

INDEPENDENT AUDITOR'S REPORT

To
The Members
Foundation for Neglected Diseases Research

Report on the Audit of Financial Statements

Opinion

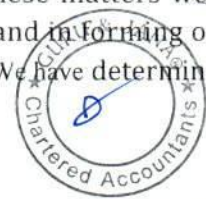
1. We have audited the Financial Statements of **Foundation for Neglected Diseases Research** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Income and Expenditure, Cashflow statement for the year ending and notes to Financial Statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Financial Statements").
2. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In case of Balance Sheet, of the state of affairs of the Company as at 31st March 2022.
 - b. In case of Statement of Income and Expenditure, surplus for the year ended on that date.
 - c. In case of Cash flows statement, of the cash flows for the year ended on that date.

Basis of opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in this report.



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

5. The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is Director's report but does not include the financial statements and our auditor's 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 in the 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

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibility

7. Our objectives are to obtain reasonable assurance about whether the Financial Statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the firm 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.

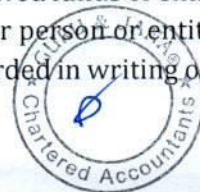
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



Report on Other Legal and Regulatory Requirements.

8. The report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion and according to the information and explanation provided to us, the said order is not applicable to the company.
9. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Income and Expenditure and Cash Flow Statement dealt with this Report agree with the books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) Based on the written representations received from the Directors as on 31st March 2022 taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March 2022 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) The reporting on the adequacy of the internal financial controls over financial reporting of the Company is not applicable as the Company fulfils the criteria stated in the MCA exemption notification dated 13 June 2017.
 - g) With respect to other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have the pending litigations.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise,



that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

For **Guru & Jana,**
Chartered Accountants
Firm Registration No: 006826S



Neelima J

Partner
Membership No: 222625
UDIN: 22222625APZQGR3456



Place: Bangalore
Date: 26-August-2022

FOUNDATION FOR NEGLECTED DISEASE RESEARCH
CIN: U73200KA2014NPL076126
Balance Sheet as at 31 March 2022
(All amounts in Rupees, unless otherwise stated)



Particulars	Note	As at 31 March 2022	As at 31 March 2021
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	100	100
(b) Reserves and Surplus	4	47,235	41,820
2 Non- Current Liabilities			
(a) Deferred Tax Liabilities	10	-	-
(b) Long Term Provision	5	5,255	1,524
3 Current Liabilities			
(a) Short -Term Borrowings		-	-
(b) Trade Payables		-	-
Total outstanding dues of micro and small enterprises	6.2	1,244	-
Total outstanding dues of creditors other than micro and small enterprises	6	2,129	1,782
(c) Other Current Liabilities	7	28,716	20,928
(d) Short- Term Provisions	8	531	531
TOTAL		85,210	66,685
B ASSETS			
1 Non - Current Assets			
(a) Property Plant & Equipment			
(i) Tangible Assets	9	15,764	16,920
(ii) Intangible Assets		15	40
(iii) Capital Work-In-Progress	9.1	-	-
(b) Deferred Tax Assets	10	-	-
(c) Long-Term Loans and Advances	11	2,625	2,625
(d) Other Non Current Assets	12	890	2,956
2 Current Assets			
(a) Inventories		-	-
(b) Cash and Cash Equivalents	14	45,634	22,797
(c) Trade Receivables	13	7,584	8,760
(d) Short term Loans and Advances	15	12,698	12,587
TOTAL		85,210	66,685

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

As per our Report of even date

For Guru & Jana,
Chartered Accountants
Firm Registration No.-0068265

Neelima J
Neelima J
Partner
Membership No.: 222625
UDIN: 22222625APZQGR3456



Place: Bangalore
Date: 26-August-2022

For and on behalf of Board of Directors of
FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Shridhar
Shridhar Narayanan
Chairman
DIN: 06534130

Radha
Radha Krishan Shandil
Director
DIN: 06927253



FOUNDATION FOR NEGLECTED DISEASE RESEARCH
 CIN: U73200KA2014NPL076126
 Statement of Income and Expenditure for the year ended 31 March 2022
 (All amounts in Rupees, unless otherwise stated)



in '000

Particulars	Note	Year Ended 31 March 2022	Year Ended 31 March 2021
I. Revenue from Operations	16	74,797	52,137
Revenue from Operations (Net)		74,797	52,137
II. Other Income	17	3,348	6,950
III. Total Income (I + II)		78,145	59,087
IV. Expenditure			
Research and Related Expenses		18,537	9,207
Employee Benefits Expense	18	33,568	27,547
Other Expenses	20	14,322	13,592
Depreciation and Amortization Expense	9.3	576	4
Total Expenditure		67,003	50,349
V Surplus / (Deficit) Before Tax (III - IV)		11,142	8,738
VI Tax expenses			
(1) Current tax		-	-
Less: Mat Credit Entitlement		-	-
(2) Deferred tax		-	-
Total Tax Expense		-	-
VII. Net Surplus (after tax) for the year (V-VI)		11,142	8,738
VIII Earnings Per Share (Basic and Diluted)	27	1	1

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

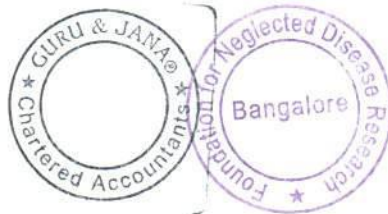
As per our Report of even date

For Guru & Jana,
 Chartered Accountants
 Firm Registration No.-0068265

Neelima J

Neelima J
 Partner
 Membership No.: 222625
 UDIN:22222625APZQGR3456

Place: Bangalore
 Date: 26-August-2022



For and on behalf of Board of Directors
 FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Shridhar Narayanan
 Shridhar Narayanan
 Chairman
 DIN: 06534130

Radha Krishan Shandil
 Radha Krishan Shandil
 Director
 DIN: 06927253



in '000

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Cash flow from Operating Activity		
Surplus before extraordinary items and Tax	11,142	8,738
Adjustments for:		
Depreciation expenses	576	4
Interest income	(1,141)	(1,870)
Operating Surplus before working capital changes	10,577	6,871
Changes in working capital		
(Increase) / Decrease in Trade Receivable	1,176	(8,500)
(Increase) / Decrease in Inventory	-	-
(Increase) / Decrease in Long Term Loans & Advance	0	320
(Increase) / Decrease in Short Term Loans & Advance	2,069	558
(Increase) / Decrease in Other Current Assets	-	-
Increase / (Decrease) in Trade Payable	1,591	(3,932)
Increase / (Decrease) in Non - Current Liabilities	3,732	726
Increase / (Decrease) in Other Current Liabilities	7,787	(6,525)
Cash Generate from Operations	26,932	(10,483)
Income Tax Paid	(2,738)	(312)
Net Cash from / (used in) Operating activity - (A)	24,195	(10,794)
Cash Flow from Investing Activity		
Capital Expenditure on Fixed Assets including Capital advance	(4,943)	(269)
Capital Grant Received for purchase of Fixed Assets	2,091	251
Investments in bank deposits (having original maturity of more than three months)	(7,896)	5,379
Interest Received	1,699	1,370
Net Cash from Investing Activity - (B)	(9,049)	6,731
Cash Flow from Financing Activity		
Own Funds used for Project	(2,270)	-
Net Cash from Financing Activity - (C)	(2,270)	-
Net increase / decrease in cash & cash equivalents (A+B+C)	12,876	(4,063)
Cash and cash equivalents at the beginning of the year	11,496	15,559
Cash and cash equivalents at the end of the year	24,373	11,496

Cash and cash equivalents comprise

Balances with banks

On current accounts

Deposits with original maturity of less than three months

Total cash and bank balances at end of the year (Note-15)

14,772	5,496
9,600	6,000
24,372	11,496

Notes :

- The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March, 2022 and the related Statement of Income and Expenditure for the year ended on that date.
- The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard (AS) on "Cash Flow Statement", AS -3, Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and reallocations required for this purpose are as made by the Company.
- Figures in parenthesis represent outflows.
- The accompanying notes form an integral part of this Cash Flow Statement.
- Previous year's figures have been regrouped, wherever necessary, to conform current year's presentation.

As per our Report of even date

For Guru & Jana,
Chartered Accountants
Firm Registration No.-0068265

Neelima J

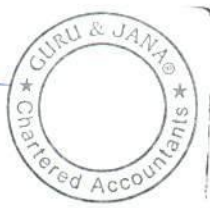
Partner

Membership No.: 222625

UDIN:2222625APZQGR3456

Place: Bangalore

Date: 26-August-2022



For and on behalf of Board of Directors
FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Shridhar
Shridhar Narayanan
Chairman

DIN: 06534130

Radha
Radha Krishan Shandil
Director

DIN: 06927253

FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1 Corporate Information

Foundation For Neglected Disease Research ("the Company"), a not for profit company having CIN No-U73200KA2014NPL076126, within the meaning of Section 8 of the Companies Act, 2013, has been incorporated in India for charitable purposes. The Company conducts innovative research to discover and develop novel chemical / biological agents of synthetic or natural origin and makes available innovative, distinctive products. Scientific services, consultancy and education that contribute to improve lives of human, animal and /or plant with focus on global health diseases.

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP") to comply in all material respect with the accounting standards specified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are generally consistent with those followed in the previous year, except otherwise stated elsewhere.

The Company is a Small and Medium Company (SMC) as defined in the general instruction in respect of accounting standards noticed under the Companies Act, 2013. Accordingly, the Company has complied with the accounting standards as applicable to a Small and Medium Company.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

2.2 Use of Estimates;

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, revenues, expense and the disclosure of contingent liabilities as at the date of the Financial Statements. Although, the estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustments to the carrying amounts of assets or liabilities in future periods.

2.3 Revenue Recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection.

a) All donations and grants are considered as Revenue, unless the donor specifies a particular way of treating the receipt. The donations or grants are recognized as revenue as soon as the certainty of the receipt of the donation or grant is established. Unspent balance of Grants are carried forward as liability to be utilized in subsequent years.

b) Grants received, for funding specific research projects solely meant to meet expenses and costs of the research projects, are recognized as an Income in the books of account when the revenue expense and matching cost is actually incurred, on accrual basis. When such Grants are used for funding capital expenses, the value of such capital expenses are credited to a specific capital reserve account, on accrual basis, and the capital expenses/ costs are appropriately capitalized. The depreciation or amortization of such capital expenses / costs, so capitalized, is adjusted against such specific capital reserve account, appropriately.

c) Bank Interest income is recognized on a time proportion basis, taking into account the amount outstanding and applicable prevailing interest rates.

d) Income from advisory / consultancy / Service contracts are recognised on accrual basis based on the related agreements. Unbilled revenues represent earnings in excess of billings as at end of the reporting period. Unearned revenues represent billing in excess of revenue recognised. Advance payment received from customers for which no services have been rendered are represented as 'Advance from customers'

2.4 Property Plant & Equipment (PPE)

a) Property Plant & Equipment (PPE) (comprising of tangible items only) are stated at cost. The cost includes the original cost of asset, freight, applicable taxes and other incidental expenses relating to the acquisition and installation.

b) Impairment loss, if any, is recognised wherever the carrying amount of the fixed asset of the cash generating unit exceeds its recoverable amount, i.e. net selling price or value in use, whichever is higher.

c) Intellectual Properties are recognized in the books, only when the patent is granted and a probable future cash flows from the same can be established. Any costs incurred prior to this are charged off in the books of account.

2.5 Depreciation

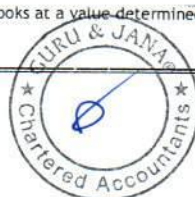
Depreciation on Tangible PPE is provided to the extent of depreciable amount on the "Written Down Value" (WDV) Method unless otherwise stated elsewhere. Depreciation is provided based on useful lives of the assets, as prescribed in Schedule II to the Companies Act, 2013, except in case of Donated Assets, as indicated against Note 37 and recognized in the books as per the principles indicated against para 2.3 (b) above. Depreciation on additions during the year is provided on pro-rata basis. Depreciation on leasehold improvements is provided over the useful life of assets or the primary period of the lease, whichever is lower.

2.6 Inventories

a) Items of inventories (consumables) are carried at lower of cost and net realisable value.

b) Cost of inventories is determined on the 'weighted average' basis and comprises expenditure incurred in normal course of business for bringing such inventories to their present location and includes, wherever applicable, appropriate overheads.

c) Cost of inventories (consumables) donated by any donor are recognized in the books at a value determined by the Directors, as per the best management estimate.



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Continuation on 2

2.7 Taxation

The Company has been granted exemption from Income Tax under Section 12A read with Section 12AA of Income Tax Act, 1961. Any accumulated losses are not recognized as "Deferred Tax Assets" on prudential basis.

Deferred income taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax asset is recognised only for those timing differences that originate during the tax holiday period but reverse after the tax holiday period. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward of tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

2.8 Employee Benefits

- a) Short-term Employee benefits (i.e. benefits payable within one year) are recognised in the period in which the employee service are rendered.
- b) Presently the provisions of Employees Provident Funds have been implemented from 1st April 2022 and Other Miscellaneous Provisions Act, 1952, including rules framed thereunder and Employees' State Insurance Act, 1948 are not applicable to the Company.
- c) The Company's obligation in respect of Compensated Absences, which a other long term benefit plan, is provided for based on actuarial valuation, using the Projected Unit Credit Method. Any actuarial gain or losses will be recognised in the Statement of Income and Expenditure.
- d) The Company's obligation in respect of Gratuity Plan, which a defined benefit plan, is provided for based on actuarial valuation, using the Projected Unit Credit Method. Any actuarial gain or losses will be recognised in the Statement of Income and Expenditure. The Company is contemplating to accept a proper Insurance Scheme with an Insurance Company for funding purpose.

2.9 Operating leases

Leases under which all the risks and benefits of ownership are effectively retained by the lessor are classified as "Operating Leases". Amounts due under the operating leases are charged to the Statement of Income and Expenditure, on a Straight Line Method over the lease term in accordance with the Accounting Standard 19 on "Leases", as specified under Section 133 of the 2013 Act read with Rule 7 of Companies (Accounts) Rules, 2014. Initial Direct Costs incurred specifically for Operating Leases are recognized as expense in the year in which they are incurred.

2.10 Foreign Currency Transactions and Translations

Transactions in foreign currencies of the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Foreign Currency Monetary items outstanding at the Balance Sheet Date are reported using the closing rate. Gain or loss resulting from settlement of such transactions and translations of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Income and Expenditure.

2.11 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions Are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in these financial statements.

2.12 Cash and Cash Equivalents

Cash and Cash Equivalents include cash in hand and demand deposits with Scheduled Banks.

2.13 Earnings Per Share

Basic earnings per share are calculated by dividing surplus/deficit for the period attributable to Equity shareholders by the Weighted Average Number of Equity Shares Outstanding during the period. Partly paid equity shares are treated as a fraction of an equity shares to the extent that they are entitled to participate in dividends related to a fully-paid equity shares during the reporting period.

The weighted Average Numbers of Equity Shares are adjusted for events such as share splits and reverse share split (consolidation of shares) that have changed the numbers of equity shares outstanding.



FOUNDATION FOR NEGLECTED DISEASE RESEARCH
Notes forming part of the financial statements for the year ended 31 March 2022
(All amounts in Rupees, unless otherwise stated)

3 SHARE CAPITAL

Authorised
50,000 (31 March 2021 : 50,000) Equity Shares of Rs 10/- each

Issued, Subscribed and Paid up
10,000 (31 March 2021 : 10,000) Equity Shares of Rs 10/- each

	As at 31 March 2022	As at 31 March 2021
	500	500
	100	100
Total	100	100

3.1 Reconciliation of the number of Equity shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	10	100	10	100
Add: Share allotted during the year	-	-	-	-
Less: Shares forfeited during the year	-	-	-	-
Balance as at the end of the year	10	100	10	100

3.2 Details of Shares held by Shareholders holding more than 5 % of the aggregate shares in the Company

Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dr. Shridhar Narayanan	2,400	24.00	2,400	24.00
Stabaka Consulting Private Limited	1,000	10.00	1,000	10.00
Dr. Radha Krishan Shandil	2,400	24.00	2,400	24.00
Anandi Krishnan	700	7.00	700	7.00
Ashish Prabhakar	700	7.00	700	7.00
Bs Kumar	700	7.00	700	7.00
Manish Shrish Seth	700	7.00	700	7.00
Sunil Gairola	700	7.00	700	7.00
Sunil Punjab	700	7.00	700	7.00

3.3 Shares held by Promoter.

	31-Mar-22		31-Mar-21		% change during the year
	No.	% holding	No.	% holding	
Shares held by Promoters at the end of the year					
Dr. Shridhar Narayanan	2,400	24	2,400	24	Nil
Dr. Radha Krishan Shandil	2,400	24	2,400	24	Nil
Stabaka Consulting Private Limited	1,000	10	1,000	10	Nil

3.4 Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of Equity Shares having a par value of Rs 10/- per share. Each shareholder is eligible for one vote per share held and rank pari-passu.

As per Clause X of Memorandum of Association (MoA) of the Company, in the event of liquidation of the Company, the holders of Equity Shares will not be entitled to receive any of the remaining assets of the Company after distribution of the preferential amounts. The amount remaining, if any, shall be given or transferred to such Company having similar objects, subject to such conditions, as specified in MoA and other applicable laws prevailing in the land.

3.5 No number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date or from the date of incorporation whichever is earlier.



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022
(All amounts in Rupees, unless otherwise stated)

in '000

4 RESERVES and SURPLUS

Donation (Other Support) From Astra Zeneca India Private Limited (Donated Assets)

Opening Balance

1,026

1,026

Add: Amounts credited during the year (Note 37)

-

-

Less: Amount transferred to the Statement of Income and Expenditure Account - Depreciation (Note 10.3)

1,026

1,026

Closing Balance

Financial Support From Astra Zeneca AB, Sweden

Opening Balance

15,293

20,706

Add: Amounts credited during the year (Note 37)

235

251

Less: Amount transferred to the Statement of Income and Expenditure Account - Depreciation (Note 10.3)

4,410

5,664

Closing Balance

11,118

15,293

Grant From Donors - Department of Biotechnology (DBT),

Opening Balance

610

1,097

Add: Amounts credited during the year

1,341

-

Less: Amount transferred to the Statement of Income and Expenditure Account - Depreciation (Note 10.3)

868

488

Closing Balance

1,083

610

Grant From Donors (BIRAC)

Opening Balance

1

2

Add: Amounts credited during the year

514

-

Less: Amount transferred to the Statement of Income and Expenditure Account - Depreciation (Note 10.3)

269

1

Closing Balance

246

1

General Reserve

Surplus / (Deficit) in Statement of Income and Expenditure

Opening Balance

24,889

16,151

Surplus / (Deficit) for the year

11,142

8,738

Less : Appropriations

-

-

Transfer to General Reserve

2,270

-

Closing Balance

33,761

24,889

Total

47,235

41,820



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022

(All amounts in Rupees, unless otherwise stated)

5 LONG TERM PROVISION

Provision for Compensated absence-unfunded [Note 2.8(c)]
Gratuity - Unfunded [Note 2.8(d)]

Total

As at 31 March 2022	As at 31 March 2021
2,308	467
2,947	1,056
5,255	1,524



Dhruv

FOUNDATION FOR NEGLECTED DISEASE RESEARCH
Notes forming part of the financial statements for the year ended 31 March 2022
(All amounts in Rupees, unless otherwise stated)

6 Trade Payables

Other than Acceptances
Other Payables

TOTAL

As at 31 March 2022	As at 31 March 2021
3,373	1,782
-	-
3,373	1,782

6.1 Details Of Dues to Micro, Small and Medium Enterprises as per MSMED Act,2006, based on information available with the Company is as under, which has also been relied upon by the auditors.

Total outstanding dues of Micro and Small Enterprises
Total outstanding Dues other than Micro and Small Enterprises

As at 31 March 2022	As at 31 March 2021
1,244	-
2,129	1,782
3,373	1,782

6.2 Disclosures under Sections 22 and 23 of Micro, Small and Medium Enterprises as per MSMED Act,2006 (MSMED Act,2006)

SI No.	Details of Dues to Micro, Small and Medium Enterprises	2021-22	2020-21
I	The principal amount and the interest due thereon remaining unpaid to any supplier as at the year end Principal amount unpaid Interest due	1,244	-
II	Amount of interest paid by the buyer in terms of Section 16 of MSMED Act 2006 along with the amount of the payments made to the supplier beyond the appointed day during the year Payments made beyond the Appointed date Interest paid beyond the Appointed date	-	-
III	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
IV	The amount of interest accrued and remaining unpaid at the end of the year	-	-
V	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

As at 31st March 2022	Outstanding for following periods from due date of payment/date of transaction				Total
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	1,244	-	-	-	1,244
Others	1,577	552	-	-	2,129
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

As at 31st March 2021	Outstanding for following periods from due date of payment/date of transaction				Total
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	181	-	-	-	181
Others	1,049	552	-	-	1,601
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

7 OTHER CURRENT LIABILITIES

Employee Payable

Salary payable
Directors' Remuneration Payable

Other Payable

Statutory Liabilities
Funds received as Grants [Notes 2.3 (a) & 37]
Lease Equalization Balance

Advance from Customer

TOTAL

As at 31 March 2022	As at 31 March 2021
641	985
707	647
680	621
23,181	18,184
306	491
3,201	-
28,716	20,928

8 SHORT TERM PROVISIONS

(a) Provision for employee benefits

Gratuity - Unfunded [Note 2.8(d)]
Provision for compensated absence- Unfunded [Note 2.8(c)]

(b) Provision for expenses

TOTAL

As at 31 March 2022	As at 31 March 2021
63	279
153	114
315	139
531	531
531	531



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022

(All amounts in Rupees, unless otherwise stated)

TANGIBLE ASSETS (Current Year)	GROSS BLOCK					DEPRECIATION					NET BLOCK		
	Cost/ Valuation as at 01 April 2021	Additions during the year	Sales during the year	Other Adjustment during the year	Other Transfers	Cost/ Valuation as at 31 March 2021	As at 01 April 2021	For the year	On Sales/ Adjustment during the year	Other Transfers	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Own Assets													
Office Equipments	310	110	-	-	-	419	195	70	-	-	265	155	90
Furniture & Fixtures	1,053	62	-	-	-	1,115	450	160	-	-	610	505	603
Computers and Laptops	1,432	803	-	-	-	2,235	1,171	218	-	-	1,389	846	261
Printer	11	-	-	-	-	11	10	0	-	-	10	1	25
UPS	181	-	-	-	-	181	172	-	-	-	172	9	9
Plant and Machinery CO2 Incubator (Note: 38)	1,361	-	-	-	-	1,361	751	488	-	-	1,239	122	610
Leasehold Improvements - Civil Works (Note: 2.5)	5,662	-	-	-	-	5,662	2,155	1,234	-	-	3,390	2,273	3,507
Plant and machinery / Laboratory Equipments	38,883	4,155	191	-	412	42,436	27,068	3,515	-	-	30,583	11,853	11,816
Sub total (A)	48,893	5,130	191	-	412	53,420	31,970	5,686	-	-	37,656	15,764	16,922
Assets Given On Operating Lease													
Plant and Machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub total (B)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A+B)	48,893	5,130	191	-	412	53,420	31,970	5,686	-	-	37,656	15,764	16,922
Previous Year	48,623	269	-	-	-	48,893	25,854	6,118	-	-	31,972	1,69,20,338	2,27,69,403



FOUNDATION FOR NEGLECTED DISEASE RESEARCH
Notes forming part of the financial statements for the year ended 31 March 2022
(All amounts in Rupees, unless otherwise stated)

Continuation on 10

INTANGIBLE ASSETS (Current Year)	GROSS BLOCK					AMMORTISATION				NET BLOCK	
	Cost/ Valuation as at 01 April 2021	Additions during the year	Sales during the year	Adjustment during the year	Cost/ Valuation as at 31 March 2022	As at 01 April 2021	For the year	On Sales/ Adjustment during the year	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
(acquired items) Patents, Trademarks and Intellectual Properties (Note 10.2 below)	-	-	-	-	-	-	-	-	-	-	-
Software	141	-	-	-	141	101	25	-	126	15	40
Total	141	-	-	-	141	101	25	-	126	15	40
Previous Year	141	-	-	-	141	63	37	-	101	40	49

9.1 Capital Work-in-Progress

Particulars	31-Mar-2022	31-Mar-2021
Opening Balance	-	-
Add: Additions during the year	-	-
Less: Capitalised during the year	-	-
Closing Balance	-	-

Note - Capital Work in Progress has been capitalised after the receipt of the Consent For Operation(CFO) from Karnataka State Pollution Control Board.

9.2 Patents & Intellectual Properties

9.2.1

The Company currently owns, on joint basis with Global Alliance for TB Drug Development, Inc. ("TB Alliance, US"), the granted patents and intellectual properties ("Joint IP") in respect of discovery and development of DprE1 inhibitors for treatment of tuberculosis, pursuant to Collaboration Agreement dated 8 June 2017. In terms of the said agreement, TB Alliance, US is bearing the costs for prosecuting and maintaining all the patents covering the Joint IP in global territories outside India. The Company is supposed to bear all costs in India. Furthermore, TB Alliance US is also funding the project through Research and Development and its Commercial Partners to make the product available and affordable throughout the world. For 2019 calendar year, an amount of USD 245,203 (INR. 18,145,022 at ROE 74) have been spent by TB Alliance US for the project and Joint IP. In view of non-ascertainment of probable future cash flows in respect of this Joint IP, the same has not been reckoned in these accounts.

9.2.2

The Company has also been assigned, vide Assignment Agreement dated 16 March 2016, by Piramal Enterprises Limited (PEL), its shares of 50 percent rights in Patent Applications in respect of -

(a) Antibiotic Compounds; and

(b) Microparticle Formulation for Pulmonary Drug Delivery of Anti-infective Molecule for treatment of Infectious Diseases,

jointly owned with National Centre for Polar and Ocean Research (NCPOR). Under the said agreement, the Company will share equally the responsibilities of filing, prosecution and maintenance of the said Patents.

9.2.3

The Company has been granted an Indian Patent for "Compounds and methods for treating tuberculosis". The Company owns the said Patent wholly and is responsible for filing, prosecution and maintenance of the said Patent.

9.2.4

Pending granting of the Patents as indicated in Notes 10.2.2 and 10.2.3 above and such other filed Patents / Intellectual Properties, the valuation has not been envisaged by the management. The same will be undertaken and recognized in the books, when the probable future cash flows can be established based on granting by the respective Patents and Trademarks Offices.

9.3

Details of Depreciation and Amortisation Expenses

	Year Ended 31 March 2022	Year Ended 31 March 2021
Depreciation of Tangible Assets	5,686	6,995
Amortisation of Intangible Assets	25	37
Total Depreciation	5,711	7,032
Less: Transfer from Capital Grant Accounts [Note 2.3 (b)]	5,547	7,028
Net Depreciation Charged to Statement of Income and Expenditure	164	4



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022
(All amounts in Rupees, unless otherwise stated)

10 DEFERRED TAX ASSETS/ (LIABILITIES)
(Note 40)

Timing Difference resulting in assets mainly on account of :

Difference between net book value of depreciable Capital Asset as per books vis-à-vis written downvalue as per Income Tax.

Total

As at 31 March 2022	As at 31 March 2021
-	-
-	-
-	-
-	-

11 LONG TERM LOANS AND ADVANCES

Unsecured Considered Good
Security Deposits

Total

As at 31 March 2022	As at 31 March 2021
2,625	2,625
2,625	2,625

12 Other Non Current Assets

-Non-current maturities
Deposits with maturity date after 12 months from reporting date

Total

As at 31 March 2022	As at 31 March 2021
890	2,956
-	-
890	2,956



FOUNDATION FOR NEGLECTED DISEASE RESEARCH
Notes forming part of the financial statements for the year ended 31 March 2022
(All amounts in Rupees, unless otherwise stated)

13 TRADE RECEIVABLES

Unsecured, Considered Good

Outstanding for a period exceeding six months from the date they are due for payment:

Others

Others-Grant receivable

	As at 31 March 2022	As at 31 March 2021
	6,027	1,561
	1,557	7,199
Total	7,584	8,760

As at 31st March 2022	Outstanding for following periods from due						Total
	Not due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	1,557	6,027	-	-	-	-	7,584
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
							7,584
Less : Allowance for Doubtful Trade Receivables							

As at 31st March 2021	Outstanding for following periods from due date of payment/date of transaction						Total
	Not due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables – considered good	7,199	1,561	-	-	-	-	8,760
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
	7,199	1,561	-	-	-	-	8,760
Less : Allowance for Doubtful Trade Receivables							

14 CASH AND CASH EQUIVALENTS

Cash in hand

Balances with Scheduled Banks :

- On Current Accounts

Other bank balances

-Current maturities

Deposits with original maturity of less than 3 months

Deposits with original maturity for more than 12 months but less than 12 months from reporting date

Total current maturities of other bank balances

	As at 31 March 2022	As at 31 March 2021
	14,770	5,496
Total	14,772	5,496
	9,600	6,000
	21,262	11,300
	30,862	17,300
Total	45,634	22,796

15 SHORT -TERM LOANS AND ADVANCES

Other Loans and Advances

Unsecured, Considered Good

Advance Income Tax, including Taxes Deducted at Source (TDS)

Advance to Government Authorities-Goods & Services Tax (GST)

Interest Accrued on Fixed Deposit

Prepayments/Prepaid Expenses & Others

Advance to Suppliers/ Other Parties

Employee Advances, including travelling advances

	As at 31 March 2022	As at 31 March 2021
	4,200	1,462
	6,065	9,749
	266	824
	1,015	356
	741	196
	411	-
Total	12,698	12,586



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022
(All amounts in Rupees, unless otherwise stated)

16 REVENUE FROM OPERATIONS

Grants [Note-44(a)]
Advisory/Consultancy
Service

Total

Other Operating Revenue:

REVENUE FROM OPERATIONS

	Year Ended 31 March 2022	Year Ended 31 March 2021
Grants [Note-44(a)]	22,949	35,426
Advisory/Consultancy	986	2,645
Service	50,862	14,066
Total	74,797	52,137
Other Operating Revenue:	-	-
	74,797	52,137
REVENUE FROM OPERATIONS	74,797	52,137

17 OTHER INCOME (Non-operating income)

Interest From Bank Deposits (Gross)
Income form Donations
Other Non-Operating Income
Interest on Income Tax Refund
Miscellaneous

Total

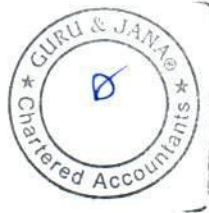
	Year Ended 31 March 2022	Year Ended 31 March 2021
Interest From Bank Deposits (Gross)	1,141	1,870
Income form Donations	2,183	5,008
Other Non-Operating Income	-	49
Interest on Income Tax Refund	24	22
Miscellaneous	-	-
Total	3,348	6,950

18 EMPLOYEE BENEFITS EXPENSE

Salaries, Wages, Bonus etc
Compensated Absence
Gratuity
Staff Welfare Expenses

Total

	Year Ended 31 March 2022	Year Ended 31 March 2021
Salaries, Wages, Bonus etc	29,371	26,592
Compensated Absence	1,893	321
Gratuity	1,674	542
Staff Welfare Expenses	629	92
Total	33,568	27,547



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022

(All amounts in Rupees, unless otherwise stated)

19 FINANCE COST

Interest Expenses
Other Borrowing Cost

TOTAL

Year Ended 31 March 2022	Year Ended 31 March 2021
-	-
-	-
-	-

20 OTHER EXPENSES

Legal and Professional Fees (Note 21.1)
- Office Maintenance Expenses
Rent [Note-44(b)]
Power and Fuel Expenses
Repairs and Maintenance :
- Plant and Machinery
- Buildings
- Others (Computers)
Seminar, Board meeting and Subscription Expenses
Insurance Expenses
Postage & Courier
Rates and Taxes
Audit Fees (Note 21.2)
Stationery and Printing
Debts and Other Debts Written-Off
Travelling Expenses
- Service Charges (House Keeping etc)
Communication expenses - telephone, internet etc
Travelling Expenses - Foreign
Conveyance
General Expenses
Foreign gain or loss
Transportation Hire Charges
Installation Charges
Website Maintenance and Promotion Expenses

Total

Year Ended 31 March 2022	Year Ended 31 March 2021
1,821	3,555
2,460	2,466
2,443	2,462
1,374	1,378
967	652
1,496	617
219	415
248	371
576	369
201	270
161	242
150	150
96	117
258	112
112	109
251	100
72	61
-	61
43	56
535	27
203	-
615	-
3	-
19	-
14,322	13,592

20.1 Legal & Professional Expenses include :

Professional Fees
Legal fees
Accounting and other Charges

1,237	2,289
441	939
143	327
1,821	3,555

20.2 Amount paid /payable to Auditors **

- Audit Fees
- Others (Certificates, etc.) - PY auditor
- Expenses reimbursed / reimbursable

150	150
-	-
-	-
150	150

** Excluding GST



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022
(All amounts in Rupees, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
21 Impact of any pending litigation (Contingent Liabilities) in respect of -		
a. Income Tax Matters under dispute [Net of payments Rs Nil lacs (Previous year Rs. Nil lacs)]	-	-
b. Service Tax / any Indirect Taxes, disputed by the Management for which appeals at the appropriate forum (Refer Note 20.1 below) will be preferred	-	-
c. Pending litigations apart from items mentioned in a and b above	-	-

	As at 31 March 2022	As at 31 March 2021
22 Bank Guarantees outstanding	-	-
23 Guarantee given on behalf of the Company by Directors	-	-
24 Capital Commitments [Net of advance- Rs Nil (Previous Year Rs Nil)]	-	-

25 Remuneration paid/payable to Chief Executive Officer [Key Managerial Personnel (KMP)] - included under various expense heads.

	Year Ended 31 March 2022	Year Ended 31 March 2021
i) Salary #	7,878	7,077
ii) Monetary value of Perquisites/ Benefits	-	-
Total	7,878	7,077

#Excludes Contribution to gratuity fund and provision for compensated absence as separate figures are not ascertainable for the managerial personnel.

26 Leases

26.1 The Company has entered a long term non-cancellable operating lease in respect of a premises located at Dooddaballapur Bangalore for an initial term of five years with effect from 1 February 2018 (renewable for another additional five years). Apart from agreed monthly rent, The Company was supposed to pay an advance of Rs 25 Lacs as security deposit, out of which Rs 15 lacs is been paid at the time of execution of lease deed and balance amount of Rs 10 lacs is paid on the date of the rent commencement.

Future minimum Lease Payment

	Year Ended 31 March 2022	Year Ended 31 March 2021
Not later than One Year	2,548.00	2256.00
Later than one year and not later than five years	196.00	2548.00
Later than five year	-	-

26.2 The Company had entered an agreement in an earlier year for another premises under cancellable terms without any locking period, for which no commitments like rent & electricity etc were payable.

26.3 The Company has entered agreements for warehousing facilities under cancellable terms, without any locking period.



FOUNDATION FOR NEGLECTED DISEASE RESEARCH
Notes forming part of the financial statements for the year ended 31 March 2022
(All amounts in Rupees, unless otherwise stated)

27 Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic EPS:

	Year Ended 31 March 2022	Year Ended 31 March 2021
Surplus after Tax	11,142	8,738
27.1 Basic		
i. Number of Equity Shares at the beginning of the year	10	10
ii. Number of Equity Shares issued during the year	-	-
iii. Number of Equity Shares at the end of the year	10	10
iv. Weighted average number of Equity Shares outstanding during the year	10	10
v. Nominal Value of each Equity Share (Rs)	10/-	10/-
Basic Earnings per Share (Rs.)	1,114	874

The Company is a Section 8 "Not for Profit" Charitable Company.

It does not distribute any dividends to its Shareholders. However, for the compliance of AS - 20, the Company has computed the aforementioned EPS.

28 Related Party Disclosure in keeping with Accounting Standard 18 on "Related Party Disclosures".

A) List of Related Parties and their relationship

Ultimate Holding Company (Entity having entire control over the Company) Nil
Subsidiaries Nil

Key Management Personnel (KMP) - Dr. Shridhar Narayanan - Chairman and Chief Executive Officer
- Dr. Radha Krishan Shandil - Director

Relatives of KMP Dr. Parvinder Kaur - Principal Scientist

Enterprise over which KMP's and/or their relatives are able to exercise significant influence (with whom transactions have taken place during the year)

Peptris Technologies Pvt Ltd- (Dr. Shridhar Narayanan is Advisor and advises 2 days in the month and has shareholding)

Enterprise having significant control over the Company, where a Director is interested. Stabaka Consulting Private Limited

B) Disclosure of transactions and Outstanding balance for the year ended 31 March, 2021.

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
I) Ultimate Holding Company		
a) Rendering of Services (Service Income)	-	-
b) Year-end Balances		
i) Receivables	-	-
ii) Shares held by the Holding Company	-	-
iii) Investments	-	-
iv) Payables	-	-
II) Key Management Personnel		
a) Remuneration #	13,790	13,333
b) Reimbursement of Expenses	185	214
c) Foreign Travel advance	-	-
d) Unsecured Loan Taken	-	-
e) Year end Balance - Unsecured Loans	-	-
f) Year end Balance - (Payable) / Receivables (salary outstanding)	-	(647)
<i># Excludes contribution to gratuity fund and provision for leave encashment, as separate figure are not ascertainable for the managerial personnel.</i>		
III) Relatives		
a) Consultancy Charges	-	-
b) Remuneration #	2,544	2,334
c) Reimbursement of Expenses	-	3
d) Foreign Travel advance	-	-
e) Year end Balance - (Payable) / Receivables	-	(110)
<i># Excludes contribution to gratuity fund and provision for leave encashment, as separate figure are not ascertainable for the managerial personnel.</i>		
IV) Enterprise having Significant Influence Over the Company, where a Director is interested.		
a) Management Consulting Charges	-	-
b) Reimbursement of Expenses incurred related to the Company*	-	-
c) Research and development services incurred related to the Company*	864	-
d) Shares held	-	-
e) Year end Balance - (Payable) / Receivables	(436)	-
Note: * Inclusive of Service Tax/GST		



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022

(All amounts in Rupees, unless otherwise stated)

	Year Ended 31 March 2022		Year Ended 31 March 2021	
	Value	%	Value	%
29 Value of Imported and Indigenous Consumption of Consumables				
Imported	1,212	7	161	5
Indigenous	17,324	93	9,046	95
	18,537	100	9,207	100
30 C.I.F. Value of Imports :				
(a) Consumables	1,212		161	
(b) Spare Parts	-		-	
(c) Capital Goods	-		-	
31 Expenditure in Foreign Currency : (on accrual basis)				
Travelling	-		-	
Technical Know-how Fees	-		-	
Postage and courier	-		-	
32 Earnings in Foreign Exchange (Remittance received) on account of				
(a) Consultancy Fees	-		-	
(b) Grants received from a Foreign Donor	12,914		19,000	
(c) Income from service contracts	18,207		5,320	
(d) Dividend	-		-	
33 Remittance in Foreign Currency on account of Dividend to Non-Resident Shareholders				
On Equity Shares :-				
(a) Amount Remitted	-	-	-	-
(b) Number of Non - Resident Shareholders	-	-	-	-
(c) Number of Shares held by them	-	-	-	-
(d) Dividend for the year	-	-	-	-



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Notes forming part of the financial statements for the year ended 31 March 2022

(All amounts in Rupees, unless otherwise stated)

34 a) Defined Contribution Plan
Amount Recognised in the statement of Income and Expenditure Account

2021-22	2020-21
1,674	299

b) Defined Benefit Plan

The gratuity liability is determined on the basis of actuarial valuation using projected unit credit method. The method recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation

Particulars

Discount rate (per annum)
Salary growth rate (per annum)
Mortality Rate [% of IALM 2012-14 (Previous Year-IALM 2006-08)]
Retirement age
Attrition/Withdrawal rate based on age(per annum)
Upto 30 Years
31 - 44 Years
Above 44 Years

2021-22	2020-21
7.51%	6.80%
10%	10%
100%	100%
60 Years	60 Years
	3%
5%	2%
	1%

The discount rate assumed is 7.51% per annum (Previous Year 6.8 %) which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

CIN: U73200KA2014NPL076126

Notes forming part of the financial statements for the year ended 31 March 2022

(All amounts in Rupees, unless otherwise stated)

- 35 a) The Company did not have any long term contracts, including derivative contracts, for which there were any material foreseeable losses.
b) There are no amounts which are required to be transferred to the Investor Education and Protection Fund (IEPF) by the Company.
- 36 The Company has entered a "Letter Agreement" dated 30 October 2014 [hereinafter referred to as "Arrangement" with Astra Zeneca AB, Sweden (AZ)]. Pursuant to such arrangement, AZ will provide "financial and other support" (herein after referred to as "AZ Support") to the Company, being a charitable company established for the purpose of discovering therapies and diagnostics in the field of Neglected Diseases, under certain other terms and conditions, stipulated therein, which are being met by the Company from time to time

Financial Support:

As per the Arrangement, the following financial support has been committed by AZ, subject to condition precedent to be met or being met from time to time.

Year 1: USD 500,000 to be paid on the effective date as per arrangement and USD 500,000 to be received on confirmation of the conditions stipulated by the arrangement, being met.

Year 2: USD 700,000 to be paid in two equal instalments

Year 3: USD 500,000 to be paid in two equal instalments

Year 4: USD 500,000 to be paid in two equal instalments.

Year 5: USD 500,000 to be paid in two equal instalments.

The Company has received the full financial support as of this date.

The financial statements have been prepared on going concern basis and no adjustments have been carried out to the carrying value of assets and liabilities.

The Company has credited the grant-in-cash, so received, to Grant Account under the Account head "Other Current Liabilities", to the extent unutilised.

Other Support :

Pursuant to the Arrangement along with a supportive Agreement with Indian Affiliate Astra Zeneca India Private Limited, wholly owned Subsidiary of AZ (AZIPL) dated 2 January 2015, AZ has donated assigned equipment valued at USD 324,000/- belonging to Astra Zeneca India Private Limited (AZIPL). These equipment's have been physically taken possession by the Company on February 28, 2017, as approved under Foreign Contribution (Regulation) Act, 2010.

Net Book Value appeared in the books of AZIPL amounted to Rs. 20,518.581 and received by the Company, has been recognized in the books initially as "Capital Work-in-Progress" in the earlier year with corresponding credited to Specific Grant Account. reflected under the head "Reserves and Surplus". The Company had capitalized the same in an earlier year and depreciated the said donated assets with a remaining useful lives of three years, which the management feels to be the best as per its prudence.

Due to technical upgradation of the equipment, the manufacturers of the equipment have stopped the production of the equipment, and/or spares are not available for carrying out repairs and maintenance of the equipment. Refurbishment of these equipment is not possible. Hence, Company has taken necessary action to scrap some of the equipment and scraped it. The Company has hired a chartered engineer to inspect and certify the health and the performance of the each equipment, some of the equipment kept for further use and some has been scrapped. The company has obtained Asset Scrap Certificate from Chartered Engineer confirming the Scrap value of the assets are Rs.6,02,918 as on 31st March 2021. The company have to intimate the same in FCRA return for the year. It has been resolved in Board meeting dated 6 sep 2021 to adopt a policy and approve scrapping of assets donated by AstraZeneca after completion of Five years.

- 37 As per the Department of Biotechnology (DBT), GOI Order no. - BT/PR39308/DRUG/134/86/2021 dated 25th October 2021, The Company has received a capital grant of Rs. 13.41 Lakh for the purchase of IVC Cage and Anesthesia Machine during the previous year i.e 2021-22. Such asset as per the terms & Conditions will be the property of the Government of India and should not without the prior sanction of DBT be disposed or incumbered or utilized for the purpose other than those for which grant has been sanctioned. In terms of the said conditions, the asset has been capitalised in the books and will be depreciated on Straight line basis over the period of the grants of 1 year ending on 24th September 2022.
- 38 The Company has availed various goods and services on voluntary "pro-bono" basis from various parties the value of which is presently not ascertainable and hence not reflected in these accounts. In the opinion of the Directors, the value of the same is not material.
- 39 The Company has received tax exemption under Section 12A of Income Tax Act, 1961 during an earlier year and hence the deferred taxation has not being recognized at a Balance Sheet Date
- 40 The Company is registered under Section 8 of the Companies Act, 2013.
The Board of Directors are making an unreserved statement as to compliance of the applicable provisions of the new Companies Act, 2013 and those applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, such other applicable laws of the land and enforceable agreements / contracts, to the extent possible.
- 41 The Company has a policy of physical verification of its assets over a period of three years. Pursuant to the same, the Company has verified the Plant & machinery/Laboratory Equipment's item.
- 42 In the opinion of the Board, the Current assets and loans and advances i.e. including the Input credit of GST are approximately of the value stated, if realized in the ordinary course or business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- Covid-19 Note From TCWG**
- 43 The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian Government announced a strict 21-day lockdown across the country to contain the spread of the virus, which was further extended till May 31, 2020. This pandemic and Government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.



FOUNDATION FOR NEGLECTED DISEASE RESEARCH

CIN: U73200KA2014NPL076126

Notes forming part of the financial statements for the year ended 31 March 2022

(All amounts in Rupees, unless otherwise stated)

44 Additional Regulatory Requirement

(Amt in '000's)

Ratios	Numerator	Denominator	FY 21-22	FY 20-21	Variance	Reasons
Current Ratio	Current assets	Current liability	2.02	1.90	6.39%	
Debt-Equity Ratio	Debt	Shareholder Equity	NA	NA		
Debt Service Coverage Ratio	Net operating in	Total debt service	NA	NA		
Return on Equity Ratio	PAT	Shareholder fund	0.24	0.21	12.93%	
Inventory turnover ratio	COGS	Average Inventory	NA	NA		
Trade Receivables turnover ratio	Credit sale	Average Receivable	4.93	2.98	65.70%	
Trade payables turnover ratio	Credit Purchases	Average payables	NA	NA		
Net capital turnover ratio	Sales	Shareholders fund	1.58	1.24	27.05%	
Net profit ratio	PAT	Turnover	0.14	0.15	-3.58%	
Return on Capital employed	PBIT	Capital employed	0.24	0.21	12.93%	
Return on investment	Net Return	Cost of investment	NA	NA		

* Includes continuing and discontinuing operations

45 Other Statutory Requirements

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) 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
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

46 a) Figures for the previous year have been regrouped, rearranged & reclassified wherever found necessary to conform with the current year's presentation.

As per our Report of even date
For Guru & Jana,
Chartered Accountants
Firm Registration No.-0068265



Neelima J
Partner
Membership No.: 222625
UDIN:2222625APZQGR3456



Shridhar Narayanan
Chairman
DIN: 06534130



Radha Krishan Shandil
Director
DIN: 06927253

Signatures to Notes '1' to '46'

For and on behalf of Board of Directors
FOUNDATION FOR NEGLECTED DISEASE RESEARCH

Place: Bangalore
Date: 26-August-2022

