

**INDEPENDENT AUDITORS' REPORT**

**To The Members of  
Amara Raja Advanced Cell Technologies Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Amara Raja Advanced Cell Technologies Private Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income) for the period from 29.11.2022 to 31.3.2023, the Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2023, its Loss, total comprehensive loss, its cash flows and the changes in equity for the period ended on that date.

**Basis for Opinion**

We conducted our audit of the 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 Responsibility for the Audit of the 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 ethical requirements that are relevant to our audit of the 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Information Other than the Financial Statements and Auditors' Report Thereon**

- The company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report and Annexures to the Director's Report (but does not include the financial statements and our auditors' report thereon).
- Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility for the Audit of the Financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 control 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 the 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 auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

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

1. As required by 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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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, no remuneration was paid by the Company to its directors during the period.
  - 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 financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. Since this is the first year of operations of the company, the question of reporting of delays made in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company does not arise.
  - iv. (a) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.  
  
(b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities.  
  
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The company has not declared any dividend during the year.
2. As required by the Companies (Auditor's Report) Order, 2020 ("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 BRAHMAYYA & Co.  
Chartered Accountants  
(F.R.N: 0005135)

  
Karumanchi Rajaj  
Partner  
Membership No. 202309  
UDIN: 23202309BGVTHX7531

Hyderabad, May 9, 2023



## **ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report 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 **Amara Raja Advanced Cell Technologies Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the company for the period ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act 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 control 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 Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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

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

### **Opinion**

In our opinion, 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 asat March 31, 2023, based on the criteria for internal financial control over financial reporting 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 BRAHMAYYA & Co.  
Chartered Accountants  
(F.R.N: 0005135)

  
Karumanchi Raju  
Partner  
Membership No. 202309  
UDIN: 23202309BGVTHX7531



Hyderabad, May 9, 2023

## ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) The company has not acquired any property, plant and equipment, capital work-in-progress and Intangible assets during the period under report and hence the reporting requirement in terms of Clause (i) of the Order is not applicable.
- (ii) (a) The company has no inventories at any point of time during the year and also as on date of balance sheet and hence the reporting requirement in terms of Clause (ii)(a) of the Order is not applicable.  
(b) The Company has not availed any working capital loans during the year under report and hence the reporting requirement in terms of Clause (ii)(b) of the Order is not applicable.
- (iii) (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year, and hence reporting under clause (iii)(a), (c), (d), (e) and (f) of the Order is not applicable.  
(b) The investments made, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
- (iv) (a) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of investments made, as applicable. The company has not granted any loans or provided guarantees or securities.
- (v) (a) The company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) (a) The maintenance of cost records required to be maintained under Section 148(1) of the Companies Act, 2013 is not applicable for the year under report.
- (vii) In respect of statutory dues:
  - (a) The company has been regular in depositing the statutory dues to the extent applicable for the year under report, as this is the first year of incorporation of the company and no commercial operations has been carried out during the year.
  - (b) The company has no undisputed statutory dues as on date of balance sheet and further the company is incorporated during the year and is in existence for a period of less than six months and hence the question of reporting of undisputed statutory dues outstanding for a period of more than six months is not applicable.
  - (c) The company has no statutory dues which are disputed during the year as on date of balance sheet.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The company has not availed any loans from lenders and hence the reporting requirements in terms of clause (ix) of the Order is not applicable.  
(b) The company has not obtained any loans from any entities and further the company has not



subsidiaries, associates or Joint ventures and hence the reporting under clause (ix) of the Order is not applicable.

- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer and hence the reporting in terms of clause (x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause (x)(b) of the Order is not applicable.
- (xi) (a) To the best of our knowledge, no fraud by the company and no material fraud on the company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central government during the year and upto the date of this report.
- (c) The requirement of having Whistle blower mechanism is not applicable to the company for the year under report.
- (xii) The company is not a Nidhi company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the company is in compliance with Section 177 and 188 of the companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) Since this is the first year of incorporation of the company, the question of applicability of having an adequate internal audit system commensurate with the size and the nature of its business does not arise during the year under report.
- (xv) In our opinion during the year, the company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- The company or any of the group companies of its parent company does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The company has incurred cash losses during the financial year covered by our audit and since this is the first year of incorporation of the company, the question of reporting of incurring of cash losses for the immediately preceding financial year does not arise.
- (xviii) There has been no resignation of the statutory auditors of the company during the year.





- (xix) Since this is the first year of incorporation of the company and the company has not commenced its commercial operations and in the absence of outside liabilities as on date of balance sheet, the question of reporting of capability of the company in meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balancesheet date is not applicable.
- (xx) Since this is the first year of incorporation of the company, the provisions of section 135 of the Companies Act, 2013 does not apply during the year under report and consequently the reporting requirements int terms of clause (xx) of the Order is not applicable for the year.

For BRAHMAYYA & Co.  
Chartered Accountants  
(F.R.N: 000513S)

  
Karumanchi Rajaj  
Partner  
Membership No. 202309  
UDIN: 23202309BGVTHX7531

Hyderabad, May 9, 2023

Amara Raja Advanced Cell Technologies Private Limited

Balance Sheet as at March 31, 2023

All amounts are in ₹ millions, except share data and where otherwise stated

	Note No.	<u>As at</u> <u>March 31, 2023</u>
<b>A. ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment		-
(b) Right-of-use assets		-
(c) Capital work-in-progress		-
(d) Other intangible assets		-
(e) Intangible assets under development		-
(f) Financial assets		-
(i) Investments		-
(ii) Other financial assets	3	83.55
(g) Deferred tax assets (net)	8	4.60
(h) Other non-current assets		-
<b>Total non - current assets</b>		<u><u>88.15</u></u>
<b>Current assets</b>		
(a) Inventories		-
(b) Financial assets		-
(i) Investments	4	904.92
(ii) Trade receivables		-
(iii) Cash and cash equivalents	5	1.55
(iv) Bank balances other than (iii) above		-
(v) Other financial assets		-
(c) Current tax Assets (net)		-
(d) Other current assets		-
<b>Total current assets</b>		<u><u>906.47</u></u>
<b>Total assets</b>		<u><u>994.62</u></u>

**B. EQUITY AND LIABILITIES**

**Equity**

(a) Equity share capital	6	1,000.00
(b) Other equity	7	(7.46)

**Total equity**

992.54

**Liabilities**

**Non-current liabilities**

(a) Financial liabilities		-
(i) Borrowings		-
(ii) Lease liabilities		-
(b) Provisions		-
(c) Deferred tax liabilities (net)		-
(d) Other non-current liabilities		-

**Total non-current liabilities**

-



Amara Raja Advanced Cell Technologies Private Limited

Balance Sheet as at March 31, 2023

All amounts are in ₹ millions, except share data and where otherwise stated

	Note No.	<u>As at</u> <u>March 31, 2023</u>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings		-
(ii) Lease liabilities		-
(iii) Trade payables		-
-Total outstanding dues of Micro enterprises and small enterprises		-
-Total outstanding dues of creditors other than Micro enterprises and small enterprises		-
(iv) Other financial liabilities	9	0.45
(b) Provisions		-
(c) Current tax liabilities (net)	10	1.58
(d) Other current liabilities	11	0.05
<b>Total current liabilities</b>		<u>2.08</u>
<b>Total equity and liabilities</b>		<u>994.62</u>
Corporate information	1	
Significant accounting policies	2	

See accompanying notes to the financial statements

**Note:**

The Company was incorporated on November 29, 2022, and accordingly the financial statements do not include comparative figures for the previous year.

**In terms of our report attached**

**For Brahmaya & Co.**

*Chartered Accountants*

(F.R.N : 0005135)



**Karumanchi Rajaj**

Partner

M.No. 202309

UDIN:23202309BGVTHX7531


Place: Hyderabad

Date: May 09, 2023

**For and on behalf of the Board of Director**

  
**Jayadev Galla**  
Director



  
**Vikramadithya Gourineni**  
Director

Place: Hyderabad

Date: May 09, 2023

Amara Raja Advanced Cell Technologies Private Limited

Statement of profit and loss for the period from November 29, 2022 to March 31, 2023

All amounts are in ₹ millions, except share data and where otherwise stated

	Note No.	For the period from November 29, 2022 to March 31, 2023
I Revenue from operations		-
II Other income	12	16.04
<b>III Total Income (I+II)</b>		<b>16.04</b>
<b>IV Expenses</b>		
Cost of materials consumed		-
Purchases of stock-in-trade		-
Changes in inventories of finished goods, work-in-progress and stock-in-trade		-
Employee benefits expense		-
Finance costs		-
Depreciation and amortization expense		-
Other expenses	13	26.00
<b>Total Expenses</b>		<b>26.00</b>
<b>V Profit/(loss) before tax (III - IV)</b>		<b>(9.96)</b>
<b>VI Tax expense</b>	14	
(i) Current tax		2.10
(ii) Deferred tax credit		(4.60)
<b>Total tax expense/(credit)</b>		<b>(2.50)</b>
<b>VII Profit/(loss) for the period after tax (V - VI)</b>		<b>(7.46)</b>
<b>VIII Other Comprehensive Income</b>		
<b>Total Other comprehensive Income</b>		
<b>IX Total comprehensive income/(loss) for the period (VII + VIII)</b>		<b>(7.46)</b>
<b>Earnings per share (of ₹ 10 /- each)</b>		
Basic and Diluted (₹)	15	(0.07)
Corporate information	1	
Significant accounting policies	2	

See accompanying notes to the financial statements

**Note:**

The Company was incorporated on November 29, 2022, and accordingly the financial statements do not include comparative figures for the previous year.

In terms of our report attached  
For Brahmayya & Co.


Chartered Accountants  
(F.R.N. 800513S)


  
Karumanchi Rajaj  
Partner

M.No. 202309  
UDIN:23202309BGVTHX7531

Place: Hyderabad  
Date: May 09, 2023

For and on behalf of the Board of Directors

  
Jayadev Galla  
Director

  
Vikramadithya Gourineni  
Director

Place: Hyderabad  
Date: May 09, 2023





Amara Raja Advanced Cell Technologies Private Limited  
Cash Flow Statement for the period from November 29, 2022 to March 31, 2023  
All amounts are in ₹ millions except share data and where otherwise stated

	For the period from November 29, 2022 to March 31, 2023
<b>A. Cash flows from operating activities</b>	
Profit/(loss) before tax	(9.96)
Adjustments for:	
Interest income on bank deposits	(5.12)
Gain on disposal of mutual fund units	(3.70)
Net gain arising on financial assets mandatorily measured at FVTPL	(7.22)
	(16.04)
<b>Operating profit/(loss) before working capital changes</b>	(16.04)
<b>Movements in working capital</b>	(26.00)
<u>Adjustments for (increase)/decrease in operating assets:</u>	
- Trade receivables	-
- Inventories	-
- Other assets	-
<u>Adjustments for increase/(decrease) in operating liabilities:</u>	
- Trade payables	-
- Other liabilities	0.50
	0.50
Income taxes paid (net)	(25.50)
<b>Net cash used in operating activities [A]</b>	(26.01)
<b>B. Cash flows from investing activities</b>	
Security Deposit paid on Land	(83.55)
Purchase of current investments	(1,514.00)
Interest received	5.12
Proceeds from sale / redemption of current investments	620.00
<b>Net cash used in investing activities [B]</b>	(972.43)
<b>C. Cash flows from financing activities</b>	
Proceeds from issue of share capital	1,000.00
<b>Net cash from financing activities [C]</b>	1,000.00
<b>Net increase/(decrease) in cash and cash equivalents [A+B+C]</b>	1.55
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period (Refer Note 5)</b>	1.55

**Notes:**

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (Ind AS - 7) - Statement of Cash Flows.
- (b) The Company was incorporated on November 29, 2022, and accordingly the financial statements do not include comparative figures for the previous year.

See accompanying notes to the financial statements

**In terms of our report attached**


**For Brahmayya & Co.**

Chartered Accountants  
(F.R.N. 000513S)



**Karumanchi Rajaj**  
Partner  
M.No. 202309  
UDIN:23202309BGVTHX7531  
Place: Hyderabad  
Date: May 09, 2023

**For and on behalf of the Board of Directors**

  
**Jayadev Galla**  
Director



  
**Vikramadithya Gourineni**  
Director

Place: Hyderabad  
Date: May 09, 2023

Amara Raja Advanced Cell Technologies Private Limited  
 Statement of changes in equity for the period ended March 31, 2023  
 All amounts are in ₹ millions, except share data and where otherwise stated

A) Equity share capital

	As at March 31, 2023
Balance at the beginning of the year	-
Changes in equity share capital during the year	1,000.00
<b>Balance at the end of the year</b>	<b>1,000.00</b>

B) Other equity

	Reserves and surplus				Other comprehensive income	Total
	Securities premium	Capital reserve	General reserve	Retained earnings		
<b>Balance at March 31, 2022</b>	-	-	-	-	-	-
Profit/(loss) for the period	-	-	-	(7.46)	-	(7.46)
Other comprehensive income / (loss) for the period, net of income tax	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period ending March 31, 2023</b>	-	-	-	(7.46)	-	(7.46)
Payment of dividends	-	-	-	-	-	-
Transfer for General reserve	-	-	-	-	-	-
<b>Balance at March 31, 2023</b>	-	-	-	(7.46)	-	(7.46)

Note:

The Company was incorporated on November 29, 2022, and accordingly the financial statements do not include comparative figures for the previous year.



See accompanying notes to the financial statements

In terms of our report attached

For Brahmavara & Co.  
 Chartered Accountants  
 (F.R.N. 000513S)  
  
 Karumanchi Raja  
 Partner  
 M.No. 202309  
 UDIN:23202309BGVTHX7531

Place: Hyderabad  
 Date: May 09, 2023

For and on behalf of the Board of Directors

  
 Jayadev Galla  
 Director  
  
 Vikramadithya Gourineni  
 Director



Place: Hyderabad  
 Date: May 09, 2023

## Amara Raja Advanced Cell Technologies Private Limited

### Notes to the financial statements

All amounts are in ₹ crores, except share data and where otherwise stated

#### 1. Corporate Information

Amara Raja Advanced Cell Technologies Private Limited ("the Company") was incorporated on November 29, 2022 as a private company and is engaged in the business of developing and manufacturing of energy storage & management products, solutions and technologies related to Lithium cells, or such other Advanced Cell Chemistries (ACC), battery packs and components including but not limited to chargers. The Company's ambition is to develop a robust ecosystem around Lithium-ion with state-of-the-art R&D, incubation, testing and manufacturing - giga corridor for emerging technologies in energy and mobility.

#### 2. Significant Accounting Policies

##### A. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

##### B. Basis of preparation and presentation

These financial statements have been prepared on historical cost convention and on an accrual basis. These financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

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

##### C. Classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the period of realization/settlement in cash and cash equivalents.

##### D. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS which requires Management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

##### E. Accounting policies:

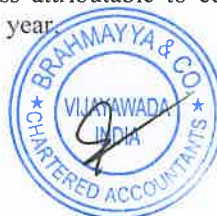
###### (i) Financial assets:

Financial assets includes current investments and are initially recognized at transaction price and subsequently measured at fair value through P&L a/c (FVTPL) where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale of decisions based on their fair value and the unrealized gains and loss resulting from fair value changes is recognized in statement of profit and loss.

Financials assets which are classified as measured based at its amortised cost was made when the financial assets are held within a business model solely for collection of cash flows arising from payment of principal/interest as per contractual terms and measured using effective interest rates.

###### (ii) Earnings per share

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



**Amara Raja Advanced Cell Technologies Private Limited**

**Notes to the financial statements**

All amounts are in ₹ crores, except share data and where otherwise stated

Diluted earnings per share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**(iii) Cash and cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement include cash in bank which is considered as part of the Company's cash management system.





**Amara Raja Advanced Cell Technologies Private Limited**

**Notes to the financial statements**

All amounts are in ₹ millions, except share data and where otherwise stated

**As at  
March 31, 2023**

**Note 3: Other financial assets**

**Non-current**

Security deposits

83.55

**Total**

**83.55**

**Note 4: Investments**

**Current**

**Investments mandatorily measured at fair value through profit or loss (FVTPL)**

**Quoted investments in mutual funds**

SBI Savings Fund - Direct Plan - Growth

March 31, 2023: 1,45,47,609.04 units of ₹ 35.41

515.13

SBI Liquid Fund - Direct Plan - Growth

March 31, 2023: 1,11,492.48 units of ₹ 3496.08

389.79

**Total**

**904.92**

Aggregate book value of quoted investments - at cost

897.70

Aggregate market value of quoted investments

904.92

**Note 5: Cash and cash equivalents**

(a) Balances with banks

(i) in current accounts

1.55

(b) Cash on hand

-

**Cash and cash equivalents as per the cash flow statement**

**1.55**



**Amara Raja Advanced Cell Technologies Private Limited**

**Notes to the financial statements**

All amounts are in ₹ millions, except share data and where otherwise stated

**Note 6: Equity share capital**

	As at March 31, 2023	
	Number of shares	Amount
<b>(a) Authorised</b>		
Equity shares of ₹ 10/- each	50,00,00,000	5,000.00
<b>(b) Issued</b>		
Equity shares of ₹ 10/- each	10,00,00,000	1,000.00
<b>(c) Subscribed and fully paid-up</b>		
Equity shares of ₹ 10/- each	10,00,00,000	1,000.00
<b>Total</b>	<b>10,00,00,000</b>	<b>1,000.00</b>

**Notes:**

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:**

Equity shares	Number of shares	Share capital (Amount)
<b>Balance at March 31, 2022</b>	-	-
Issued during the year	10,00,00,000	1,000.00
<b>Balance at March 31, 2023</b>	<b>10,00,00,000</b>	<b>1,000.00</b>

**(ii) Rights, preferences and restrictions attached to the equity shares:**

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10 each. Each holder of equity share is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

**(iii) Details of equity shares held by each shareholder holding more than 5% of the equity shares:**

	As at March 31, 2023	
	Number of shares	%
Amara Raja Batteries Limited *	10,00,00,000	100.00

**(iv) Details of equity shares held by promoters at the end of the year**

Promoter Name	As at March 31, 2023	
	Number of shares	%
Amara Raja Batteries Limited *	10,00,00,000	100.00

\* includes shares held by nominee shareholder's.

**Note:**

The Company was incorporated on November 29, 2022, and accordingly the financial statements do not include comparative figures for the previous year.



**Amara Raja Advanced Cell Technologies Private Limited****Notes to the financial statements**

All amounts are in ₹ millions, except share data and where otherwise stated

**Note 7: Other equity****As at  
March 31, 2023****a) Retained earnings**

Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with

(7.46)

**Total****(7.46)****Note 8: Deferred tax assets (net)****Deferred tax asset/(liability) :**

Incorporation expenses

6.42

Fair value changes of current investments

(1.82)

**Total****4.60****Deferred tax assets/(liabilities) in relation to:**

<b>Particulars</b>	<b>Opening Balance</b>	<b>Recognised in Profit and Loss</b>	<b>Closing Balance</b>
Incorporation expenses	-	6.42	6.42
Fair value changes of current investments	-	-1.82	-1.82
<b>Total</b>	<b>-</b>	<b>4.60</b>	<b>4.60</b>

**Note 9: Other financial liabilities****Current**

Other payables

0.45

**Total****0.45****Note 10: Income tax assets /liabilities (net)****Current**

Provision for current tax

2.10

Less: TDS

(0.51)

**Total****1.58****Note 11: Other liabilities****Current**

Statutory remittances (TDS)

0.05

**Total****0.05**

**Amara Raja Advanced Cell Technologies Private Limited**

**Notes to the financial statements**

All amounts are in ₹ millions, except share data and where otherwise stated

	<b>For the period from November 29, 2022 to March 31, 2023</b>
<b>Note 12: Other income</b>	
<b>a) Interest income</b>	
Interest income earned on financial assets that are not designated as at FVTPL	
- Bank deposits (at amortised cost)	5.12
	<b>5.12</b>
<b>b) Other gains and losses</b>	
(i) Gain on disposal of mutual fund units	3.70
(ii) Net gain arising on financial assets mandatorily measured at FVTPL	7.22
	<b>10.92</b>
<b>Total (a+b)</b>	<b>16.04</b>
<b>Note 13: Other expenses</b>	
Incorporation expenses	25.50
Payment to auditors towards Statutory audit	0.50
<b>Total</b>	<b>26.00</b>





**Amara Raja Advanced Cell Technologies Private Limited****Notes to the financial statements**

All amounts are in ₹ millions, except share data and where otherwise stated

**For the period from  
November 29, 2022 to  
March 31, 2023****Note 14 Income- tax recognised in Statement of Profit and loss****Current tax**

In respect of current period

2.10

**Deferred tax**

In respect of current period

(4.60)

**Total Income-tax expense**(2.50)

The income tax expense for the current year can be reconciled to the accounting profit as follows.

**Profit/(loss) before tax**

(9.96)

Income tax expense calculated @25.168%

(2.51)

Tax effects of amounts not deductible in determining taxable profits

0.01

**Income tax expense recognised in Statement of P&L**(2.50)**Note 15 Earnings per Share (EPS)**

Profit/(loss) for the period

(7.46)

No. of equity shares outstanding during the year

10,00,00,000

Basic and diluted EPS

(0.07)

**Note 16: Contingent liabilities and commitments****As at  
March 31, 2023****(i) Contingent liabilities**

(a) Claims against the company not acknowledged as debts

Nil

**(ii) Commitments:**

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)

703.12



**Amara Raja Advanced Cell Technologies Private Limited****Notes to the financial statements**

All amounts are in ₹ crores, except share data and where otherwise stated

**Note 17: Related party transactions****(a) Details of related parties****Key Management Personnel (KMP)**

Jayadev Galla	Director (w.e.f Nov 29, 2022)
Vikramadithya Gourineni	Director (w.e.f Nov 29, 2022)

**Relative of Key Management Personnel**

Dr. Ramachandra N. Galla	Relative of Jayadev Galla & Vikramadithya Gourineni
G. Amara Kumari	Relative of Jayadev Galla & Vikramadithya Gourineni
Dr. Ramadevi Gourineni	Relative of Jayadev Galla & Vikramadithya Gourineni
Harshavardhana Gourineni	Relative of Jayadev Galla & Vikramadithya Gourineni

**Entities in which KMP / Relatives of KMP exercise significant influence**

RNGalla Family Private Limited  
Mangal Industries Limited  
Amara Raja Power Systems Limited  
Amara Raja Infra Private Limited  
Amara Raja Electronics Limited  
Amara Media and Entertainment Private Limited  
G2 Healthcare Private Limited  
Nine Nines Lifestyle Private Limited  
Rajanna Foundation  
Amara Raja Blaze Technologies Private Limited  
HG Global Private Limited  
HG Chemicle Private Limited

**Holding Company**

Amara Raja Batteries Limited

**Fellow Subsidiaries**

Amara Raja Batteries Middle East (FZE), U.A.E.  
Amara Raja Circular Solutions Pvt Limited

**(b) Transactions with the above related parties during the year were:**

Particulars	As at March 31, 2023
-------------	-------------------------

**Expenses reimbursed to**

Amara Raja Batteries Limited \* 25.50

**Issue of Share capital**

Amara Raja Batteries Limited \* 1,000.00

\* includes shares held by nominee shareholders

**Note:**

The Company was incorporated on November 29, 2022, and accordingly the financial statements do not include comparative figures for the previous year.



**Amara Raja Advanced Cell Technologies Private Limited**

**Notes to the financial statements**

All amounts are in ₹ millions, except share data and where otherwise stated

**Note 18: Financial Instruments, Financial Risk and Capital Management**

**A. Categories of Financial Instruments**

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised cost	Total
<b>Financial assets</b>				
(i) Cash and cash equivalents	-	-	1.55	1.55
(ii) Investments	-	904.92	-	904.92
(ii) Others	-	83.55	-	83.55
<b>Total</b>	-	<b>988.47</b>	<b>1.55</b>	<b>990.02</b>
<b>Financial Liabilities</b>				
(i) Other financial liabilities	-	-	0.45	0.45
<b>Total</b>	-	-	<b>0.45</b>	<b>0.45</b>



Amara Raja Advanced Cell Technologies Private Limited

Notes to the financial statements

All amounts are in ₹ millions, except share data and where otherwise stated

Note 19: Key Financial Ratios

Sr. No.	Ratio	Numerator	Denominator	FY 2022-23
1	Current ratio	Current assets	Current liabilities	435.10
2	Debt-equity ratio	Total Debt (Bonowings)	Total Equity	NA
3	Debt service coverage ratio	Earnings available for debt service	Finance costs (excluding costs pertaining to lease liabilities and unwinding of discount on warranty provision) + Repayment of Borrowings	NA
4	Return on equity (%)	Profit after tax	Average Total Equity	-0.75%
5	Inventory turnover	Cost of goods sold	Average Inventory	NA
6	Trade Receivables turnover ratio	Revenue from Sale of Products and Services	Average Trade receivables	NA
7	Trade payables turnover ratio	Net Purchases of raw material, packing material and stock-in-trade	Average Trade Payables	NA
8	Net capital turnover ratio	Revenue from operations	Working Capital (Current Assets - Current Liabilities)	NA
9	Net profit ratio (in %)	Profit after tax	Revenue from operations	NA
10	Return on Capital employed (%)	Profit before interest (excluding interest on lease liabilities), exceptional items and tax	Capital employed [Total Equity + Total Debt (Borrowings)+ Deferred tax liabilities]	-1.00%
11	Return on investment (%)	Income during the year	Time weighted average of investments	
a	Return on Mutual Funds			6.84%
b	Return on Fixed deposits			6.00%

Note:

The Company was incorporated on November 29, 2022, and yet to commence the business operations. Hence, most of the ratios are not applicable and not comparable.

Note No.20:

The Company was incorporated on November 29, 2022 and not commenced any commercial operations during the year. The information required to be disclosed under schedule III of Companies Act, 2013 including those additional disclosures to be made vide notification dt.24.3.2021 is not applicable for the period ended 31st March, 2023.

In terms of our report attached

For Brahmayya & Co.  
Chartered Accountants  
(F.No. - 000513S)

  
Karanmachi Raju  
Partner

M.No. 202309  
UDIN:23202309BGVTHX7531

Place: Hyderabad  
Date: May 09, 2023

For and on behalf of the Board of Directors

  
Jayadev Galla  
Director

  
Vikramadithya Gourineni  
Director

Place: Hyderabad  
Date: May 09, 2023

