

Spring Labs

Balance Sheet

As at March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	431.63	-
Capital work-in-progress	3(b)	-	369.12
Right-of-use assets	3(c)	208.70	82.52
Financial assets			
(i) Other financial assets	4	8.29	6.63
Other non-current assets	5(a)	-	13.50
Total non-current assets		648.62	471.77
Current assets			
Inventories	6	14.41	2.66
Financial assets		-	-
(i) Trade receivables	7	40.15	7.51
(ii) Cash and cash equivalents	8	23.66	31.28
Other current assets	5(b)	7.20	3.81
Total current assets		85.42	45.26
TOTAL ASSETS		734.04	517.03
EQUITY AND LIABILITIES			
Equity			
Partners' Capital account	9	1.00	1.00
Partners' Current account	9	6.17	141.63
Total equity		7.17	142.63
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	10(a)	299.73	242.00
(ii) Lease liabilities	3(c)	182.88	72.98
Provisions	11(a)	1.20	-
Total non-current liabilities		483.81	314.98
Current liabilities			
Financial liabilities			
(i) Borrowings	10(b)	119.93	-
(i) Lease liabilities	3(c)	22.43	8.64
(ii) Trade payables			
total outstanding dues of micro and small enterprises	12	8.10	4.16
total outstanding dues of creditors other than micro and small enterprises	12	40.48	0.37
(iii) Other financial liabilities	13	48.55	45.98
Provisions	11(b)	0.00	-
Other current liabilities	14	3.56	0.28
Total Current Liabilities		243.05	59.42
TOTAL EQUITY AND LIABILITIES		734.04	517.03

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

As per our report of even date attached

For Chayashree and Associates

For Spring Labs

Chartered Accountants

Firm Registration No: 025290S



CA Chayashree TRG

Proprietrix

Membership No: 229127

Place: Tumkur

Date: 21-05-2025

UDIN: 25229127BMTDGI1292




Ananth Basavaraju
Partner


Adita Bio Sys Private Limited
Partner
(Rep by Balangadhara B C)

Spring Labs

Statement of Profit and Loss

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	15	221.10	10.79
Other income	16	0.32	0.19
Total income		221.42	10.98
Expenses			
Cost of materials consumed	17	2.38	0.12
Purchase of stock-in-trade	18	127.51	4.40
Changes in inventories of finished goods and work-in-progress	19	(11.75)	(2.66)
Employee benefits expense	20	101.09	0.58
Finance costs	21	63.46	9.71
Depreciation and amortisation expense	3	39.02	5.79
Other expenses	22	54.58	30.52
Total expenses		376.27	48.45
Profit before tax and exceptional items		(154.85)	(37.47)
Exceptional items	23	(2.29)	-
Profit before tax		(152.57)	(37.47)
Tax expense			
Current tax		-	-
Deferred tax		(27.06)	(3.34)
Total Tax Expense		(27.06)	(3.34)
Profit for the year		(125.51)	(34.13)
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans and equity instruments		-	-
Income tax effect		-	-
(ii) Items that will be reclassified subsequently to profit or loss			
Effective portion of gains/(losses) on hedging instrument in cash flow hedges		-	-
Income tax effect		-	-
Other comprehensive income for the year, net of taxes		-	-
Total comprehensive income for the year		(125.51)	(34.13)

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

As per our report of even date attached

For Chayashree and Associates

For Spring Labs

Chartered Accountants

Firm Registration No: 025290S



CA Chayashree TRG

Partner

Membership No: 229127

Place: Tumkur

Date: 21-05-2025

UDIN: 25229127BMTDGI1292



Basavaraju

Partner



Adita Bio Sys Private Limited

Partner

(Rep by Balagangadhara B C)

Spring Labs

Standalone Statement of Changes in Equity

For the year ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Amount
Partners' Capital account	
Balance as at March 31, 2024	1.00
Changes during the year	-
Balance as at March 31, 2025	1.00
Partners' Current account	
Balance as at March 31, 2024	141.63
Loss for the year	(152.57)
Interest on capital a/c	17.12
Balance as at March 31, 2025	6.17
Partners' Capital and Current account	7.17

As per our report of even date attached

For Chayashree and Associates

For Spring Labs

Chartered Accountants

Firm Registration No: 025290S



CA Chayashree TRG

Partner

Membership No: 229127

Place: Tumkur

Date: 21-05-2025

UDIN: 25229127BMTDGJ1292




Chethan Basavaraju
Partner



Adita Bio Sys Pvt Ltd

Partner

(Rep by Balagangadhara B C)

Spring Labs

Standalone Statement of Cash Flows

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash flows from operating activities		
Net Profit Before Tax	(152.57)	(37.47)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation	39.02	5.79
Interest income on lease deposit	(0.32)	(0.19)
Finance Cost	63.46	9.71
Loss/(Gain) on ROU Asset	(2.47)	-
Provision for gratuity	1.21	-
Adjustments for changes in working capital:		
(Increase)/decrease in inventories	(11.75)	(2.66)
(Increase)/decrease in trade receivables	(32.63)	(7.51)
(Increase)/decrease in other current assets	3.61	9.51
Increase/(decrease) in trade payables	44.06	4.48
Increase/(decrease) in other financial liabilities	(1.19)	45.98
Increase/(decrease) in other current liabilities	3.28	(49.72)
Cash generated from/(used in) operations	(46.29)	(22.08)
Income tax paid	-	-
Net cash flows generated from/(used in) operating activities (A)	(46.29)	(22.08)
Cash flows from investing activities		
Purchase of property, plant and equipment incl. CWIP and Capital advan	(92.34)	(220.56)
Net cash flow generated from/(used in) investing activities (B)	(92.34)	(220.56)
Cash flow from Financing activities		
Proceeds from partners' capital	-	1.00
Proceeds from partners' advance	-	179.10
Payment to exiting partner	-	(92.60)
Proceeds from borrowing	177.66	185.00
Interest on loan	(31.96)	-
Repayment of lease liabilities	(14.70)	(9.00)
Net cash flow generated from/(used in) financing activities (C)	131.00	263.50
Net increase in cash and cash equivalents (A+B+C)	(7.63)	20.87
Cash and cash equivalents at the beginning of the year	31.28	10.42
Cash and cash equivalents at the end of the year	23.66	31.28
Cash and cash equivalents comprise		
Cash on hand	-	-
Balances with banks in current & deposit accounts	23.66	31.28
Total cash and cash equivalents	23.66	31.28

As per our report of even date attached

For Chayashree and Associates

For Spring Labs

Chartered Accountants

Firm Registration No: 0252905



CA Chayashree TRG

Partner

Membership No: 229127

Place: Tumkur

Date: 21-05-2025

UDIN: 25229127BMTDGI1292



Adita Bio Sys Private Limited

Partner

(Rep by Balagangadhara B C)

Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

1. Firm Overview

Spring Labs ("the Firm") is a partnership firm domiciled in India. The registered office of the Firm is located at Plot No. 145, 1st Phase, Road No. 31, KIADB, Vasanthanarasapura, Tumakuru – 572128, Karnataka. The Firm is engaged in the business of contract research and manufacturing services. These financial statements for the year ended 31 March 2025 were authorized by the Partners on 21st May 2025.

2. Significant accounting policies

2.1. Basis of Preparation of Financial Statements

a) Statement of compliance

As the firm is a subsidiary of Adita Bio Sys Private Limited, the financials should be prepared in line with the holding company. Hence, the financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These financial statements have been prepared for the Firm as a going concern on the basis of relevant Ind AS that are effective at the Firm's annual reporting date, March 31, 2025. These financial statements were authorised by the firm's partners on 21st May 2025.

b) Basis of measurement

The financial statements have been prepared on historical cost convention and on accrual basis, except for the following items in the balance sheet:

- i. Certain financial assets and liabilities measured either at fair value or at amortised cost depending on the classification.
- ii. Defined employee benefit liabilities are recognised at the present value of defined benefit obligation adjusted for fair value of plan assets.

c) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Firm's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Firm has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

The firm presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current assets/liabilities include the current portion of non-current assets/liabilities respectively. All other assets/liabilities including deferred tax assets and liabilities are classified as non-current.

d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management of the firm to make judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period.

e) Fair value measurement

The Firm's accounting policies and disclosures require the measurement of fair values, for certain financial and non-financial assets and liabilities based on their classification.

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.

In estimating the fair value of an asset or liability, the firm 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 values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

For the purpose of fair value disclosures, the firm has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.2. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, freight, non-refundable taxes and duties, specified foreign exchange gains or losses and any other cost attributable to bring the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the firm and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress' and hence not depreciated.

Depreciation method, estimated useful lives and residual values

The classification of Plant and equipment into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Depreciation on property, plant and equipment is provided on the Straight-Line Method (SLM) method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the other income/other expenses when the asset is derecognized.

2.3. Impairment of non-financial assets

At each reporting date, the firm assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the firm estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

2.4. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, other economic factors etc. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period, with the effect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Standalone statement of profit and loss unless such expenditure forms part of carrying value of another asset.

2.5. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.6. Leases (as a lessee)

The firm assesses whether a contract contains a lease, at the inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control use of an identified asset, the firm assesses whether:

- The contract involves use of an identified asset;
- The firm has substantially all the economic benefits from the use of the asset through the period of lease; and
- The firm has the right to direct the use of an asset.

At the date of commencement of lease, the firm recognises a Right-of-use assets ("ROU") and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the firm recognises the lease payment as an operating expense on straight line basis over the term of lease.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Certain lease agreements include an option to extend or terminate the lease before the end of lease term. ROU assets and the lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., higher of fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use assets if the firm changes its assessment if whether it will exercise an extension or a termination of option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

2.7. Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the firm becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

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

- amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL).

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

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

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



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

On initial recognition of an equity investment that is not held for trading, the firm may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by- investment basis.

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

Derecognition

Financial assets

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

When the firm has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the firm continues to recognise the transferred asset to the extent of the firm's continuing involvement. In that case, the firm also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the firm has retained.

Financial liabilities

The firm derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The firm also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

Offsetting

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

2.8. Employee benefits

Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Post-employment benefits Defined benefit plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

The Firm has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for Defined Benefit Plans as the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.

Other employee benefits

The liabilities for earned leave are settled wholly within the financial year in which the employees render the related service.

2.9. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the firm and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Service Revenue

Service income is recognized as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and revenue excludes GST, wherever applicable.

2.10. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

2.11. Income Taxes

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the firm's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

2.12. Provision and Contingencies

Provisions are recognized when the firm has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the firm or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.13. Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the firm are segregated.

2.14. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash 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.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

2.15. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the firm has only one reportable segment namely "Contract Research and Manufacturing Services".

2.16. Estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- **Leases**

The firm determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The firm applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the firm reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

- **Employee benefits (estimation of defined benefit obligation)**

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the firm to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Impairment of trade receivables**

The risk of collectability of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

- **Estimation of expected useful lives of property, plant and equipment**

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

- **Valuation of deferred tax assets**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Fair value measurements**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.



Spring Labs

Notes to Financial Statements

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

3(a) Property, plant and equipment and Capital work-in-progress

Particulars	Plant & equipment	Electrical Installation and Equipment	Furniture and fixtures	Vehicles	Computer and related equipment	Improvements on Leasehold Building	Total
Gross carrying amount							
At 31 March 2023	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-
At 31 March 2024	-	-	-	-	-	-	-
Additions during the year	237.91	29.75	3.98	44.50	2.23	143.09	461.46
Disposals during the year	-	-	-	-	-	-	-
At 31 March 2025	237.91	29.75	3.98	44.50	2.23	143.09	461.46
Accumulated depreciation							
At 31 March 2023	-	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-
At 31 March 2024	-	-	-	-	-	-	-
Depreciation for the year	13.65	2.42	0.32	3.38	0.51	9.55	29.83
Adjustments/ Disposals during the year	-	-	-	-	-	-	-
At 31 March 2025	13.65	2.42	0.32	3.38	0.51	9.55	29.83
Net carrying amount							
31 March 2024	-	-	-	-	-	-	-
31 March 2025	224.26	27.33	3.66	41.12	1.72	133.54	431.63



Spring Labs

Notes to Financial Statements

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

3(b) Capital work-in-progress:

Particulars	As at 31 March 2025	As at 31 March 2024
Projects in Progress	-	369.12
	-	369.12

Ageing for capital work-in-progress as at March 31, 2025

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
	-	-	-	-	-

Ageing for capital work-in-progress as at March 31, 2024

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	211.21	157.91	-	-	369.12
	211.21	157.91	-	-	369.12

3(c) Right of use assets and Lease liabilities

Particulars	Building
Gross carrying amount	
At 01 April 2023	-
Additions during the year	88.31
Disposals during the year	-
At 31 March 2024	88.31
Additions during the year	217.88
Adjustments/ Disposals during the	88.31
At 31 March 2025	217.88
Accumulated depreciation	
At 01 April 2023	-
Depreciation for the year	5.79
Disposals during the year	-
At 31 March 2024	5.79
Depreciation for the year	9.19
Disposals during the year	5.79
At 31 March 2025	9.19
Net carrying amount	
31 March 2024	82.52
31 March 2025	208.70



Spring Labs

Notes to Financial Statements

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

Lease liabilities

Particulars	As at	As at
	31 March 2025	31 March 2024
Balance at the beginning of the year	81.62	-
Additions during the year	205.62	80.91
Finance cost accrued during the period	14.39	9.71
Deletions	(81.62)	-
Payment of lease liabilities	(14.70)	(9.00)
Balance at the end of the year	205.31	81.62

The following is the break-up of current and non-current lease liabilities:

Particulars	As at	As at
	31 March 2025	31 March 2024
Current lease liabilities	22.43	8.64
Non-current lease liabilities	182.88	72.98
	205.31	81.62

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

Particulars	As at	As at
	31 March 2025	31 March 2024
Less than one year	25.20	9.68
One to five years	113.34	55.12
More than five years	314.24	125.31
	452.77	190.10

Amounts recognised in the statement of profit and loss

Particulars	As at	As at
	31 March 2025	31 March 2024
Interest expenses on lease liabilities	14.39	9.71
Depreciation expenses on right of use-assets	9.19	5.79
	23.58	15.50



Spring Labs

Notes to Financial Statements

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

4 Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Security deposits	4.84	4.84
Lease deposit	3.46	1.79
	8.29	6.63

5 Other assets

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
Capital advances	-	13.50
	-	13.50
(b) Current		
Balance with government authorities	3.02	3.81
Advances for services and supplies	0.13	-
Prepaid expenses	4.04	-
Employee advances	0.02	-
	7.20	3.81

Deferred tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax asset/(liability) relates to the following:		
Property, plant and equipment	(23.77)	-
Provision for employee benefits	(0.38)	-
Carry forward tax loss and Unabsorbed depreciation	54.54	3.34
	30.40	3.34
Less: Deferred tax reserve	(30.40)	(3.34)
	-	-

Movement in the Deferred Tax Assets

Particulars	Property, plant and equipment	Provision for employee benefits	Carry forward tax loss and Unabsorbed depreciation	Total
Opening balance as at April 1, 2023	-	-	-	-
Recognised in profit or loss	-	-	3.34	3.34
Recognised in OCI	-	-	-	-
Closing balance as at March 31, 2024	-	-	3.34	3.34
Recognised in profit or loss	(23.77)	(0.38)	51.20	27.06
Recognised in OCI	-	-	-	-
Closing balance as at March 31, 2025	(23.77)	(0.38)	54.54	30.40

6 Inventories

Particulars	As at 31 March 2025	As at 31 March 2024
Stock-in-trade	14.41	2.66
	14.41	2.66



Spring Labs

Notes to Financial Statements

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

7 Trade Receivables

Particulars	As at	As at
	31 March 2025	31 March 2024
Unsecured Considered good	40.15	7.51
Less: Provision for bad and doubtful debts	-	-
Total Current Trade receivables	40.15	7.51

Trade Receivables ageing schedule as at 31 March 2025:

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	38.02	1.05	1.08	-	-	40.15
(ii) Undisputed Trade Receivables – which have	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	38.02	1.05	1.08	-	-	40.15
Less: Allowance	-	-	-	-	-	-
Total Trade receivables	38.02	1.05	1.08	-	-	40.15

Trade Receivables ageing schedule as at 31 March 2024:

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	7.51	-	-	-	-	7.51
(ii) Undisputed Trade Receivables – which have	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	7.51	-	-	-	-	7.51
Less: Allowance	-	-	-	-	-	-
Total Trade receivables	7.51	-	-	-	-	7.51

8 Cash and cash equivalents

Particulars	As at	As at
	31 March 2025	31 March 2024
Balance with Banks		
- in current accounts	3.66	31.28
Deposit with original maturity of less than 3 months	20.00	-
	23.66	31.28

9 Partners' capital

Particulars	As at	As at
	31 March 2025	31 March 2024
Partners' Capital account		
Adita Bio Sys Pvt Ltd	0.90	0.90
Chethan Basavaraju	0.10	0.10
	1.00	1.00



Spring Labs

Notes to Financial Statements

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

Partners' Current account

Adita Bio Sys Pvt Ltd	25.61	145.37
Chethan Basavaraju	(19.44)	(3.75)
	6.17	141.63

10 Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
Secured		
Term loans from bank	134.48	182.00
Unsecured		
Loan from related parties	165.25	60.00
	299.73	242.00
(b) Current		
Working capital loans from bank	79.19	-
Current maturities of long-term borrowings		
Secured		
-Term loan from bank	40.73	-
	119.93	-

11 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Non-current		
Gratuity	1.20	-
	1.20	-
(b) Current		
Gratuity	0.00	-
	0.00	-

12 Trade Payables

Particulars	As at 31 March 2025	As at 31 March 2024
Due to MSMED	8.10	1.38
Due to related parties MSMED	-	2.78
Due to other than MSMED		
- Due to others	40.48	0.37
	48.58	4.52

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act")

(i) The principal amount and interest due thereon remaining unpaid to supplier as at the end of each accounting year

- Principal amount	8.10	4.16
- Interest due on above		

(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year



Spring Labs

Notes to Financial Statements

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006

(iv) Interest accrued and remaining unpaid at the end of the year

(v) Interest remaining due and payable in succeeding years, in terms of Section 23 of the MSMED Act, 2006

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

(b) Aging schedule

31 March 2025	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	8.10	-	-	-	8.10
Total outstanding dues of creditors other than micro enterprises :	40.48	-	-	-	40.48
	48.58	-	-	-	48.58

31 March 2024	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises :	4.52	-	-	-	4.52
	4.52	-	-	-	4.52

13 Other financial liabilities

Particulars	As at	As at
	31 March 2025	31 March 2024
Current		
Payable to employees	3.83	0.13
Creditors for capital expenditure	6.67	37.51
Creditors for expenses	17.28	0.89
Audit fee payable	0.10	0.10
Interest payable on unsecured loan	15.16	1.86
Payable to exiting partner	5.50	5.50
	48.55	45.98

14 Other liabilities

Particulars	As at	As at
	31 March 2025	31 March 2024
Current		
Statutory dues	3.56	0.28
	3.56	0.28



Spring Labs

Notes to Financial Statements

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

15 Revenue from operations

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
Sale of products	213.91	10.09
Sale of services	4.66	-
Other operating revenues		
-Sale of bedding materials	0.33	0.05
-Sale of animal feeds	1.99	0.66
-Sale of cages	0.22	-
	221.10	10.79

16 Other income

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
Interest income on:		
-Lease deposit	0.32	0.19
	0.32	0.19

17 Cost of materials consumed

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
Inventory at the beginning of the year	-	-
Add : Purchase of chemicals	0.83	-
Add : Animal Maintenance	1.49	0.12
Add : Lab Maintenance	0.06	-
Less: Inventory at the end of the year	-	-
	2.38	0.12

18 Purchase of stock-in-trade

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
Purchases during the year	127.51	4.40
	127.51	4.40

19 Changes in inventories of finished goods and work-in-progress

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
Inventories at the beginning of the year		
Stock-in-trade	2.66	-
	2.66	-
Inventories at the end of the year		
Stock-in-trade	14.41	2.66
	14.41	2.66
	(11.75)	(2.66)

20 Employee benefits expense

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
Salaries and wages	90.28	0.39
Contribution to provident and other funds	5.20	-
Gratuity	1.21	-
Staff welfare expenses	4.40	0.19
	101.09	0.58



Spring Labs

Notes to Financial Statements

For the period ended March 31, 2025

(Amount in Rs. lakhs, unless otherwise stated)

21 Finance costs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest expense	47.80	2.06
Interest on Lease Liability	14.39	7.65
Other borrowing costs	1.27	-
	63.46	9.71

22 Other expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Direct expenses		
Power and Fuel charges	29.65	0.54
Freight charges	0.52	0.02
Biowaste Management Charges	0.67	-
Indirect expenses		
Audit Fee	0.10	0.10
Rent Expenses	0.24	-
Repairs and maintenance		
Building	0.49	-
Others	5.44	1.43
Rates and taxes	2.90	0.01
Bank Charges	0.02	0.01
Printing and stationery	1.34	-
Professional & consultancy charges	6.87	0.39
Insurance	0.31	0.12
Communication expenses	0.32	0.17
Office maintenance expenses	3.71	1.51
Travelling and conveyance	1.95	-
Preliminary expenses written off	-	26.22
Selling expenses	0.04	-
	54.58	30.52

(a) Payments to the auditor

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
As an auditor		
- Statutory audit	0.10	0.10
	0.10	0.10

23 Exceptional items

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Prior Period Expenses	0.18	-
Loss/(Gain) on ROU Asset	(2.47)	-
	(2.29)	-



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

24. Tax expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current tax	-	-
Deferred tax	(27.06)	(3.34)
Tax expense charged to Statement of Profit and Loss	(27.06)	(3.34)
Reconciliation of tax expense		
Profit before tax	(152.57)	(37.47)
Tax expense at applicable tax rates 26% (March 31, 2024: 26%;)	-	-
Adjustments:		
Deferred tax assets not recognized / (utilized)	(27.06)	(3.34)
Tax effect on Non-deductible expense	-	-
Income tax expense	(27.06)	(3.34)

25. Fair value measurements

Particulars	As at 31 March 2025	As at 31 March 2024
Financial Assets		
Trade receivables	40.15	7.51
Cash and cash equivalents	23.66	31.28
Other financial assets	8.29	6.63
	72.10	45.42
Financial Liabilities		
Borrowings	299.73	242.00
Trade payables	48.58	4.52
Other financial liabilities	48.55	45.98
	396.86	292.50

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

The carrying amounts of trade receivables, trade payables and cash and bank balances are considered to be the same as their fair values, due to their short-term nature. The difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

26. Financial risk management objectives and policies

The possible risk to the firm is financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the firm focuses on the unpredictability of the financial markets and attempts to minimize their potential



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

negative influence on the financial performance of the firm. The firm continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the firm's risk management framework.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, foreign currency risk and other price risk. Financial instruments of the firm affected by market risk include borrowings and deposits. The firm does not hold any financial instruments which have market risk.

Price risk

The firm does not have any investments which are classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. Hence, the firm is not exposed to any price risk.

Credit risk

Credit risk is the risk arising from credit exposure to customers and the counterparty will default on its contractual obligations.

The firm has adopted a policy of only dealing with creditworthy customers/ corporates to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in banquets, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short-term deposits and interest receivable on deposits represents firm's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the firm's treasury department in accordance with the firm's policy.

Liquidity risk

Liquidity risk is the risk that the firm will have difficulty in raising the financial resources required to fulfil its commitments.

Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the firm's liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

27. Related party disclosures

Names of related parties and nature of relationship

Name of the Related Parties	Nature of Relationship
Key Management Personnel (KMP) Chetan Basavaraju	Partner
Holding Company Adita Bio Sys Private Limited (29-12-2023)	
Ultimate Holding Company Pharmaids Pharmaceuticals Limited (w.e.f. 02-03-2024)	
Co-subsiidiary Siri Labvivo Diet Private Limited	
Entities in which partners or other relatives are interested Moki Financial Services Bionees India Private Limited	

Details of transactions with related parties in the ordinary course of business

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Unsecured Loan borrowed		
Adita Bio Sys Private Limited	-	60.00
Moki Financial Services	-	15.00
Pharmaids Pharmaceuticals Limited	105.25	-
Unsecured Loan repaid		
Moki Financial Services	-	15.00
Interest expense on Unsecured Loans/ Capital		
Adita Bio Sys Private Limited	24.75	2.06
Pharmaids Pharmaceuticals Limited	7.59	-
Sale of products		
Adita Bio Sys Private Limited	24.27	3.33
Bionees India Private Limited	9.76	-
Purchase of products or assets		
Adita Bio Sys Private Limited	-	2.78
Siri Labvivo Diet Private Limited	0.79	-
Customer advance adjusted*		
Adita Bio Sys Private Limited	-	50.00



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Balances payable/(receivable)

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured Loan borrowed		
Adita Bio Sys Private Limited	60.00	60.00
Pharmaids Pharmaceuticals Limited	105.25	-
Interest payable on Unsecured Loans		
Adita Bio Sys Private Limited	8.34	1.86
Pharmaids Pharmaceuticals Limited	6.83	-
Dues payable		
Adita Bio Sys Private Limited	-	2.78
Dues receivable		
Adita Bio Sys Private Limited	8.27	3.33
Siri Labvivo Diet Private Limited	0.79	-

* The customer advance received from Adita Bio Sys Private Limited towards sale of lab animals during the FY 22-23 was converted into capital in the FY 23-24.

28. Employee benefits

Defined Contribution Plans

The Firm has recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year ended 31 March 2025
Employers' Contribution to Provident Fund	4.36
Employers' Contribution to Employee State Insurance	0.84

Defined benefit plans

The Company provides for gratuity to employees as per the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age.

Amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2025
Current service cost	1.21
Past service cost	-
Loss/(gain) on curtailments and settlement	-
Net interest cost	-
Total amount recognized in the Statement Profit and Loss	1.21



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Changes in present value of defined benefit obligation

Particulars	As at 31 March 2025
Present value of obligation at the beginning of the year	-
Current service cost	1.21
Interest Expense or Cost	-
Re-measurement (or Actuarial) (gain)/loss	-
Past service cost	-
Benefits paid	-
Present value of obligation at the end of the year	1.21

The assumptions used for gratuity valuation are as below:

Particulars	As at 31 March 2025
Discount Rate	6.8% p.a.
Expected Return on Plan Assets	Not Applicable
Salary Growth Rate	7.00% p.a.
Withdrawal Rates:	
Age 25 & Below	10 % p.a.
Age 25 to 35	8 % p.a.
Age 35 to 45	6 % p.a.
Age 45 to 55	4 % p.a.
Age 55 & above	2 % p.a.

Risk exposure

These defined benefit plans typically expose the Company to actuarial risks as under:

Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company, there can be strain on the cashflows.

Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

29. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the firm has only one reportable segment namely "Contract Research and Manufacturing Services".

30. Capital management

The firm's policy is to maintain strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business. The long-term debt of Rs. 60 lakhs was borrowed from holding company.

The firm manages its Capital structure through a balanced mix of debt and equity. The firm's capital structure is influenced by the changes in the regulatory frameworks, government policies, available options of financing and impact of the same on liquidity position.

The firm includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The firm monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	As at	As at
	31 March 2025	31 March 2024
Partners' capital	1.00	1.00
Partners' current account	6.17	141.63
Total Equity (A)	7.17	142.63
Long-term borrowings	299.73	242.00
Short-term borrowings	119.93	-
Less: Cash and Cash equivalents	(23.66)	(31.28)
Total Debt (B)	396.00	210.72
Overall financing (C = A+B)	403.17	353.34
Gearing ratio (B/C)	98.22%	59.64%



Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2025

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

31. Ratios as per Schedule III requirements

Particulars	31 March 2025	31 March 2024	% Variance	Reason For Variance
Current Ratio	0.35	0.76	-54%	Increase in Trade receivables and Inventories which was NIL during previous year
Debt-Equity Ratio	41.79	1.70	2363%	Additional debt was borrowed compared to previous year
Debt Service Coverage ratio	-0.17	-0.09	92%	Increase in debt and expenses compared to previous year
Inventory Turnover Ratio	8.03	0.65	1127%	Increase in purchases and stock during the year
Trade Payable Turnover Ratio	4.45	0.81	446%	Increase in purchases and trade payables during the year
Net Profit Ratio	-57%	-316%	-82%	Increase in the loss compared to previous year
Return on Equity Ratio	-168%	-29.02%	477%	Increase in the loss and reduction in total equity
Return on Investment Ratio	NA	NA	NA	
Trade Receivables Turnover Ratio	9.28	2.87	223%	Increase in revenue and Trade receivables during the year
Net Capital Turnover Ratio	-1.40	-0.76	84%	Increase in current liabilities during the year
Return on Capital Employed	-0.19	-0.06	207%	Increase in loss during the year

Ratio	Formula
Current Ratio	Current Assets/Current Liabilities
Debt-Equity Ratio	Total debt/Total equity
Debt Service Coverage ratio	Earnings available for debt services (i.e., EBIT+ Depreciation & Amortization)/Total interest and principal repayments
Inventory Turnover Ratio	Cost of materials consumed/Average inventory
Trade Payable Turnover Ratio	Total purchases/Average trade payables
Net Profit Ratio	Net profit after tax/Revenue from Operations
Return on Equity Ratio	Net profit after tax/Average Equity
Return on Investment Ratio	Interest Income/Average Investment in Fixed Deposits
Trade Receivables Turnover Ratio	Revenue from operations/Average trade receivables
Net Capital Turnover Ratio	Revenue from operations/Net Working capital (Net working capital = current assets - current liabilities)
Return on Capital Employed	Earnings before interest and taxes (EBIT)/Capital Employed

For Chayashree and Associates

Chartered Accountants

Firm Registration No: 025290S

 CA Chayashree TRG

Proprietrix

Membership No: 229127

Place: Tumkur

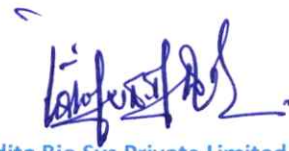
Date: 21-05-2025

UDIN: 25229127BMTDGI1292



For Spring Labs


Anethan Basavaraju
Partner



Adita Bio Sys Private Limited
Partner
(Rep by Balagangadhara B C)