high-end diagnostic applications. Further Sapien will partner with healthcare enterprises and drug discovery companies globally to study disease epidemiology, validate new diagnostics, identify new drug targets and evaluate new drugs.

2. Statement of Compliance

The company has applied the Ind AS applicable as notified by the MCA. There are no Ind AS that have not been applied by the company.

3. Basis for Preparation and Presentation

The financial statements have been prepared on accrual basis and on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.1 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions about the carrying amount of assets and liabilities, disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.
The following are the critical judgements and estimates that have been made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

a) Useful lives of Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

b) Fair value measurement of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is me assured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Company also engages

third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

c) **Income taxes**

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

d) **Defined benefit obligations**

The Company uses actuarial assumptions viz., discount rate, mortality rates, salary escalation rate etc., to determine such employee benefit obligations.

e) **Claims, provisions and contingent liabilities**

Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

f) **Other estimates**

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

g) **Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recorded and recognised during the period in which the service is provided by the company. Revenue is reduced for estimated discounts, rebates and other similar allowances. Accordingly, the company estimates the amounts likely to be disallowed by such companies based on past trends.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated

future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

h) Employee Benefits

Defined Contribution Plan

Employee benefits in the form of provident fund, is are considered as defined contribution plan. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972 as amended, the Company provides for gratuity, a defined benefit retirement plan ('the Gratuity plan') covering eligible employees. The Gratuity plan provides a lump-sum payment to vested employees at retirement, death, incapacitations or termination of employment, of an amount based on the respective employee's salaries and tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.
Remeasurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

i) Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

<u>Current tax</u>

Current tax is determined as the amount of tax payable in respect of the taxable income for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961. Taxable profit differs from "Profit before tax" as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the

period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred tax

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such, deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date.

Current and Deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

j) Property Plant & Equipment

Cost comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure in making the asset ready for its intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

An item of Property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain/loss arising on the disposal or retirement of an item of Property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of Profit or Loss. Fixtures, Plant and Medical equipment are stated at cost less accumulated depreciation. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Capital work in progress are items of Property, plant and equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

k) Depreciation on Tangible fixed assets

Depreciation on Property, plant and equipment is recognised on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.
Depreciation is charged on Pro-rata basis for assets acquired during the year.
The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Useful life considered for depreciation as below:

Particulars	No of Years
Office Equipment	5 years
Furniture and Fixtures	10 years
Computers	3 years

l) Intangible assets

Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use. Intangible assets are amortised on the straight-line method over their estimated useful life.

Amortization

Amortization of Intangible assets is recognised on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

m) Inventories

'The inventories of consumables and Medicare items utilized in providing healthcare services dealt with by the Company are valued at cost. In the absence of any further estimated costs of completion and estimated costs necessary to make the sale, the Net Realizable Value is not applicable. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location after adjusting for GST wherever applicable, applying the FIFO method.

Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location, after adjusting for GST wherever applicable applying FIFO method. Stock of provisions, stores (including lab materials and other consumables), stationeries and housekeeping items are stated at cost. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house only.

n) Segment Reporting:

The company has only one segment of activity i.e., sale of a high-quality bio-repository. Hence the segment wise reporting as defined in Ind AS 108 is not applicable.

o) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle such obligation and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources

embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of the Profit and Loss.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:

Non-derivative financial assets comprising amortised cost, investments in subsidiaries, equity instruments at fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) and non-derivative financial liabilities at amortised cost. Management determines the classification of its financial instruments at initial recognition.

The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms / arrangements.

Non - derivative financial assets

Financial assets at amortized cost

- A financial asset shall be measured at amortized cost if both of the following conditions are met:
  - the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Financial assets at amortized cost are represented by trade receivables, security deposits, cash and cash equivalents and eligible current and non-current assets.

Cash comprises cash on hand, cash at bank, cheques on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Financial assets at fair value through profit or loss (FVTPL)
FVTPL is a residual category for financial assets. A financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

De-recognition of financial assets
The Company de-recognizes financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset (except as mentioned above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received and receivable is recognised in the Statement of Profit and Loss.

Impairment of financial assets
The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, lease receivables, trade receivables,

other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

Non-derivative financial liabilities

• Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

• Financial liability subsequently measured at amortized cost
Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently measured at amortized cost using the effective interest method.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liability
The Company de-recognizes financial liabilities, when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

q) Cash flow statements
Cash flows are reported using the indirect method, whereby profit/ (loss) before 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 of the Company are segregated based on the available information.

r) Earnings per Share

Basic earnings per share is computed by dividing the profit/ (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit / (loss) attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

s) Foreign exchange gains and losses

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognised in the Statement of Profit and Loss. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss. Assets and Liabilities (both monetary and non-monetary) are translated at the closing rate at the year end. Income and expenses are translated at the monthly average rate at the end of the respective month.

Notes to Accounts:

22. Disclosure as required under Ind AS-19 on Employee Benefits is as under:-

(a) Actuarial assumptions used:-

Summary of Financial & Demographic Assumptions

Scenario	DBO	Percentage Change
Under Base Scenario	12,05,220	0.0%
Salary Escalation - Up by 1%	12,76,847	5.9%
Salary Escalation - Down by 1%	11,40,409	-5.4%
Withdrawal Rates - Up by 1%	12,01,067	-0.3%
Withdrawal Rates - Down by 1%	12,09,546	0.4%
Discount Rates - Up by 1%	11,44,834	-5.0%
Discount Rates - Down by 1%	12,73,263	5.6%

(b)Present value of obligation taken to Profit & Loss Account & Balance Sheet as at 31st March, 2020.

Components of Defined Benefit Cost

Particulars	**Financial Year Ending 31/03/2019**	**Financial Year Ending 31/03/2020**
Current Service Cost	1,54,793	2,26,756
Past Service Cost	5,89,685	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	**7,44,478**	**2,26,756**
Interest Expense on DBO	-	55,836
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	**-**	**55,836**
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	**7,44,478**	**2,82,592**
Remeasurements - Due to Demographic Assumptions	-	(41,382)
Remeasurements - Due to Financial Assumptions	-	1,03,336
Remeasurements - Due to Experience Adjustments	-	1,16,197
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	**-**	**1,78,150**
Total Defined Benefit Cost recognized in P&L and OCI	**7,44,478**	**4,60,742**
Discount Rate	**7.50%**	**6.80%**

Net Defined Benefit Liability / (Asset) reconciliation

Particulars	Financial Year Ending 31/03/2019	Financial Year Ending 31/03/2020
Net Defined Benefit Liability / (Asset) at the beginning	-	**7,44,478**
Defined Benefit Cost included in P & L	7,44,478	2,82,592
Total Remeasurements included in OCI	-	1,78,150
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at the end	**7,44,478**	**12,05,220**

23. Foreign Currency Transactions and Translations

Transactions in foreign currency are recorded at the rates of exchange prevailing on the date of the transaction.

a) Foreign Exchange Inflow:-

Particulars	**Year Ended 31st March,2020 (Rs.)**	**Year Ended 31st March,2019 (Rs.)**
Foreign Exchange Inflow	**Rs. 2,00,55,802**	**Rs. 1,76,50,202**
Foreign Exchange Outflow	**Rs. 10,18,558**	**Rs. 10,83,452**

Monetary items:

Exchange difference due to changes in the spot rates on the date of the transaction, and the rates at which the transactions of monetary items amounting to Rs. 98,949/- is debited to the Profit & Loss account. Monetary current assets recognized in the balance sheet is Rs. 25,57,227 and Monetary current liabilities recognized in the balance sheet is Rs. 4,17,487/-

Non - Monetary items:
Exchange difference arising on account of changes on the rates on the date of the Balance sheet and on the date of the transaction of non-monetary items amounting to Rs.Nil/-is debited to the Profit & Loss account

24. Deferred Tax

The Company has carried out its tax computation in accordance with the mandatory Indian Accounting Standard, Ind AS-12 'Income Taxes' notified by MCA, issued by the Institute of Chartered Accountants of India. During the Financial year the company has reversed deferred Tax Asset of Rs. 172,253/- as per the workings given below. As per group policy company has not recognized deferred tax asset of Rs.886,313/-

Deferred Tax Workings

Particulars	**Companies Act (Rs.)**	**Income Tax Act (Rs.)**	**Difference (Rs.)**	**DTA/(DTL) (Rs.)**
WDV as on 31.03.2020	8,74,781	7,92,218	82,563	(20,780)
Provision for Gratuity	12,05,220	-	12,05,220	303,330
Provision for Doubtful debts	22,20,782	-	22,20,782	558,926
Actuarial Gain	178,150	-	178,150	44,837
DTA/(DTL) as on 31.03.2020	-	-	-	-
DTA as on01.04.2019	-	-	-	172,253

25. Auditor's Remuneration

Particulars	**2019-20 (Rs.)**	**2018-19 (Rs.)**
For Statutory Audit	60,000	50,000
For Limited Review	40,000	-
For Tax Audit		15,000
Total	**100,000**	**65,000**

26. Related party transactions

Name of the party	Nature of Relationship	Nature of the transaction	Transactions during the year			Rs. Outstanding as on 31.03.2020
			Rs. Opening balanc (1.04.2019)	Rs. Dr.	Rs. Cr.	
Apollo Hospitals Enterprises Limited	Holding Company		19,61,055 Cr.	23,13,718	3,52,663	
		Payments during the year		264,320	15,47,394	
		TDS deducted			135,014	
		Services rendered by Sapien		15,93,158	-	
		Services rendered by AHEL			264,680	
		Rent Premises	47,88,540 Cr.	47,88,540		89,610 Cr.
Western Hospitals	Subsidiary of AHEL		30,00,000 Cr.			
		Payments during the year				
		Interest accumulated		105,841	11,92,941	
		TDS deducted		33,000		40,54,100 Cr.
Dr. Jugnu Jain	Director		32,25,481 Cr.			
		Interest accumulated		22,019	259,600	
		Remuneration		29,87,500	29,87,500	
		Repayment of Loan		23,60,000		
		Reimbursements		525,676	366,974	
		TDS deducted		25,960		918,400 Cr.
Apollo Hospitals Enterprise Limited	Bhubaneshwar					
		Payments during the year	28,500 Dr.	76000		
		Receipts during the year			95.000	9500 Dr.
Apollo Hospitals Enterprises Limited	Hyderabad					
		Payments during the year	467,080 Dr.	76,500		
		Receipts during the year			366,650	

						177,230 Dr.

27. Commitments and Contingencies: NIL

28. Earnings per Share

Particulars	**Units**	**Year ended 31.03.2020**	**Year ended 31.03.2019**
a) Net Profit / Loss After Tax	In Rs.	1,10,48,080	885,157
b) Weighted Average number Equity Shares used in computing basic earnings per share	No. of Shares	14,286	14286
c) Basic earnings per share (a/b)	In Rs.	773	62
d) Diluted earnings per share	In Rs.	773	62

29. The company has no ongoing litigations which affect the financial position.

30. As per the Policy of the Company Physical verification of all the fixed Assets are conducted once in every two years. Latest physical verification is conducted during the Financial Year 2018-19. Due to Covid-19 pandemic, the company could not conduct physical verification of Fixed Assets. However, the management have complete control over the fixed assets. Fixed Assets are continuously used for generating revenue to the Company.

31. The Honorable Supreme Court, has passed a decision on February 28, 2019 in relation to inclusion of certain allowances in "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company is awaiting further clarifications from the judiciary/department in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and the

resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

32. The new section – Section 115BAA has been inserted in the Income Tax Act,1961 to give the benefit of a reduced corporate tax rate for the domestic companies. Section 115BAA states that domestic companies have the option to pay tax at a rate of 22% from the FY 2019-20 (AY 2020-21) onwards if such domestic companies adhere to certain conditions specified.

The new effective tax rate, which will apply to domestic companies availing the benefit of section 115BAA is 25.168%. Such companies will not be required to pay minimum alternate tax (MAT) under section 115JB of the act. The domestic companies opting for section 115BAA will not be able to claim MAT credits for taxes paid under MAT during the tax holiday period. The companies would not be able to reduce their tax liabilities under section 115BAA by claiming MAT credits. Moreover, the domestic company opting for section 115BAA shall not be allowed to claim set-off of any brought forward depreciation (additional depreciation) for the assessment year in which the option has been exercised and future assessment years.

The company has opted new rate of tax based on the following :

- The company is willing to forego the MAT credits available to be utilized to reduce their future tax liability.
- The company will be benefited in future profits, tax liability in future can be reduced on future profits.
- The company does not carry any unabsorbed additional depreciation.

33. Impact of COVID 19 :

Sapien has 5 business verticals. Three of these verticals, related to biospecimen collection, and testing services for pharma/biotech have been negatively impacted by COVID 19 since our labs and offices had to be shut down during the lockdowns and patient numbers have dropped in Apollo hospitals. We anticipate losing significant revenue for Q1 FY 20-21. Depending on the pandemic situation in the cities we operate in, there may also be delays in executing projects in Q2, which will lead to delay in recognizing revenue in Q3-Q4 of FY 20-21. Some of our pharma and diagnostic clients have also put certain projects on hold in Q1-Q2, which will further negatively impact our business in FY 20-21.

34. Paisa has been rounded off to nearest Rupee. Previous year's figures have been regrouped wherever necessary and in compliance with Indian Accounting Standards (Ind AS).

As per our report annexed

For M/s. Karra & Co.,

Chartered Accountants

Firm Reg.No: 001749S

K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road
Alwarpet, Chennai - 600 018.

K.Sathiyanarayanan
Partner
Membership No: 210737
Place: Chennai
Date: 17th June 2020

For and on behalf of the Board of Directors

Jugnu Jain
Director
DIN: 03518645

K HariPrasad
Director
DIN: 02559343

KARRA & CO. F.R.N 001749S "Anugraha" No. 28, Murray's Gate Rd., Alwarpet, Chennai - 18. Chartered Accountants