

FRESENIUS KABI ONCOLOGY LIMITED

19TH ANNUAL REPORT

2021-22

BOARD'S REPORT

Dear Shareholders,

The Board of Directors is pleased to present the report on the Company's business and operations for the financial year ended March 31, 2022.

FINANCIAL PERFORMANCE

Key aspects of Company's financial performance for the financial year ended March 31, 2022 are summarized below:

Particulars	(INR in Lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Turnover (including other income)	70,538.87	63,881.93
Profit/(Loss) before Tax and Exceptional Items	4,732.23	2,361.57
Exceptional Items	-	36,940.55
Profit/ (Loss) before tax	4,732.23	(34,578.98)
Less: Provision for taxation		
(i) Current tax expenses	-	-
(ii) Deferred tax charge/ (credit)	(1,175.79)	963.20
Profit/(Loss) after tax	3,556.44	(33,615.78)
Other comprehensive Income/ (Loss)	92.33	(177.37)
Other (Total) comprehensive income/(Loss) for the year	3,648.77	(33,793.15)
Add: Balance of Profit/ (Loss) & Other comprehensive Income/ (Loss) brought forward from previous year	(65,251.84)	(31,458.69)
Appropriation to:		
General Reserve	-	-
Balance carried over to the Balance Sheet	(61,603.07)	(65,251.84)

DIVIDEND

In view of the accumulated losses incurred by the Company, the Board is unable to recommend any dividend for the financial year 2021-22.

BUSINESS PERFORMANCE AND OPERATIONS

The year gone by was once again tough and testing, due to outbreak of Covid-19 pandemic, both in terms of financial performance as well as the management's efforts in getting the Company back on growth and profitability track. Despite the odds, the management is committed to its pledge of implementing industry best practices at all levels and the bright part was that the Company's operations started moving in the right direction, gradually and steadily during the year.

Financial snapshots:

- Revenue increased from INR 63,881.93 lakhs in FY 2020-21 to INR 70,538.87 lakhs in FY 2021-22, an increase of INR 6,656.94 lakhs (9.93%).
- Profit/ (loss) before tax in FY 2020-21 is INR (34,578.98) lakhs as compared to INR 4,732.23 lakhs in FY 2021-22.

GLOBAL & DOMESTIC INDUSTRY OUTLOOK AND TRENDS IN ONCOLOGY

Global Trend: The pandemic had a substantial impact on cancer care the caseloads were 26-51% lower than pre-pandemic levels. The delays in necessary treatments & screenings increased the share of new patients presenting with metastatic cancer. However, despite the COVID-19 pandemic having a substantial impact on patient care during 2020, the scientific advances in clinical trial activity, the pipeline of new treatments, and the increased use of available therapeutics, continued largely unaffected and reflect the commitment to advancing care for patients by oncologists, other care providers, governments and life sciences companies.

The surge in innovation treatments in recent years, accompanied by a strong focus across health systems to increase early diagnosis and expanded patient access to treatments, has resulted in global spending on oncology drugs reaching \$164 billion in 2020, \$187 billion in 2021 and is estimated to reach \$196 billion by 2022.

Biological drugs based on monoclonal antibodies (mAbs) have emerged as a preferred option to treat various cancer types. Monoclonal antibody-based immunotherapy is now considered to be a main component of cancer therapy, alongside surgery, radiation, and chemotherapy. Monoclonal antibodies possess a diverse set of clinically relevant mechanisms of action. In addition, antibodies can directly target tumour cells while simultaneously promoting the induction of long-lasting anti-tumour immune responses. The multifaceted properties of antibodies as a therapeutic platform have led to the development of new cancer treatment strategies that will have major impacts on cancer care. Rise in incidence of various cancer conditions, increase in popularity of advance therapies (biological and targeted drug therapies), and surge in geriatric population worldwide are the key factors driving the growth of the global oncology/cancer drugs market. Furthermore, rise in cancer awareness, early screening of the cancer and availability of cancer drugs are expected to boost the market growth.

People are now increasingly adopting the targeted therapy and immunotherapy for the treatment as they are more convenient, effective, and has low side-effects as compared to that of the traditional chemotherapy. The low toxicity and the ability of the targeted therapy to specifically target the cancer cells without harming the normal cells is boosting the growth of the cancer treatment segment significantly. Moreover, the rising awareness among the population regarding the benefits of the targeted therapy, hormonal therapy, and the immunotherapy is fuelling the demand for these cancer treatments among the global cancer patients.

Domestic Trend: The combination of latest AI and machine learning technologies, thoughtful clinical trial design and execution, and rapid progression to market has driven the Indian Oncology therapeutic market.

The largest and most critical paradigm shift in India has been the move of thinking of cancer as a handful of homogenous diseases to thinking of cancer as a large number of disease subsets, each with an individual and unique solution. The therapy is then targeted at what defines each subset, taking advantage of molecule medicine and rational drug design. The current model followed in India is to understand the biology of cancer and develop drugs rationally that engage the target in question and do not cause harm elsewhere.

Today, medical researchers and experts in India are more focused on health literacy as a vast number of the rural population in India is totally ignorant of the onslaught of cancer. Efforts by government are being taken to slash the prices of cancer drugs to make them more accessible to the lower socio-economic sections of society. Pharmaceutical companies are consistently working on new research in the areas of molecular treatment for varied cancer pathologies.

Fresenius Kabi Oncology Limited

Echelon Institutional Area, Plot No. 11,
Sector-32, Gurugram - 122 001,
Haryana, India.

T+91 124 488 5000, +91 124 332 5000

F+91 124 488 5003

www.fresenius-kabi-oncology.com

Many R & D institutes are involved in educational and screening efforts to ensure prevention of disease at early stage. Regenerative medicine such as gene therapy and tissue engineering have shown encouraging results with wide range of cancers including lung cancer, pancreatic cancer, prostate cancer, and malignant melanomas. At least 12 companies across India are in the process of developing liquid biopsies to identify cancer cells and tumours. Nanotechnology is being actively resorted to by researchers to selectively treat cancer cells and enhance the efficacy of certain treatments.

Some leading hospitals resort to artificial intelligence based novel breast cancer screening solutions. Clinicians are now resorting to machine learning which they believe will enable them to develop patient-specific cancer treatments by analysing individual biology. Organ-specific cancer treatment is another insightful procedure which is gaining much success in India.

KEY UPDATES

The year 2021 was defined by the singular and unprecedented event of COVID-19 pandemic. The COVID-19 pandemic dominated all aspects of life and business and FKOL was no exception with impacts felt both operationally and among our people. However, our people have shown remarkable dedication, agility and resilience through the year in such unprecedented circumstances. This has included the hundreds of our employees who have continued to work throughout the pandemic, at our manufacturing facilities at Kalyani, West Bengal and Baddi, Himachal Pradesh and as well as at our I&DC lab & Corporate Office at Gurugram, Haryana, only to ensure that our vital medicines, life-saving oncology drugs could continue to reach patients and consumers.

The Company's I&DC lab at Gurugram and the manufacturing facilities at Kalyani and Baddi, continued to remain operational at almost its usual capacity while strictly following the protocols on social distancing, wearing of face masks & gloves, frequent washing/ sanitizing of hands and further providing safe working environment to its workforce. The Company in compliance with the local, state and national governmental guidelines, transitioned into a partial Work from Home model at its corporate office to curb the spread of the infection and for those whose physical presence at the office was utmost necessary, several measures, same as per the guidelines issued by the statutory authorities were put in place.

The Company invested in communications technology to enable its employees to work remotely and cope up with these changing times. The company also made numerous productivity improvements including but not limiting to, free access to meditation tools and conducting virtual sessions on topics such as 'Mental Well-Being' and 'COVID-19 Impact and its Precautions', through renowned doctors, to help its employees in such challenging times. In collaboration with Medanta Hospital, the Company also organized and arranged for a Mass Vaccination Drive at its Gurugram office for the benefit of all its full-time employees, their immediate family members, project associates and contractual staff.

Being a pharmaceutical company, we acknowledge our responsibility towards public health and as a participant in this eco-system we took several steps to respond to this unique situation and ensured supply of oncology medicines to the patients, care and safety for our employees and truly lived up to our motto of 'Caring for Life'.

The Company has monitored the impact of COVID-19 on all aspects of its business. In view of the continued uncertainties and its inability to predict the extend and duration of COVID-19 situation the Company currently is unable to predict any future impact on its business operations. However, we will continue to ensure supply of essential medicines and take steps to mitigate any risks associated with COVID-19 pandemic.

Fresenius Kabi Oncology Limited

Echelon Institutional Area, Plot No. 11,
Sector-32, Gurugram - 122 001,
Haryana, India.
T+91 124 488 5000, +91 124 332 5000
F+91 124 488 5003
www.fresenius-kabi-oncology.com

Key updates on Company plants

Kalyani Plant: As informed in the previous annual report a Plea Agreement was executed with DOJ and the same was filed with the District Court of Nevada USA. On March 23, 2021, Hon'ble Court, consented to the Plea Agreement executed between Department of Justice (DOJ) and Company and made a payment of \$ 50 Million to the US Authorities. In terms of the Plea Agreement company is required to implement a Compliance & Ethics Program (C&E Program) in Kalyani Plant for a period of three years.

Update on C&E Program at Kalyani Plant

Pursuant to the said settlement, FKOL duly implemented a Compliance and Ethics Program (the "Compliance Program") and the same was internally launched on 16th April 2021. In addition to FKOL's existing Food and Drug Administration ("FDA") regulatory compliance procedures, the Compliance Program is designed to prevent, detect, and correct any or all violations and promotes transparency in all regulatory interactions with the FDA. The Compliance Program has been now successfully operating for one year. As required under the Compliance Program, FKOL has duly appointed a Chief Compliance Officer, constituted a Compliance Committee, conducted quarterly meetings of the Compliance Committee to implement and review effectiveness of the Compliance Program, activated a Hotline / Ethics & Integrity Helpline number. Further FKOL is also duly maintaining the log of all calls and messages associated with violation/ suspected violation of FKOL's policies, conduct, practices or procedures. Making timely submissions of logs and reportable events to US Government. Moreover, as part of compliance, FKOL upon review of the effectiveness of the Compliance Program through its CEO / MD and Board of Directors will be submitting the Certification of Effectiveness, with the US Government, in due course of time.

During the year Company has convened/celebrated below mentioned events at:

Baddi Plant:

- i. Webinar on "Mental Well Being in Pandemic";
- ii. Webinar on "Covid & Post Covid Recovery";
- iii. Webinar on "Staying Stable in Tough Times";
- iv. Value week celebration – every month;
- v. Celebration of "International Yoga Day";
- vi. Webinar on "Nutrition & Diet";
- vii. Reward & Recognition Scheme at Baddi (Employee of the Quarter awarded to 4 Employees);
- viii. Pharmaceutical Development – Concept of QbD (Quality by Design);

Kalyani Plant:

- i. Webinar on "Mental Well Being in Pandemic";
- ii. Webinar on "Covid & Post Covid Recovery";
- iii. Celebration of "World Environment Day-2021";
- iv. "Staying Charged during Tough Times – Art of Living";
- v. Webinar on "Nutrition & Diet";
- vi. Celebration of 'International Yoga Day';
- vii. CQI / IRCA Approved online lead auditor training;
- viii. Employees' town hall and Workers' town hall.

Many initiatives towards upgradation of plant processes were also undertaken at both the plants of the Company during the year under review, which included, inter-alia, Energy Saving, HVAC upgradation, Solar energy, water system upgradation and packing area modification projects.

Fresenius Kabi Oncology Limited
Echelon Institutional Area, Plot No. 11,
Sector-32, Gurugram - 122 001,
Haryana, India.
T+91 124 488 5000, +91 124 332 5000
F+91 124 488 5003
www.fresenius-kabi-oncology.com

The Baddi and Kalyani plants of the Company received Certification(s) from below mentioned authorities:

Baddi Plant:

- i. EMA: Certification for aseptically filled (Lyophilized & Small Volume Liquids) & terminally sterilized for 3 years.
- ii. ANVISA: Certification for aseptically filled (Lyophilized & Small Volume Liquids) & terminally sterilized & OSD products for 2.5 years.
- iii. SFDA: Certification for aseptically filled (Lyophilized & Small Volume Liquids) & terminally sterilized & OSD products for 3.5 years.
- iv. Health & Family Welfare (GMP Inspection): Local GMP inspection completed and certification received for OSD & Small Volume Parental.
- v. Russia GMP Inspection: Certification for aseptically filled (Lyophilized & Small Volume Liquids) & terminally sterilized products for 3 years.
- vi. Indian Drugs Agency (Joint inspection by Central Drugs & State Agency): Certification for aseptically filled (Lyophilized & Small Volume Liquids) & terminally sterilized & OSD products for 2 years.

Kalyani Plant:

- i. EDQM: Approval for Paclitaxel;
- ii. Therapeutic Goods Administration (TGA), Australia A2 categorization for our GMP status;
- iii. MFDS-Korea (for Busulfan facility) inspected and issued the close out report;
- iv. Health Canada: Approval for Paclitaxel;
- v. COFEPRIS GMP certification received for the products Bicalutamide, Paclitaxel, Docetaxel & Oxaliplatin.
- vi. CDSCO & WBDC: WHO GMP certification received for 11 products;

INITIATIVES TAKEN TO INCREASE EXPORTS; DEVELOPMENT OF NEW EXPORT MARKETS FOR PRODUCTS AND EXPORT PLANS:

The Company continues to play a lead role within the generic oncology space. Key strategic elements of this leadership strategy include portfolio extension with new product developments, product differentiation, speedy rollouts and entering key institutions. All of this with the focus to provide our customers with safe, convenient and affordable drugs.

'Speed to market', together with 'cost competitiveness' remains one of our key objectives. Both is achieved by good project coordination, helping us to cut down the time to launch new products (leveraging the first-mover advantage) and by our vertical integration of API and finished product.

Experience gained in generic Oncology drug manufacturing & marketing gives us the competitive advantage for some of the core cytotoxics that are used worldwide.

During the fiscal year 2021 to beginning of 2022, the company has successfully launched in multiple European countries *pemetrexed* (a key oncology product for the treatment of non-small cell lung cancer) in a room-temperature stable, liquid formulation offered in 3 different strengths – making the preparation of the infusion more convenient. Furthermore, during this time we have rolled out bortezomib not only to more European countries but also to emerging markets, such as Chile. With more key oncology molecules lined up in our pipeline, we are confident in strengthening our market position further in oncology business globally.

Fresenius Kabi Oncology Limited
Echelon Institutional Area, Plot No. 11,
Sector-32, Gurugram - 122 001,
Haryana, India.
T+91 124 488 5000, +91 124 332 5000
F+91 124 488 5003
www.fresenius-kabi-oncology.com

In order to further enhance the Company's image among the international Oncology societies, Fresenius Kabi took active part in various international conferences and scientific meetings relevant to the field of Oncology. For instance, the company has joined the virtual ISOPP congress (International Society of Oncology Pharmacy Practitioners) in March 2022. Furthermore, we have exhibited our wide oncology generic drugs portfolio on site during the EAHP conference (European Association of Hospital Pharmacists), also taking place in March 2022.

With all the aforementioned efforts, we expect to increase our export earnings in near future.

SHARE CAPITAL

The Company has, during the year under review:

- Increased the Authorized share capital from INR 18 Crore to INR 50 Crore divided into 500000000 equity shares of the face value of Re. 1/- each.
- Issued and allotted 31,51,94,444 equity shares to existing shareholders on Rights issue basis. Post rights issue paid-up capital of the Company is INR 48,04,27,326 divided into 480427326 equity shares of the face value of Re. 1/- each.

BOARD OF DIRECTORS

CESSATION

Mr. Steffen Georg Roser

Mr. Steffen Georg Roser had resigned from the position of Non-Executive Director w.e.f. February 17, 2022. The Board placed on record its sincere appreciation towards the valuable contribution made by Mr. Roser during his tenure as Director of the Company.

APPOINTMENT/RE-APPOINTMENT

Mr. Maurizio Villa was appointed as an Additional Director in the category of Non-Executive Director of the Company w.e.f. June 7, 2022, in accordance with the provisions of Section 161 of the Companies Act, 2013.

Brief Profile of Mr. Maurizio Villa

Mr. Maurizio Villa obtained his degree in Business Administration in 1998 from Cattolica University in Milan and a certification in Advanced Business Administration obtained in 2001 from Bocconi University.

He started his professional career in 1999 as financial analyst & reporting supervisor in M/s Bolton Alimentari. He is associated with Fresenius Kabi group since 2017.

Mr. Maurizio Villa will hold office upto the date of ensuing Annual General Meeting. He is eligible for appointment as Director and the Board recommends his appointment in the ensuing Annual General Meeting as a Director, liable to retire by rotation.

DIRECTORS RETIRING BY ROTATION

Dr. Michael Schoenhofen

In terms of provisions of Section 152 of the Act, Dr. Michael Schoenhofen, Non-Executive Director of the Company, would retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

Fresenius Kabi Oncology Limited
Echelon Institutional Area, Plot No. 11,
Sector-32, Gurugram - 122 001,
Haryana, India.
T+91 124 488 5000, +91 124 332 5000
F+91 124 488 5003
www.fresenius-kabi-oncology.com

Dr. Michael Schoenhofen has been associated with the Company since August 2008. The Board of Directors recommends his re-appointment.

Key Managerial Personnel

Chief Financial Officer (CFO)

- Mr. Zankar Pandya resigned from the position of CFO w.e.f. September 13, 2021 and Mr. Sugeet Chopra was appointed as the new CFO of the Company w.e.f. September 14, 2021. However, he also resigned from the position of CFO w.e.f. March 4, 2022.
- Mr. Rahul Sharma was appointed as the new CFO of the Company w.e.f. March 7, 2022.

Brief profile of Mr. Rahul Sharma

Mr. Rahul Sharma is a member of the Institute of Chartered Accountants of India (ICAI). He started his professional career in 2007 and has worked with companies having national and international presence.

His rich work experience includes, inter-alia, setting up of process improvements across business segments, digital transformation, financial controlling, fund management activities including but not limited to preparation of accounts, budgeting and quarterly forecasts and analysis of P&L account, develop long term strategy for flavour solution businesses with commercial team, margin improvement, planning, overseeing all elements of financial control and implementation of business processes as per business growth perspective.

STATUTORY AUDITORS

As per Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the members of the company at their 14th Annual General Meeting held on 21st August, 2017 approved the appointment of M/s VMT & Co. LLP, Chartered Accountants (ICAI Registration No. - N500048), as the Statutory Auditors of the Company for a term of 5 year i.e. from the conclusion of 14th Annual General Meeting till the conclusion of the forthcoming Annual General Meeting (i.e. 19th Annual General Meeting) of the Company.

In view of the completion of first term of M/s VMT & Co., existing statutory auditors of the Company, the Company taking into consideration various factors such as independence, industry experience, technical skills, audit quality reports etc. and past working efficiency and eligibility certificate, consent and declaration received from M/s VMT & Co. LLP, Chartered Accountants, to appoint as Statutory Auditors of the Company for second term of five years.

The Board of Directors basis the recommendation of the Audit Committee, recommended the appointment of M/s VMT & Co. LLP, Chartered Accountants (VMT), having Firm Registration Number N500048 as statutory auditors of the Company, to hold office from the conclusion of this Annual General Meeting, until the conclusion of the 24th Annual General Meeting, and to fix their remuneration for the financial year ending March 31, 2022. Consent and certificate u/s 139 of the Companies Act, 2013 have been obtained from M/s VMT & Co. LLP, Chartered Accountants, to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued thereunder.

AUDITOR'S REPORT

The Board has duly examined the Statutory Auditor's report and clarifications, wherever necessary, have been included in the notes to accounts section of the Annual Report.

Fresenius Kabi Oncology Limited
 Echelon Institutional Area, Plot No. 11,
 Sector-32, Gurugram - 122 001,
 Haryana, India.
 T+91 124 488 5000, +91 124 332 5000
 F+91 124 488 5003
 www.fresenius-kabi-oncology.com

The Report given by M/s VMT & Co. LLP, Chartered Accountants on the financial statements of the Company for the financial year 2021-22 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their report.

During the year under review, the Auditors had not reported any matter under Section 143 (12) of the act, therefore, no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

FIXED DEPOSITS

The Company has not invited/accepted any Fixed Deposits during the year under review. Consequently, no amount of principal or interest on fixed deposits was outstanding on the Balance Sheet date.

COMMITTEES OF THE BOARD

In terms of the provisions of the Companies Act, 2013, read with rules made thereunder, the Company has constituted the following Committees:

a) Audit Committee

In terms of the provisions of Section 177 and other applicable provisions of the Companies Act, 2013, read with rules made thereunder, the Company has constituted an Audit Committee of Directors.

The composition of the Audit Committee during the FY 2021-22 is given below:

Member Director	Category	Status
Dr. Uday Chandrashekhar Shetty	Non-Executive (Independent)	Chairman
Ms. Maria Gobbi	Non-Executive	Member
Mr. Steffen Georg Roser#	Non-Executive	Member
Mr. Maurizio Villa \$	Non-Executive	Member

#Resigned from the Board w.e.f. close of Board/ Committee meetings held on February 17, 2022.

\$ Appointed as Non-Executive Director and member of the Committee w.e.f. June 7, 2022.

The role and terms of reference of the Audit Committee covers the areas mentioned in Section 177 of the Companies Act, 2013, besides other matters as may be referred by the Board of Directors.

b) Nomination and Remuneration Committee:

In terms of the provisions of Section 178 and other applicable provisions of the Companies Act, 2013, read with rules made thereunder, the Company has constituted a Nomination and Remuneration Committee of Directors.

The composition of the Nomination and Remuneration Committee during FY 2021-22 is given below:

Member Director	Category	Status
Dr. Michael Schonhofen	Non-Executive	Chairman
Dr. Uday Chandrashekhar Shetty	Non-Executive (Independent)	Member
Ms. Maria Gobbi	Non-Executive	Member

Fresenius Kabi Oncology Limited
 Echelon Institutional Area, Plot No. 11,
 Sector-32, Gurugram - 122 001,
 Haryana, India.
 T+91 124 488 5000, +91 124 332 5000
 F+91 124 488 5003
 www.fresenius-kabi-oncology.com

The role and terms of reference of the Nomination and Remuneration Committee cover the areas mentioned in Section 178 of the Companies Act, 2013, besides other matters as may be referred by the Board of Directors.

The Committee has also adopted and implemented a policy named "Appointment, Remuneration and Evaluation Policy" for Directors, Key Managerial Personnel (KMPs) and Sr. Management Personnel in terms of the requirements of Section 178 of the Companies Act, 2013. A copy of the policy is attached as **Annexure – I** of this report.

c) Corporate Social Responsibility (CSR) Committee

In terms of the provisions of Section 135 and other applicable provisions of the Companies Act, 2013, read with rules made thereunder, the Company has constituted a CSR Committee.

Composition of the CSR Committee during FY 2021-22 is given below:

Member Director	Category	Status
Ms. Maria Gobbi	Non-Executive	Chairperson
Mr. Arvind Kumar Sharma	Managing Director	Member
Dr. Uday Chandrashekhar Shetty	Non-Executive (Independent)	Member

The content of the CSR policy along with the update of CSR projects undertaken and statement of expenses incurred during the FY 2021-22 thereon is provided as **Annexure – II** of this report.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and "The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014", the Company had appointed M/s Kiran Sharma & Co., a firm of Company Secretaries in Practice as "Secretarial Auditors" to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Auditors have successfully carried out and completed the Secretarial Audit of the Company for the FY 2021-22.

The Secretarial Audit Report is annexed as **Annexure - III** of this report and it does not contain any qualification, reservation or adverse remark or disclaimer in their report.

COST AUDIT

In terms of the exemption granted under the provisions of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules 2014, as amended from time to time, the Company is not required to get its cost records audited by the Cost Auditors. Accordingly, the Cost records of the Company for FY 2021-22, have not been audited by the Cost Auditors.

VIGIL MECHANISM

In terms of the requirements of the Companies Act, 2013, a Vigil Mechanism has been established by the Company under the supervision of the Audit Committee of the Company. A dedicated process and reporting mechanism have been devised under the Vigil Mechanism Policy, formulated and implemented for this purpose.

For prompt and judicious redressal of the grievances/ complaints of the employees and Directors of the Company, a nodal officer has also been designated for acting as a link between the Audit Committee and the complainant(s).

Fresenius Kabi Oncology Limited
 Echelon Institutional Area, Plot No. 11,
 Sector-32, Gurugram - 122 001,
 Haryana, India.
 T+91 124 488 5000, +91 124 332 5000
 F+91 124 488 5003
www.fresenius-kabi-oncology.com

Under this policy, the Nodal Officer is also required to:

- ✓ Provide a quarterly update about the grievances/ complaints received from employees and/or Directors of the Company and the status of redressal thereof; and
- ✓ Ensure access of the Audit Committee Chairman to the concerned employee/ Director of the Company in exceptional cases.

During the financial year 2021-22, no complaint was received pursuant to the vigil mechanism policy.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

We have zero tolerance towards sexual harassment and any act of sexual harassment, is dealt with seriously and invites serious disciplinary action. In line with this, the Company has formulated a Prevention of Sexual Harassment Policy. Pursuant to terms of this policy, employees can report instances of sexual harassment at the workplace.

The Company has constituted Internal Complaints Committee (ICC) at its office, which is being headed by a woman, to redress complaint(s) under the act, if any. The process is governed and supported by the Prevention of Sexual Harassment Policy which ensures a free and fair enquiry process.

During the financial year ended March 31, 2022, the ICC did not receive any complaint pertaining to sexual harassment at workplace.

GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

Financial Year	Location	Date	Time
2018 – 19	Air Force Auditorium, Subroto Park, New Delhi	August 29, 2019	4:00 P.M.
2019 – 20	B-310, Som Datt Chambers-I, Bhikaji Cama Place, New Delhi – 110066	September 29, 2020	10:00 A.M.
2020 – 21	B-310, Som Datt Chambers-I, Bhikaji Cama Place, New Delhi – 110066	August 23, 2021	11:00 A.M.

The Nineteenth Annual General Meeting of the Company shall be held on Thursday, August 25, 2022 at 10:30 A.M. at the Registered Office of the Company, B-310, Som Datt Chambers-I, Bhikaji Cama Place, New Delhi - 110066.

The members are requested to refer to the Notice of the Nineteenth Annual General Meeting for the detailed agenda and program.

REGISTRAR AND TRANSFER AGENT (RTA):

The details of RTA are given below:

<p>For any query relating to the shares of the Company:- Link Intime India Private Limited, Registrar and Share Transfer Agent, Noble Heights, 1st floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi – 110058 Tel No.: +91 11 41410592/93/94 Fax: +91 11 41410591 E-mail: delhi@linkintime.co.in Website : www.linkintime.co.in</p>

Fresenius Kabi Oncology Limited
Echelon Institutional Area, Plot No. 11,
Sector-32, Gurugram - 122 001,
Haryana, India.
T+91 124 488 5000, +91 124 332 5000
F+91 124 488 5003
www.fresenius-kabi-oncology.com

ADDRESS FOR CORRESPONDENCE:

For queries of Analysts, FIIs, Institutions, Mutual Funds, Banks and Investors assistance

Mr. Nikhil Kulshreshtha,
Director & Secretary
Fresenius Kabi Oncology Limited,
Echelon Institutional Area, Plot No – 11, Sector - 32,
Gurugram-122001, Haryana, India, Tel No. +91 124 488 5000
E-mail: corporatesecretarial.india@fresenius-kabi.com
Website : www.fresenius-kabi-oncology.com

TRANSFER OF UNPAID DIVIDEND TO IEPF (Investor Education and Protection Fund)

In terms of Section 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, during the year ended March 31, 2022, no amount is transferred to IEPF Authorities Bank Account.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134 (3) (c) of Companies Act, 2013, it is hereby confirmed that:

- (a) in the preparation of annual accounts, the applicable accounting standards have been followed;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis; and
- (e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ANNEXURES TO THE DIRECTORS' REPORT

In terms of the requirements of Section 134(3) of the Companies Act, 2013, following documents/information have also been annexed to the Directors' Report:

1. In terms of sub section (1) of Section 178 of the Companies Act, 2013, Company's policy on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under sub section (3) of Section 178 (**Annexure – I**),
2. The content of the CSR policy along with the update of CSR projects undertaken and statement of expenses incurred during the FY 2021-22 (**Annexure – II**),
3. Secretarial Audit Report for FY 2021-22 (**Annexure – III**),
4. No. of Meetings of the Board of Directors held during the year (**Annexure –IV**),
5. Statement on declaration given by the Independent Director under sub section (6) of Section 149 (**Annexure – V**),

Fresenius Kabi Oncology Limited

Echelon Institutional Area, Plot No. 11,
Sector-32, Gurugram - 122 001,
Haryana, India.

T+91 124 488 5000, +91 124 332 5000

F+91 124 488 5003

www.fresenius-kabi-oncology.com

6. Particulars of loans, guarantees or investments under Section 186: **No such transaction during the year,**
7. Particulars of contracts or arrangements with related parties referred to in sub section (1) of Section 188: **No such transaction during the year,**
8. Conservation of energy, technology absorption and foreign exchange earnings and outgo **(Annexure - VI),**
9. A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company **(Annexure - VII),**
10. The details in respect of adequacy of internal financial controls with reference to the Financial Statements. **(Annexure - VIII),**
11. Extract of the Annual Return as provided under sub section (3) of Section 92 **(Annexure - IX).**

ACKNOWLEDGEMENT / APPRECIATION

The Directors wish to place on record their appreciation for the Company's customers, vendors, investors and bankers for their continued support during the year. The Directors also thank the employees for the efficient contribution made by them at all levels during the tough time of outbreak of Covid-19 pandemic and lockdown. Our consistent growth has been made possible by their whole-hearted efforts, solidarity, co-operation and support.

The Directors also thank the Government of India, particularly the Ministry of Corporate Affairs, Department of Pharmaceuticals, the GST departments, the Income Tax Department, the Ministry of Commerce, the Ministry of Finance, the Reserve Bank of India and other Government agencies for their support and look forward to their continued support in the future.

For and on behalf of the Board of Directors

Place: Gurugram
June 7, 2022



Maria Gobbi
Chairperson
DIN - 07005222

Fresenius Kabi Oncology Limited

Appointment, Remuneration and Evaluation Policy

This Policy is in compliance with Section 178 of the Companies Act, 2013 ("Act") read with applicable rules made thereunder.

This Appointment, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and the Senior Management Personnel of Fresenius Kabi Oncology Ltd (FKOL).

Definition

- a)** Nomination and Remuneration Committee (NRC): It means a Committee of Directors constituted under the requirements of Act, read with rules made thereunder.
- b)** "Key Managerial Personnel (KMP): KMP means and includes:
 - i. the Chief Executive Officer or the Managing Director or the Manager;
 - ii. the Company Secretary;
 - iii. the Whole-time Director;
 - iv. the Chief Financial Officer; and
 - v. such other officer as may be prescribed.

- c)** "Senior Management Personnel" (SMP):

The expression "Senior Management Personnel" means personnel of the Company who are members of its core management team excluding Board of Directors, comprising all members of management one level below the Executive Directors, including the functional heads.

1. Objective

The Nomination and Remuneration Committee shall provide a policy framework for:

- a. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal;
- b. Carrying out evaluation of every Director's performance;
- c. Identifying the criteria for determining qualifications, positive attributes and independence of a Director;
- d. Finalizing the remuneration for the Directors, Key Managerial Personnel and Senior Management Personnel;
- e. Assessing the independence of Independent Directors; and
- f. Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provisions of the Act and rules made thereunder.

2. Accountability

The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.

However, the Board, in terms of requirements of the Act and rules made thereunder, has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management Personnel of the Company to the Nomination and Remuneration Committee which makes nominations & recommendations to the Board.

3. Appointment of Directors and KMPs/Senior Management Personnel

a) Directors

Enhancing the competencies of the Board and providing strategic inputs to the management of the Company should be the main criteria/focus area while selecting Directors of the Company.

The proposed person should be assessed against a range of criteria which includes but not limited to:

Personality, Skills and Knowledge

- Knowledge and experience relevant to the business of the Company;
- Understanding of and experience in performing his/her roles and responsibilities;
- Independence of judgment;
- Qualification(s); and
- Past performance and credentials.

Behaviour & Conduct

- Ability to work individually as well as a member of team;
- Ability to represent the Company;
- Interaction and relationship with the other members of the Board, KMPs and key stakeholders;
- Board room conduct;
- Communication skills; and
- Ethics and Values.

Independence of Directors

Independence of Directors shall be decided on the basis of criteria provided under the relevant provisions of the Act, read with rules made thereunder, and any modification/amendments done from time to time. A declaration of Independence shall also be taken from the Independent Directors before their induction on the Board of Directors.

b) KMP/Senior Management Personnel

KMP and Senior Management Personnel shall be identified by the Company and informed to the Nomination and Remuneration Committee from time-to-time. Their individual job descriptions shall also be updated from time-to-time based on the business and legal requirements.

4. Letters of Appointment

The Company will issue a formal letter of appointment to each Director, KMP/Senior Management Personnel which will, inter alia, contain the terms of appointment and the role assigned by the Company and get it accepted and signed by the concerned individual.

5. Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel

While fixing the remuneration, the guiding principle should be that the level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other Senior Management Personnel.

The Directors, Key Management Personnel and other Senior Management Personnel's remuneration/salary shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Non-Executive Directors, which term shall mean and include Independent Directors, may be paid/reimbursed travelling, local transportation, boarding & lodging expenses incurred by each of them for attending meeting(s) of the Board of Directors and/or its Committees. In addition to the above, each of them also be paid sitting fees and/or commission (subject to availability of net profits as may be available pursuant to applicable provisions of the Companies Act, 2013 and rules prescribed thereunder) for attending meetings(s) of the Board of Directors and/or its Committees. Provided that, any Director who is in employment with any FK Group Company, shall not be eligible for payment/ reimbursement of such expenses as well as payment of sitting fees and/or commission. However, the quantum of amount of the sitting fees and commission to be paid shall be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors from time to time.

Individual remuneration packages for Directors, KMPs and Senior Management Personnel of the Company will be determined taking into account relevant factors, including but not limited to:

- Qualification and experience;
- Level of engagement in the affairs of the Company;
- Market conditions;
- Financial and commercial health of the Company;
- Practice being followed in comparable companies; and
- Prevailing laws and government/other guidelines.

Remuneration Structure

a) Base Compensation (fixed salaries):

It should be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

b) Variable salary:

The NRC may at its discretion, structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified improvement targets or the attainment of certain financial or other objectives set in this regard.

- c) Any other component /benefits as may be recommended by the management and approved by the NRC.

6. Evaluation/Assessment of the Board of Directors, its Committees and individual directors:

The evaluation/assessment of the Board of Directors, its Committees and individual directors is to be conducted on an annual basis. The following criteria may assist in determining how effective the performances of the Directors have been:

I. Board of Directors and its Committees:

- a) Size, structure and expertise of the Board/Committees:
The Board and its Committees consist of adequate number of members having relevant expertise to effectively and efficiently lead the company towards its vision, mission and long term objectives.
- b) Governance Processes:
The governance processes and procedure for discharging its functions, such as decision making (i.e. how directors ensure they are well informed to be able to make the decisions in the best interest of the Company and its stakeholders).
- c) Board and Committee terms of reference:
The Board and its Committees are governed by comprehensive terms of reference and each governing body discharges its responsibilities as defined therein.
- d) Engagement with Management:
How well the board and each of its committees' engage with the management to ensure it is well supported and able to meet the needs of its members.
- e) Board/Committee dynamics:
At the heart are the dynamics of the Board and its Committees' *inter-se*. It is the quality of individual relationships and dialogues that directly influence the quality of decision making and relationships with key stakeholders, including but not limited to effectiveness of the suggestions and recommendations received.
- f) Overall effectiveness:
Defining the strategic and operational roadmap for the Company as a whole and guiding individual functions.

II. Individual Directors

- a) Vision and clarity of roles & responsibility:
The Individual Director should have awareness of fiduciary and statutory requirements and a clearly articulated vision. This includes clarity of role as a member of the Board of the Company.
- b) Frequency of participation:
The Individual Director should make himself/herself available for attending the Board meetings of the Company and be available for providing his/her guidance and support in case of need.
- c) Knowledge and expertise:
The Individual Director possesses relevant skills, knowledge and expertise as required to lead and guide the Company towards its vision and long-term goals.
- d) Independent judgment:
The Director exercises his/her own judgment and voices opinion freely.

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/ Non-Independent Directors and Chairman/Chairperson of the Board including that of the Board collectively in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion. The NRC will evaluate the Board of Directors individually as well as collectively and the Board of Directors will carry out evaluation of each of the Committees of the Board and Independent Directors.

ANNUAL REPORT ON CSR ACTIVITIES (FY 2021-22)

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs

A. A brief outline of the Company's CSR Policy

We at Fresenius Kabi Oncology Ltd. own social responsibilities with equal passion and commitment. We leverage our expertise and resources in identifying community needs, take focused initiatives to address those needs and assess their impact. While we touch several lives in multiple ways, our CSR focus utmost remains on two main areas (i) Education; and (ii) Health. Since initiation of formal CSR activities, we have been engaging with the communities that surround our operations and have successfully completed interventions like infrastructure development, construction of classrooms, scholarships for meritorious students, provision for clean drinking water, provision for lab equipment(s) and development of labs etc. at various schools/university. We strongly believe that these initiatives will help in improving health and education standards in schools. We have faith that through such sustained efforts we will be successful in touching the lives of people around us.

B. Overview of Projects or programs proposed to be undertaken under CSR Policy

Following general areas have been shortlisted for carrying out CSR activities by the Company:

- i. Promoting preventive health care and sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality; empowering women; setting up homes and hostels for women and orphans; setting up old age homes; day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- v. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- vi. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.

C. Web link for CSR policy and projects or programs:

<http://www.fresenius-kabi-oncology.com/userfiles/Policy-on-the-Corporate-Social-Responsibility.pdf>

2. The composition of the CSR Committee as on March 31, 2022

Sr. No.	Name (Designation in the Board)	Designation in the Committee
1.	Ms. Maria Gobbi (Chairperson of the Board)	Chairperson
2.	Mr. Arvind Kumar Sharma (Managing Director)	Member
3.	Dr. Uday Chandrashekhar Shetty (Non – Executive Independent Director)	Member

3. Average Net Profit/ (Loss) of the Company as per last three financial years:

➤ (INR 9,306.96 Lakh)

4. Prescribed CSR expenditure i.e. 2% of average Net Profit as mentioned at Item No. 3 above:

➤ N.A. as the Company has incurred losses while calculating average Net Profit/ (Loss)

5. Details of CSR spend during the financial year (as on March 31, 2022):

- Total amount to be spent for the financial year on voluntary basis : INR 90.00 lakhs
- Amount unspent, if any : INR 72.05 lakhs
- Manner in which the amount spent during the financial year : Details given below
- In view of the outbreak of Omicron variant of Covid 19 in India, the Board of Directors decided not to undertake any new project for FY 2021-22.

6. Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

Manner of CSR expenditure spent during financial year 2021-22

1	2	3	4	5	6		7	8	9	10
Sl. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise Budget	Amount spent on the projects or programs Sub-heads:		Cumulative expenditure upto to the reporting period.	Amount unspent/ (Overspent)	Amount spent: Direct or through implementing agency	Justification for unspent/overspent amount during the financial year
				(INR "000")	Direct (INR "000")	Overhead (INR "000")	INR "000"	INR "000"		
1	Scholarship to Meritorious Students to motivate them to continue their studies	Promotional Education	(1) Local Area (2) Dist - Nadia, West Bengal	115	115	-	-	-	Direct	-
2	Paschim Banga Andha Alok Samiti (Blind School): Monthly meals sponsor for 28 resident students	Promotional Education	(1) Local Area (2) Dist - Nadia, West Bengal	180	180	-	-	-	Direct	-
3	Contribution to Himachal Pradesh State Disaster Management Cell- COVID 19	Healthcare	(1) Local Area (2) Baddi	1,500	1,500	-	-	-	Indirect	Contribution to Himachal Pradesh State Disaster Management Cell- COVID 19 to help the State Government.
TOTAL				1,795	1,795	0	0	0		

Summary:

- Total Voluntary Budgeted Amount: INR 9,000 K
- Expenditure incurred till March 31, 2022: INR 1,795 K
- In view of the outbreak of Omicron variant of Covid 19 in India, the Board of Directors decided not to undertake any new project for FY 2021-22. Moreover, there was no legal binding as the Company was incurring losses, therefore, the projects executed, and expenditure done was purely on voluntary basis.

Secretarial Audit Report

The Secretarial Audit Report of M/s Kiran Sharma & Co., Company Secretaries is appended below.

There is no adverse remark/ qualification by the Auditors which requires clarification/ comments from the Board.

**ANNEXURE FORMING PART OF THE BOARD'S REPORT
SECRETARIAL AUDIT REPORT
FORM NO. MR - 3**

FOR THE FINANCIAL YEAR FROM 1ST APRIL 2021 TO 31ST MARCH 2022
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Fresenius Kabi Oncology Limited
B - 310, Som Datt Chambers -I,
Bhikaji Cama Place,
New Delhi-110066

We have conducted the Secretarial Audit of the compliance(s) of applicable statutory provisions and the adherence to good corporate practices by **Fresenius Kabi Oncology Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of **Fresenius Kabi Oncology Limited** the Company's books, documents, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year from 1st April, 2021 to 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined in the best possible manner the books, documents, minutes books, forms and returns filed and other records maintained by the Company for the financial year from 1st April, 2021 to 31st March, 2022, *inter-alia*, according to the provisions of:

- i. The Companies Act, 2013 (the Act) read with the Companies (Amendment) Act, 2020 and the rules made there under;
- ii. The Depositories Act, 1996 read with the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
- iii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- iv. Industries Development and Regulation Act, 1951;
- v. The Income Tax Act, 1961 read with rules;
- vi. The Apprentices Act, 1961
- vii. The Foreign Trade (Development and Regulation) Act, 1992 r/w Foreign Trade Policy & Procedures (EOU);
- viii. The Employees Provident Funds and Miscellaneous Provisions Act, 1952 along with the Central Scheme, 1952;

- ix. Equal Remuneration Act, 1976;
- x. Factories Act, 1948;
- xi. Industrial Dispute Act, 1947;
- xii. The Industrial Employment (Standing Order) Act, 1946
- xiii. Indian Stamp Act, 1999;
- xiv. Environment Protection Act, 1986 and other environmental laws read with Bio-Medical Waste Management Rules, 2016, Bio-Medical Waste Management (Amendment) Rules, 2018, Bio-Medical Waste Management (Amendment) Rules, 2019 and e-waste (Management and Handling) Rules, 2016;
- xv. The Maternity Benefits Act, 1961 read with The Maternity Benefit (Amendment) Act, 2017;
- xvi. The Minimum Wages Act, 1948;
- xvii. The Payment of Bonus Act, 1965 read with the Payment of Bonus (Amendment) Act, 2015;
- xviii. The Payment of Wages Act, 1936 read with the Payment of Wages (Amendment) Act, 2017;
- xix. The Contract Labour (Regulation and Abolition) Act, 1970 read with CLRA State Rules;
- xx. Payment of Gratuity Act, 1972 read with Payment of Gratuity State Rules and The Payment of Gratuity (Amendment) Act, 2018;
- xxi. Employees State Insurance Act, 1948 read with Employees State Insurance (Central) Rules, 1950; Employees State Insurance (General) Regulations, 1950;
- xxii. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- xxiii. Employee's Compensation Act, 1923 r/w the Employee's Compensation (Amendment) Act, 2017, The Workmen's Compensation Rules, 1924 and Workmen's Compensation Returns, 1935;
- xxiv. The Public Liability Insurance Act, 1991 read with The Public Liability Insurance Rules, 1991;
- xxv. The Child Labour (Prohibition & Regulation) Act, 1986
- xxvi. Delhi Shops and Establishments Act, 1954 read with Delhi Shops and Establishments Rules, 1954;
- xxvii. Punjab Shops and Commercial Establishments Act, 1958 read with Punjab Shops and Commercial Establishments Rules, 1958;
- xxviii. The Indian Boilers Act, 1923 read with The Indian Boiler (Amendment) Act, 2007 and Indian Boiler Regulations, 1950;
- xxix. Hazardous Wastes (Management and Handling) Rules 1989 and Amendment Rules, 2016;
- xxx. The Drugs and Cosmetics Act, 1940 r/w The Drugs and Cosmetics Rules, 1945 and Drugs and Cosmetics (Amendment) Act, 2008 along with applicable orders including:
 - a) The Narcotic Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 1993;
 - b) Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 read with Rule;
 - c) The Essential Commodities Act, 1955 read with the Drugs (Price Control) Order, 2013;
 - d) The National Pharmaceuticals Pricing Policy, 2012;
 - e) Destructive Insects and Pests Act, 1914 read with the Plant Quarantine (Regulation of Import into India) Order, 2003;
- xxxi. Food Safety and Standards Act, 2006 read with Food Safety and Standard Rules, 2011;
- xxxii. The Electricity Act, 2003 read with The Electricity (Amendment) Act, 2007 and Rules and Regulations, made thereunder;

- xxxiii. Motor Vehicles Act, 1988 read with the Motor Vehicles (Amendment) Act, 2019 and rules made there under;
- xxxiv. Legal Metrology Act, 2009, read with Legal Metrology (General) Rules, 2011 and other miscellaneous applicable rules and guidelines made thereunder;
- xxxv. Explosives Act, 1884 read with The Explosive Rules, 2008 & Gas Cylinder Rules, 2016;
- xxxvi. The Petroleum Act, 1934 read with Petroleum Rules, 1976;
- xxxvii. Atomic Energy Act, 1962 read with Atomic Energy (Radiation Protection) Rules, 2004;
- xxxviii. Indian Forest Act, 1927;
- xxxix. The Information Technology Act, 2000 read with The Information Technology (Amendment) Act, 2008 and applicable rules made there under;
 - xl. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 along with applicable guidelines issued thereunder;
 - xli. The Central Goods and Services Tax Act, 2017 and the Integrated Goods and Services Tax Act, 2017 read with:
 - a. Central Goods and Services Tax (CGST) Rules, 2017
 - b. Himachal Pradesh Goods and Services Tax Act, 2017 and the Himachal Pradesh Goods and Services Tax Rules, 2017
 - c. West Bengal Goods and Services Tax Act, 2017 and the West Bengal Goods and Services Tax Rules, 2017
 - d. Haryana Goods and Services Tax Act, 2017 and the Haryana Goods and Services Tax Rules, 2017.

I have also examined compliance with the applicable clauses of Secretarial Standards with regard to the meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI) and approved by the Central Government.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Director(s).

The following change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.

- Mr. Arvind Kumar Sharma (DIN:08144338) was re-appointed as the Managing Director of the Company w.e.f July, 1, 2021 for a tenure of 3 (three) years.
- Mr. Nikhil Kulshreshtha (DIN: 07178027) was re-appointed as the Whole time Director of the Company w.e.f July 1, 2021 designated as "Director & Secretary" for a tenure of 3 (three) years.
- Dr. Uday Chandrashekar Shetty (DIN: 02924182) was appointed as Additional Director w.e.f November 25, 2020 by the Board of Directors and was consequently regularized as Non-Executive Independent Director of the Company w.e.f August 23, 2021.
- Mr. Steffen Georg Roser, Non-Executive Director of the Company (DIN: 07239624) resigned from the Company with effect from February 17, 2022.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that:

During the period under review following changes has been took place in KMPs:

- Mr. Zankar Pandya, CFO of the Company resigned from the services w.e.f. September 13, 2021.
- Mr. Sugeet Chopra was appointed as CFO of the Company w.e.f. September 14, 2021 and resigned from the services of the Company w.e.f. March 4, 2022.
- Mr. Rahul Sharma was appointed as new CFO of the Company w.e.f. March 7, 2022.

I further report that there are adequate systems and processes in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that:

During the year under review Company had issued and allotted 315194444 equity shares of Re. 1/- each at a premium of INR 35/- per share on rights issue basis to the existing shareholders of the Company by following the due process of law and made the necessary filings with appropriate governmental and/or regulatory authorities, including the jurisdictional Registrar of Companies, Reserve Bank of India (RBI) and relevant depository (ies).

I further report that during the audit period:

There were no instances of:

- a. Public/ Preferential Issue of shares/debentures/sweat equity, etc.
- b. Redemption/buyback of securities.
- c. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- d. Merger/amalgamation/reconstruction etc.
- e. Foreign technical collaborations.

Date: 26th May, 2022
Place: New Delhi

For Kiran Sharma & Co.
Company Secretaries

Kiran Sharma
Proprietor
FCS 4942
CP: 3116
UDIN:

Annexure -IV

Meetings of the Board of Directors:

The Board of Directors of the Company met five times during FY 2021-22, the details are as below:

- a) Quarter 1 (FY 2021-22) : June 30, 2021
- b) Quarter 2 (FY 2021-22) : August 23, 2021
- c) Special Board meeting : October 11, 2021
- d) Quarter 3 (FY 2021-22) : October 28, 2021
- e) Quarter 4 (FY 2021-22) : February 17, 2022

Annexure - V

Statement on declaration given by the Independent Director(s) under sub section (6) of Section 149

Dr. Uday Chandrashekhar Shetty, Independent Director had provided his declaration of independence at the beginning of financial year 2021-22 to the Company. Same was taken on record by the Board during its first meeting of FY 2021-22, held on June 30, 2021.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

(A) CONSERVATION OF ENERGY

a. The steps taken and impact of conservation of energy:

Corporate Office & I&DC, Gurugram

- Installed PIR (Passive Infrared) motion sensors in all cabins & meeting rooms (04 No's.) to save electricity.
- Timely switch on & off AHU's and lights in all labs & seating area.
- Utilization of Treated effluent water for gardening.
- Utilization of STP treated water for washroom flushing system.
- Utility & office area CFL lights partially replacing with LED including Outer area of Sohna warehouse. We stopped purchasing CFL to save electricity.
- Maintained average room temperature in between 23°C to 25°C in summer but due to Covid-19, maintained 24°C to 26°C.
- Currently we are using only one passenger elevator in both side.
- Installed lower wattage emergency LED lights in all glass cabins.
- Balanced UPS power load to avoid overheating & overload.
- Initiating for Installation of VFD in balance 10 No's AHU.

Kalyani Plant

- Installation of Indirect heating system for Hot water system (Investment -INR 35.4 Lac, Completed. Saving- INR 25 Lac/year)
- Installation of Automatic Boiler blow down system (Investment -INR 7.7 Lac)-completed, Saving- INR 14.3 Lac /year)
- Cooling tower side stream filters (Investment- INR 5 Lac) – Completed. Reduction in blow down frequency and quantity are realized. Savings are INR 1.27 Lac/year.
- RO plant for boiler feed water (Investment- 13 Lac INR) – Project Initiated. Saving of fuel due to reduction of blow down will be realized. Saving projected – INR 9 Lac /year.
- Installation of centrifugal chiller for HVAC system instead of Screw type chiller-Benefits in power consumption – Investment- INR 25 Lac . Project initiated. Expected savings are INR 16 Lac /year
- Cooling tower auto blow down system. Investment – INR 10 Lac . Project is on going. Cooling tower efficiency improvement will be realized and manual blow down operation will be avoided.
- Conversion of boiler fuel from FO to LNG - Initiated (Investment-INR 91.2 Lac)
- Portable DG installation for critical process requirement. Project is initiated and under implementation. Investment INR 0.5 Lac. Saving projected INR 4 Lac/Year.
- Replacement of conventional light to LED type light (100 numbers). It is under ordering. Investment is INR 5 Lacs. Saving INR 3.85 Lac /year.

Baddi Plant, Kishanpura

- Reduction in Energy consumption by Implementation of EC Blower's (Electronic control) in place of Conventional belt driven Blower and motor assembly, in Warehouse area, QC area & production area of Cyto-injectable facility. this project has been implemented with an investment of 23.12 Lac INR and ROI (return on investment) of 2.0 Years approx. This project will give us energy savings of 40% with respect to earlier operational cost of these systems.
- RO reject water re-use; Approximately, 26 KLD reject water comes out from RO system. This reject water is being utilize in the process cooling tower as well as in the washrooms.

b. The steps taken by the Company for utilizing alternate sources of energy:

Baddi Plant, Kishanpura

- Phase – III of Solar power Plant capacity enhancement project with a Power generation capacity of 100 KW (Kilo Watt Power) is planned. ROI (Return on Investment) of the project

is 3.5 years. This project will be another milestone in sustainability and green energy initiative.

Kalyani Plant

- Proposal for installation of additional 100 to 200 KWP Solar plant. Estimated investment is INR 80 Lakh.

c. The capital investment on energy conservation equipment:

Approx. INR 48.1 Lakh incurred at Kalyani Plant and Approx. INR 28 Lakh incurred at Kishanpura Plant respectively for completed energy conservation initiatives.

(B) TECHNOLOGY ABSORPTION

1. Efforts made towards technology absorption, adaptation and innovation:

Kalyani Plant

- Implementation of Energy Management system (EMS). Investment done was INR 17.99 Lakh. It includes area wise energy monitoring & control on power consumption.
- Installation of secondary condensers for reduction of solvent – Investment is INR 3 Lac.
- Powder transfer system for handling of toxic raw materials- Investment is INR 23.05 Lac.
- Clubbing of production stages in Paclitaxel and Oxaliplatin (Investment-Nil)
- Installation of display board for online tracking of environmental data. Investment is INR 8.2 lakh.
- Augmentation of KSM facility for Vacaine. Investment INR 75 Lac.
- Integration of lab equipment with LIMS (Lab information and management system) is under progress. Investment INR 6 Lacs.
- Data logging system for process and critical parameters are under installation. Investment INR 521 Lac).
- Elogbook system is implemented in QC Jan 2022 and warehouse in Feb 2022 and production in Apr 2022. Investment INR 625.21 Lac.
- Bar Code system is under implementation at Warehouse. Investment is INR 69.06 Lac.
- Installation of water (RO EDI) system to upgrade the water system facility to meet latest industrial standards is under implementation. Investment is INR 172.24 Lacs.

Baddi Plant

- Upgradation of TOC system in Purified & WFI water system.
- 3 client PC & Migration to Virtual Server (ICDAS) for Stability chambers.
- Upgradation of IT network with latest available technology.
- Installation of new Training Kiosk machine for contractors training.
- Environmental Data Board installation as per MoEF/PCB direction.
- Installation of Platform for Water Monitors for safe & easy operation.
- Modification of ETP pipelines to avoid accidents.
- Re arrangement of packaging lines and add up of new equipment's with respect to automation.
- Installation of shipper sealing machine with weighing balance (02 nos.); installation of auto cartonator machine and utilizing of cyto OSD Optel system to cyto injection line.
- High RMP peristaltic pump introduced in production to speed up transfer of viscous solvent into compounding vessels.
- 03 Sonicators procured in production to enhance productivity of PNP intermediates.
- New production room in PNP area has been built to speed up the product PNP intermediate preparation process.
- Electronic weighing balance introduced to improve the accuracy in measuring of fill volume of small SKUs.
- HMI Upgradation of CIP & SIP skids for better controls and management of data as per GXP requirements.
- One additional Vial head space oxygen analyser procured for production continuity.

I&DC, Gurugram

- Extension of alliance business to cover additional products/ markets.
- Submissions of regulatory dossiers in different countries worldwide.
- Product internationalization.
- EMA IRIS Portal

2. Benefits derived as a result of the above efforts:

I&DC, Gurugram

- Extension of alliance business to include the additional products and additional regions will provide significant revenue boost in coming years.
- International regulatory filings and approvals – dosage forms:

Markets	New Filings	New Approvals
US	2	0
EU	0	0
Emerging countries including Canada	7	22

- Internationalization of the product in different countries will expand the overseas business and improve global competitiveness.
- Reporting of marketing status is a mandatory regulatory requirement for the centralized procedure. Earlier it was submitted in an excel sheet via email. However, EMA has now introduced a dedicated portal for submission of marketing status for centralized procedure in Europe.

Kalyani Plant

- Reuse of Steam condensate -Energy savings.
- Savings in power consumption in cooling towers.
- Reduction in cooling tower blowdown to ETP.
- Reduction in power consumption in streetlights.
- Improved compliance by implementing eLogbook system in QC, Warehouse & production.
- Prevention measures are implemented for better protection from COVID-19.

Baddi Plant

- By upgradation of TOC system for Purified & WFI system will help in achieving highest level of compliance & newer technology.
- By implementation of 3 client PC & Migration to Virtual server (ICDAS) will help in achieving newest technology available i.e., upgradation into Windows 10 platform, inclusion of online review & approval of documentation. It also helps in paper saving.
- By upgrading IT network with best available solution help in reduction in network downtime & VLAN technology.
- Re arrangement of packaging lines helps in providing more space to add new equipment's with respect to automation like auto cartonator and optel inspection system.
- With respect to shifting of optel from OSD to injection line, creates additional line for serialization with respect to SAP connectivity.
- Middle east countries packing will be done in auto serialization with L4 SAP connectivity.
- High RMP peristaltic pump introduced in production:

Benefit(s):

- To speed up transfer of viscous solvent into compounding vessels.
- Minimize SS vessels cleaning and dispensing process

- 03 Sonicators procured in production:

Benefit(s):

- To enhance productivity of PNP intermediates and minimize the preparation time. Preparation time reduced from 08 days to 03 days.

- New production room in PNP area has been built to speed up the product PNP intermediate preparation process:

Benefit(s):

- To speed up the product PNP intermediate preparation process from 20 days to 08 days.

- Electronic weighing balance introduced:
Benefit(s):
 - To enhance the accuracy in measuring of fill volume of small SKUs.
- HMI Upgradation of CIP & SIP skids:
Benefit(s):
 - For better controls, management and back up of data as per GXP requirements.
- One additional Vial head space oxygen analyzer procured for production:
Benefit(s):
 - Space instrument to ensure production continuity during breakdowns and during external calibration of existing instrument.

3. Imported technology

Kalyani Plant

Following are the details of technology imported during the last 3 years, reckoned from the beginning of the financial year:

- Technology Imported: Not Applicable
- Year of import: Not Applicable
- Has technology been fully absorbed: Not Applicable
- If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: Not Applicable

Baddi Plant

In case of imported technology (imported during the last 3 years, reckoned from the beginning of the financial year), following information may be furnished:

- Technology Imported: Glove Integrity Tester, Serialization, Facility management system, head space oxygen analyzer, Nitrogen Generation Plant.
- Year of import: 2018, 19, 20
- Has technology been fully absorbed: Glove Integrity Tester, Nitrogen generation plant & Head space oxygen analyzer has been installed & in use at Cyto Injectable Facility, Russia. Serialization & Warehouse KOMPANO solution has been implemented.
- If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: Not Applicable.

4. Expenditure on Research & Development (R&D):

The details of expenditure incurred by the Company on R&D are as under:

Sr. No.	Particulars	Amount (INR in lacs)
a.	Capital	715.74
b.	Recurring	10,012.21
c.	Total	10,727.96
d.	Total R&D as a percentage of total turnover	15.13%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned:

		INR in lacs
• Foreign Exchange Earnings	:	57,859.67
• Foreign Exchange Outgo	:	21,555.21

Annexure – VII

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the Company

The Company values the importance of identification, management and moderation of risks associated with business and product portfolio. Risk management is an inherent part of business and is synonymous to growth. Thus, the Company continuously strives to foster a high awareness of business risks, manage and monitor it through effective internal control mechanism, thereby promoting a culture of transparency in its operations. Adhering to the resolution for effectively managing its risks, the company has implemented a Risk Management Framework ("RMF") governed by a standard operating procedure that is developed and put in place.

The Company's audit committee has overall responsibility for the establishment and oversight of Company's RMF. As per RMF, Company has laid down an organization structure for identifying, prioritizing and mitigating the risks. The Board of Directors have designated the Chief Financial Officer as the "Risk Officer" of the Company.

Such risk management policies and systems are reviewed regularly to reflect changes in market condition and the Company's activities. The company through its training and management standards and procedures aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The company is committed to its pledge of managing the operational, financial and other business risks while ensuring that business, social and commercial objectives are also met. The Company has thus, implemented a Business Partner Due-Diligence (BPDD) mechanism to assess, identify, measure and monitor risk(s) that may arise from association with a business partner.

As of now, the Company does not foresee any potential risks which may threaten the existence of the Company.

Annexure – VIII

The details in respect of adequacy of internal financial controls with reference to the Financial Statements

Internal Control Systems and Risk Management

Risk-taking is an inherent trait of any enterprise. It is essential for growth or creation of value in a Company. At the same time, it is important that the risks are properly managed and controlled, so that the Company can achieve its objectives effectively and efficiently.

Internal Financial Control Framework

Provisions of the companies act, 2013 require a company to lay down Internal Financial Controls (IFC) and to ensure that these are adequate and operating effectively. Internal financial controls, here, means the procedures adopted by the Company 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.

The above requirement has the following elements:

1. Orderly and efficient conduct of business;
2. Safeguarding of assets;
3. Adherence to Company's policies;
4. Prevention and detection of frauds & errors; and
5. Accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The internal financial controls system is in place for the Company and incorporates all the five elements as mentioned above. In addition, the Company has a transparent framework for periodic

evaluation of the internal financial controls in the form of internal audit exercise carried throughout the year, thereby reinforcing the commitment to adopt effective corporate governance practices.

Policy and procedure adopted by the company to adhere to IFC elements is given below:

Orderly and Efficient Conduct of Business

The Company has a well laid down organisational structure which defines the authority-responsibility relationship. The Company has a formal financial planning and budgeting system in place encompassing short term as well as long term planning. In order to ensure that decisions are made and action is taken at an appropriate level, the Board of Directors of the Company has formulated the Delegation of Authority matrix which has been designed to ensure that there is judicious balance of authority and responsibility. The adherence to Delegation of Authority matrix is part of internal audit plan. The company has also designed and implemented key checks, controls and review procedures for important financial, legal and administrative processes, so as to ensure transparent governance of business procedures.

Safeguarding of its Assets

The Company has taken an all industrial risk policy for all of its plants as well as corporate office to safeguard its assets. The Company also carries out a physical verification of its assets.

Adherence to the Company's Policies

The Company has two tier policies and procedures viz. Entity Level Controls and Process Level Controls. The entity level controls include a comprehensive Code of Conduct and Code of Ethics. The Company also has a Whistle Blower Policy in place and any employee of the Company can directly write to the Nodal Officer designated under the Whistle Blower Policy. The Company also has process level controls which cover a wide range of key operating financial and compliance related areas like Accounting, Order to Cash, Procurement to Payment, Inventory and Production, Payroll, Treasury, Forex, Fixed Assets, Direct and Indirect Tax, R&D etc.

Prevention and Detection of Frauds and Errors

Company has defined a framework for fraud prevention and detection of errors which includes code of ethics, whistle blower etc. All complaints are reported to an independent committee/ forum including some at global level and basis the defined framework in place, actions are taken.

Company also has defined framework around segregation of duties (SOD) risks through Governance risk & compliance (GRC). This framework assists the organization to address the conflicts of interest and minimize consequent risk of potential fraud and errors associated with it.

Policies, procedures with Delegation of Authority (DOA) exists to define the process for execution of transactions, identifying and dealing with exceptions. These are reviewed and discussed as part of the periodic management meetings and are subject to periodic review and refresh taking into account change in business process, internal control, IT environment etc.

As an additional measure, the company also has an Internal Audit function to independently review adherence to the laid down policies and procedures framework set by the company. IA function is responsible to highlight gaps and improvement opportunities to management including Audit committee.

Accuracy and Completeness of the Accounting Records and Timely Preparation of Reliable Financial Information

The Company has a documented and updated Accounting Manual based on the existing Indian Generally Accepted accounting Principles. The Accounting Manual contains detailed guidelines on all aspects of accounting applicable to the Company and has been prepared in line with all applicable accounting standards, guidance notes and expert opinions. This helps in ensuring that the accounts and finance team is well updated on the applicable accounting requirements. The financial information is verified by the statutory auditors as per the requirements of Companies Act, 2013.

In view of the above, adequate internal financial control tools and procedures are in place in the Company for ensuring orderly and efficient conduct of its business. During the year relevant controls were also tested and no material weaknesses in the design or operations were observed.

As part of Statutory Auditors' Report for financial year 2021-22, the auditors have also, *inter-alia*, confirmed that the company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial control system was operating effectively as on March 31, 2022.

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U24231DL2003PLC119441
- ii) Registration Date : 18.03.2003
- iii) Name of the Company : Fresenius Kabi Oncology Limited
- iv) Category / Sub-Category of the Company : Company having share capital
- v) Address of the Registered office and contact details : B-310, Som Datt Chambers-I, Bhikaji Cama Place, New Delhi - 110 066
Phone No.: 011 - 26105570
Fax No.: 011 - 26195965
Email: corporatesecretarial.india@fresenius-kabi.com
Website: www.fresenius-kabi-oncology.com
- vi) Whether listed company : No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime India Private Limited
Noble Heights, 1st Floor, Plot NH 2,
C-1 Block LSC, Near Savitri Market, Janakpuri,
New Delhi – 110058
Phone No.:- 011 - 4141 0592/93/94
Fax No.:- 011 - 4141 0591
Email: delhi@linkintime.co.in
Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main Products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Paclitaxel – inj	21002	14.63%
2	Carboplatin – inj	21002	12.66%
3	API Oncology	21002	10.89%
4	R&D Services	72100	15.94%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Fresenius Kabi (Singapore) Pte. Ltd.	Foreign Company	Holding	100.00	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category Code	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter's									
[1]	Indian									
(a)	Individual/HUF	6	0	6	0.0000	6	0	6	0.0000	0.0000
(b)	Central Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000

(e)	Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub-Total (A)[1]	6	0	6	0.0000	6	0	6	0.0000	0.0000
[2]	Foreign									
(a)	NRI Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Other Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Bodies Corporate	165232876	0	165232876	100.0000	480427320	0	480427320	100.0000	0.0000
(d)	Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub-Total (A)[2]	165232876	0	165232876	100.0000	480427320	0	480427320	100.0000	0.0000
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	165232882	0	165232882	100.0000	480427326	0	480427326	100.0000	0.0000

(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Banks/ FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Central Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(g)	FII's	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub-total (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000

[2]	Non-Institutions									
(a)	a) Bodies Corporate									
	i) Indian	0	0	0	0.0000	0	0	0	0.0000	0.0000
	ii) Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	b) Individuals-									
	i. Individual shareholders holding nominal share capital upto Rs.1 lakh	0	0	0	0	0	0	0	0	0.0000
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Any Other (specify)									
	i) Trust & Foundation	0	0	0	0.0000	0	0	0	0.0000	0.0000
	ii) NRI	0	0	0	0.0000	0	0	0	0.0000	0.0000
	iii) Fresenius Kabi Oncology Limited - Unclaimed Suspense Account	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub-total (B)(2)	0.0000	0.0000	0.0000	0.0000	0	0	0	0.0000	0.0000
	Total Public Shareholding (B) = (B)(1) + (B)(2)	0.0000	0.0000	0.0000	0.0000	0	0	0	0.0000	0.0000
	TOTAL (A) + (B)	165232882	0	165232882	100.0000	480427326	0	480427326	100.0000	0.0000
(C)	Shares held by Custodians for GDRs & ADRs									
		0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	165232882	0	165232882	100.0000	480427326	0	480427326	100.0000	0.0000

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Fresenius Kabi (Singapore) Pte. Ltd.	165232882	100.0000	0	480427320	100.0000	0	0.0000
	Total	165232882	100.0000	0	480427320	100.0000	0	0.0000

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Share holding status				
	At the beginning of the year	165232882	100.0000	480427320	100.0000
	Issue and allotment of Equity shares on Rights issue basis.				
	At the End of the year	480427320	100.0000	480427320	100.0000
		No change in percentage only change in no. of shares of promoter's shareholding due to issue and allotment of equity shares on Rights issue basis during the year			

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1					
2					
3					
4					
5		Not Applicable			
6					
7					
8					
9					
10					

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	None of the Director and Key Managerial Personnel hold shares in the Company			
2	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	None of the Director and Key Managerial Personnel hold shares in the Company			
3	At the End of the year	None of the Director and Key Managerial Personnel hold shares in the Company			

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(INR in Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	59,389.66	Nil	59,389.66
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	358.83	Nil	358.83
Total (i+ii+iii)	Nil	59,748.49	Nil	59,748.49
Change in Indebtedness during the financial year				
· Addition	Nil	Nil	Nil	Nil
· Reduction	Nil	56,845.06	Nil	56,845.06
Net Change	Nil	56,845.06	Nil	56,845.06
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	2,900.00	Nil	2,900.00
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	3.44	Nil	3.44
Total (i+ii+iii)	Nil	2,903.44	Nil	2,903.44

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(INR in Lakh)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Mr. Arvind Kumar Sharma, Managing Director	Mr. Nikhil Kulshreshtha, Director & Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	184.74	176.24	360.98
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.40	0.40	0.80
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil
		Nil	Nil	Nil
5.	Others, please specify – Ex-gratia	1.15	8.31	9.46
	Total (A)	186.29	184.95	371.24
	Ceiling as per the Act	Not applicable for FY 2021-22. Please refer to the notes mentioned below.		

Notes:

1. Considering the inadequate profits for payment of remuneration to Managing Director and Whole-time Director(s) of the Company, the same was made in terms of provisions contained under Schedule V of the Companies Act, 2013.

B. Remuneration to other directors:

(INR in Lakh)

Sl. No.	Particulars of Remuneration	Name of Director(s)	Total Amount
		Dr. Uday C. Shetty	
1.	Independent Directors		
	· Fee for attending board & committee meetings	14.00	14.00
	· Commission	Nil	Nil
	· Others, please specify	Nil	Nil
	Total (1)	14.00	14.00
2.	Other Non-Executive Directors		
	· Fee for attending board & committee meetings	-	-
	· Commission	-	-
	· Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	14.00	14.00
	Total Managerial Remuneration (A+B)		385.24
	Overall Ceiling as per the Act *	Not applicable for FY 2021-22. Please refer to the notes mentioned below.	

Note(s):

Sitting fees was paid in terms of limits fixed under the provisions of Companies Act, 2013. No other payment (except to Managing Director and Whole Time Directors) was made to any of the Directors.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

(INR in Lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		Company Secretary	Chief Financial Officer			
		*Mr. Nikhil Kulshreshtha	Mr. Zankar Pandya (April 1, 2022 to September 13, 2022)	Mr. Sugeet Chopra (September 13, 2022 to March 4, 2022)	Mr. Rahul Sharma (March 7, 2022 onwards)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	/	55.01	41.78	3.75	100.54
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961		Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961		Nil	Nil	Nil	Nil
2.	Stock Option		Nil	Nil	Nil	Nil
3.	Sweat Equity		Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil Nil	Nil Nil	Nil Nil	Nil Nil	
5.	Others, please specify	1.81	Nil	Nil	1.81	
	Total		56.82	41.78	3.75	102.35

*Since Mr. Nikhil Kulshreshtha (the KMP) was also appointed as Whole Time Director, therefore his remuneration has been disclosed under the heading "Remuneration to Managing Director, Whole-time Directors and/or Manager" at point no. VI (A).

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees paid	Authority (RD / NCLT / Court)	Appeal made, if any (give details)
COMPANY					
Penalty			None		
Punishment					
Compounding					
DIRECTORS					
Penalty			None		
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FRESENIUS KABI ONCOLOGY LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Fresenius Kabi Oncology Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together with the independence 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual 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 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, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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

1. As required by 'The Companies (Auditor's Report) Order, 2020', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 appears from our examination of those books.
 - (c) The Balance Sheet, 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 Ind AS financial statements comply with the Accounting Standards under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 B** to this report;
- (g) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 33 of the Notes to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. The company does not have any dues that are required to be transferred to the Investor Education and Protection Fund.

For VMT & Co. LLP
Firm Registration No. N500048
Chartered Accountants

Whittle



Vanit Kumar Mittal
Partner
Membership No. 505709

Place: Gurugram
Date: June 7, 2022

UDIN: 22505709AMADZV1162

Annexure A to the Independent Auditor's report of even date on the Financial Statements of FRESENIUS KABI ONCOLOGY LIMITED

i.

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain Property, plant and equipment were verified during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except in the following cases:

Amount in Rs. Lakhs

Description of Property	Gross Carrying Value	Held in the name of	Whether promoter, director or their Relative or employee	Period held	Reason for not being held in name of company
Right of Use Land at Kalyani, West Bengal	278.09	Dabur Pharma Limited	No	October 17, 2003	The company was formerly known as 'Dabur Pharma Limited'
Freehold Land at Solan district, Himachal Pradesh	625.75	Dabur Pharma Limited	No	March 22, 2005 to February 26, 2008	

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.



(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of guarantee issued by the intermediate holding company and not on the basis of security of current assets. Accordingly, paragraph 3(ii)(b) of the Order is not applicable.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to the employees during the year, details of the loan is stated in sub-clause (a) below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.

(a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company does not have any subsidiaries, joint ventures and associates. Accordingly, reporting under this clause of the Order is not applicable to the company.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to employees as below:

Particulars	Amount (Rs.in lacs)
Aggregate amount during the year	96.36
Balance outstanding as at balance sheet date	46.31

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, investments, guarantees and securities covered under the provisions of Section 185 and 186 of the Companies Act, 2013.



- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of accounts maintained by company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, goods & services tax, duty of customs, and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, there were no outstanding statutory dues as on March 31, 2022 for a period more than six months from the date they become payable.
- (b) The dues on account of Income Tax, Sales Tax, Service Tax, Custom duty, Excise Duty and Value Added Tax disputed by the company and not being paid, vis-a-vis forums where such disputes are pending are mentioned below:

Name of the Statute	Nature of the Dues	Disputed Amount (In Rs. lacs)	Period to which amount relates (Financial Year)	Forum where the dispute is pending
Income Tax Act, 1961	Corporate Tax Adjustments	2,308.14	2010-11, 2011-12, 2013-14, 2015-16 & 2016-17	CIT (Appeals)
		541.34	2010-11 & 2014-15	Income Tax Appellate Tribunal
	Transfer Pricing Adjustments	2,615.76	2013-14, 2015-16 & 2016-17	CIT (Appeals)
		4,795.26	2010-11 to 2014-15	Income Tax Appellate Tribunal
		145.63	2004-05	High Court, Delhi
Central Excise Act, 1944	CENVAT claim related	945.70	2013-14 & 2014-15	Commissioner (Appeals)
		5,363.06	1998 to 2005, 2008-09 to 2015-16	CESTAT
	Excise duty refund recovery	535.40	2010-11	CESTAT
		55.70	2010-11	High Court
	Excise duty demand	413.78	2005-06 to 2017-18	CESTAT
MEIS Scrips utilisation against Excise duty	305.39	2016-17	Commissioner (Appeals)	
Finance Act, 1994	Service Tax liability	3,078.45	2016-17 and 2017-18	High Court



- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. (a) According to the information and explanations given to us, the company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us, the term loans obtained by the company have been applied for the purpose for which those were raised.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, paragraph 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiary, associate or joint venture as defined under the Companies Act, 2013. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiary, associate or joint venture as defined under the Companies Act, 2013. Accordingly, paragraph 3(ix)(f) 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 (including debt instruments). Accordingly, paragraph 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.

(b) According to the information and explanations provided to us during the course of audit, the company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of paragraph 3(xvi)(d) of the Order are not applicable.

- xvii. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year.

(b) Based on examination of the books and records of the Company and according to the information and explanations given to us, the Company has incurred cash losses in the immediately preceding financial year that amounted to Rs. 28,195.32 Lakhs.

- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.



- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, paragraphs 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi. In our opinion, paragraph 3(xxi) of the Order is not applicable to the Company.

For VMT & Co. LLP
Firm Registration No. N500048
Chartered Accountants





Vanit Kumar Mittal
Partner
Membership No. 505709

Place: Gurugram
Date: June 7, 2022

UDIN: 22505709AMADZV1162

**Annexure B to the Independent Auditor's report of even date on the financial statements of
FRESENIUS KABI ONCOLOGY LIMITED**

**Report on the Internal Financial Controls 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 Fresenius Kabi Oncology Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year 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 ('ICAI'). 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 with respect to these financial statements based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that



transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VMT & Co. LLP

Firm Registration No. N500048
Chartered Accountants





Vanit Kumar Mittal

Partner

Membership No. 505709

Place: Gurugram

Date: June 7, 2022

UDIN: 22505709AMADZV1162

Fresenius Kabi Oncology Limited
Balance Sheet as at 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 Mar 2022	As at 31 March 2021
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	36,777.06	37,689.59
Capital work-in-progress	3	3,877.92	2,517.13
Right-of-use assets	4	2,060.37	964.90
Intangible assets	5	1,437.10	1,454.84
Financial assets			
(i) Investments	6	3.00	3.00
(ii) Others	7	422.20	142.65
Deferred tax assets (net)	19	2,990.36	4,197.21
Other non-current assets	8	6,109.01	5,325.33
Total Non-Current Assets		53,677.02	52,294.65
Current Assets			
Inventories	9	51,039.13	47,150.87
Financial assets			
(i) Trade receivables	10	35,549.09	22,358.91
(ii) Cash and cash equivalents	11	2,946.34	441.10
(iii) Bank balance other than (ii) above	12	67.42	42.00
(iv) Loans	13	46.31	37.70
(v) Others	14	131.64	455.89
Other current assets	15	16,262.86	13,953.70
Total Current Assets		106,042.79	84,440.17
Total Assets		159,719.81	136,734.82
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	4,804.27	1,652.33
Other equity		118,265.08	4,200.75
Total Equity		123,069.35	5,853.08
LIABILITIES			
Non-Current Liabilities			
Financial liabilities			
(i) Borrowings	17	2,900.00	13,945.95
(ii) Lease Liability	4	1,134.60	334.97
Provisions	18	1,212.79	1,292.22
Total Non-Current Liabilities		5,247.39	15,573.14
Current Liabilities			
Financial liabilities			
(i) Borrowings	20	-	45,439.08
(ii) Trade payables			
(a) Dues of micro enterprises and small enterprises	21	337.61	431.02
(b) Dues of creditors other than micro enterprises and small enterprises	21	24,879.26	25,383.16
(iii) Lease Liabilities	4	716.93	438.31
(iv) Others	22	4,526.76	42,624.32
Other current liabilities	23	384.12	485.17
Provisions	18	513.66	462.81
Current tax liabilities (net)	24	44.73	44.73
Total Current Liabilities		31,403.07	115,308.60
Total Liabilities		36,650.46	130,881.74
Total Equity and Liabilities		159,719.81	136,734.82

For basis of preparation of accounts and significant accounting policies
The accompanying notes are an integral part of the financial statements.
This is the Balance Sheet referred to in our report of even date.

For VMT & Co. LLP
Chartered Accountants
Firm Registration Number :N500048



Vanit Kumar Mittal
Partner
Membership No.: 505709

Place: Gurugram, India
Date: 7 June 2022



2

For and on behalf of the Board of Directors of Fresenius Kabi
Oncology Limited


Maria Gobbi
Chairperson
DIN: 07005222


Nikhil Kulshreshtha
Director & Secretary
DIN: 07178027

Place: Gurugram, India
Date: 7 June 2022


Arvind Kumar Sharma
Managing Director
DIN: 08144338


Rahul Sharma
Chief Financial Officer



Fresenius Kabi Oncology Limited
Statement of Profit and Loss for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Income			
Revenue from operations	25	66,727.36	60,258.67
Other income	26	3,811.51	3,623.26
Total income		70,538.87	63,881.93
Expenses			
Cost of materials consumed		30,312.72	24,988.04
Purchase of stock-in trade		426.89	198.64
Changes in inventories of finished goods, work-in-progress & stock-in-trade	27	(2,529.24)	(2,321.55)
Employee benefits expenses	28	16,153.49	16,359.85
Finance costs	29	1,635.36	3,697.26
Depreciation and amortization expenses	30	5,301.20	5,376.73
Other expenses	31	14,506.22	13,221.39
Total Expenses		65,806.64	61,520.36
Profit before exceptional items and tax		4,732.23	2,361.57
Exceptional items	44	-	36,940.55
Profit / (Loss) before tax		4,732.23	(34,578.98)
Tax expense:			
Current tax expense		-	-
Deferred tax charged / (credit)	19	1,175.79	(963.20)
A. Profit / (Loss) for the year		3,556.44	(33,615.78)
B. Other comprehensive income			
Items that will not be reclassified to profit or loss :			
(Gain) / Loss on remeasurement of defined benefit plans	37	(123.39)	237.03
Tax expense / (Income) on remeasurement on defined benefit plan	19	31.06	(59.66)
		(92.33)	177.37
(A+B). Total comprehensive income / (loss) for the year		3,648.77	(33,793.15)
Earnings / (Loss) per equity share :	32		
Basic earning per share		1.19	(20.34)
Diluted earning per share		1.04	(20.34)

For basis of preparation of accounts and significant accounting policies 2

The accompanying notes are an integral part of the financial statements.
This is the Statement of Profit and Loss including Other Comprehensive Income referred to in our report of even date.

For and on behalf of the Board of Directors of Fresenius Kabi
Oncology Limited

For VMT & Co. LLP
Chartered Accountants
Firm Registration Number: N500048



Vanit Kumar Mittal
Partner
Membership No.: 505709



Place: Gurugram, India
Date: 7 June 2022

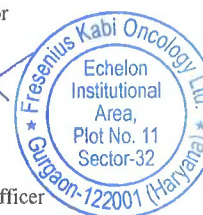

Maria Gobbi
Chairperson
DIN: 07005222


Nihil Kulshreshtha
Director & Secretary
DIN: 07178027

Place: Gurugram, India
Date: 7 June 2022


Arvind Kumar Sharma
Managing Director
DIN: 08144338


Rahul Sharma
Chief Financial Officer



Fresenius Kabi Oncology Limited
Statement of Changes in Equity for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

(a) Equity Share Capital	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the financial year	165,232,882	1,652.33	165,232,882	1,652.33
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance as at beginning of the financial year	165,232,882	1,652.33	165,232,882	1,652.33
Changes in equity share capital during the year (Refer note 16)	315,194,444	3,151.94	-	-
Balance at the end of the reporting period	480,427,326	4,804.27	165,232,882	1,652.33

(b) Other Equity	Other Components of Equity						Total
	Reserves and Surplus					OCI	
	Capital Reserve	Securities Premium Account	General Reserve	Deemed Equity Contribution	Retained Earnings		
Balance at 1 April 2020	180.00	19,455.21	49,532.82	202.48	(31,665.65)	206.96	37,911.82
Profit / (Loss) for the year	-	-	-	-	(33,615.78)	-	(33,615.78)
Financial guarantee issued by intermediate holding company without consideration	-	-	-	82.08	-	-	82.08
Loss on remeasurement of defined benefit Obligation (net of tax)	-	-	-	-	-	(177.37)	(177.37)
Balance at 31 March 2021	180.00	19,455.21	49,532.82	284.56	(65,281.43)	29.59	4,200.75
Profit / (Loss) for the year	-	-	-	-	3,556.44	-	3,556.44
Issue of equity shares under rights issue (Refer Note 16)	-	110,318.06	-	-	-	-	110,318.06
Financial guarantee issued by intermediate holding company without consideration	-	-	-	97.50	-	-	97.50
Gain on remeasurement of defined benefit Obligation (net of tax)	-	-	-	-	-	92.33	92.33
Balance at 31 March 2022	180.00	129,773.27	49,532.82	382.06	(61,724.99)	121.92	118,265.08

The accompanying notes are an integral part of the financial statements

This is the Statement of Changes in Equity referred to in our report of even date

For VMT & Co. LLP
Chartered Accountants
Firm Registration Number: N500048

Udit Mittal

Vanit Kumar Mittal
Partner
Membership No.: 505709



For and on behalf of the Board of Directors of Fresenius Kabi Oncology Limited

Maria Gobbi

Maria Gobbi
Chairperson
DIN: 07005222

Nikhil Kulshreshtha

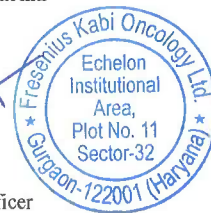
Nikhil Kulshreshtha
Director & Secretary
DIN: 07178027

Arvind Kumar Sharma

Arvind Kumar Sharma
Managing Director
DIN: 08144338

Rahul Sharma

Rahul Sharma
Chief Financial Officer



Place: Gurugram, India
Date: 7 June 2022

Place: Gurugram, India
Date: 7 June 2022

Fresenius Kabi Oncology Limited
Statement of Cash Flows for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit / (Loss) before tax	4,732.23	(34,578.98)
Adjustments for :-		
Depreciation and amortization expenses	5,301.20	5,376.73
Impairment of property, plant and equipment and capital work in progress (net)	-	32.33
Loss / (Profit) on sale & disposal of property, plant & equipment (net)	7.61	47.45
Financial guarantee charges	97.50	82.08
Foreign exchange loss (net)	(455.76)	1,606.83
Interest on borrowings	1,452.07	3,248.93
Interest on lease liabilities	76.82	58.78
Allowance for export incentive receivable	-	345.60
Export incentive receivable written off	254.29	-
Liabilities and provisions written back	(867.33)	(60.28)
Provision for inventory	423.52	(69.81)
Allowance for doubtful debts	27.44	19.62
Reversal of impairment on trade receivables	(7.67)	(324.95)
Dividend income	(0.45)	(0.45)
Interest income	(114.37)	(58.10)
Operating profit/(loss) before working capital changes	10,927.10	(24,274.22)
Movements in working capital :-		
(Increase)/ Decrease in inventories	(4,311.78)	(3,168.40)
(Increase)/ Decrease in trade receivables	(12,781.50)	(7,569.03)
(Increase)/ Decrease in other assets	(2,275.35)	(2,861.08)
Increase / (Decrease) in trade payables	(580.71)	1,556.03
Increase / (Decrease) in provisions	94.81	(18.94)
Increase / (Decrease) in other payable	(37,032.47)	36,344.31
Cash generated / (used) from operations	(45,959.90)	8.67
Income tax paid, net	(15.28)	(6.85)
Net cash generated / (Used) from operating activities (A)	(45,975.18)	1.82
B. Cash flow from investing activities		
Purchase of property, plant and equipment & intangibles	(6,001.76)	(4,986.16)
Sale of property, plant and equipment / capital work in progress	13.88	47.06
Proceeds from term deposits	65,600.32	311.78
Investment in term deposits	(65,604.00)	(42.48)
Employees loan repayment	87.75	57.23
Employees loan disbursement	(96.36)	(58.47)
Dividend received	0.45	0.45
Interest received	111.06	212.97
Net cash used in investing activities (B)	(5,888.66)	(4,457.62)
C. Cash flow from financing activities		
Proceeds from issue of share capital (Refer note 16)	113,470.00	-
Proceeds from term loan	-	2,900.00
Repayment of term loan	(30,845.95)	-
Net proceeds / (repayment) of short term borrowings	(24,383.87)	8,397.49
Payment of lease liability	(720.54)	(617.64)
Interest paid	(1,820.76)	(3,188.73)
Interest on lease liabilities	(76.82)	(58.78)
Paid to shareholders pursuant to capital reduction	(8.48)	(2,520.45)
Net cash generated financing activities (C)	55,613.58	4,911.89
Net increase in cash and cash equivalents (A+B+C)	3,749.74	456.09
Cash and cash equivalents at the beginning of the year	(803.40)	(1,259.49)
Cash and cash equivalents at the end of the year	2,946.34	(803.40)

Reconciliation of cash and cash equivalents in Balance Sheet vis - a - vis Statement of Cash Flows

Cash and cash equivalent as per Balance Sheet (Refer Note 11)	2,946.34	441.10
Balance with bank in cash credit accounts (Refer Note (i) below)	-	(1,244.50)
Cash and cash equivalent as per Statement of Cash Flows	2,946.34	(803.40)

- Notes:**
- (i) Cash and cash equivalent's include credit drawdown which is repayable on demand and forms part of company cash management/ working capital strategy. This credit drawdown includes cash credit amounting to Rs. Nil (previous year Rs. 1,244.50) (Refer Note 20).
- (ii) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the accounting standard (Ind AS) 7 "Statement of Cash Flow".

As per our report of even date attached
For VMT & Co. LLP
Chartered Accountants
Firm Registration Number: N500048


Vanit Kumar Mittal
Partner
Membership No.: 505709
Place: Gurugram, India
Date: 7 June 2022



For and on behalf of the Board of Directors of Fresenius Kabi Oncology Limited


Maria Gobbi
Chairperson
DIN: 07005222


Nikhil Kulshreshtha
Director & Secretary
DIN: 07178027
Place: Gurugram, India
Date: 7 June 2022


Arvind Kumar Sharma
Managing Director
DIN: 08144338


Rahul Sharma
Chief Financial Officer



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

1) Company information

Fresenius Kabi Oncology Ltd. (CIN – U24231DL2003PLC119441) (“the Company”) a domestic public limited Company with registered office situated at B-310, Somdutt Chambers-1, Bhikhaji Cama Place, New Delhi. The company is the direct subsidiary of Fresenius Kabi (Singapore) Pte, a body Corporate incorporated in Singapore. The company belongs to group of a German pharmaceutical conglomerate named Fresenius SE & Co KGaA which is among leading players of generic products especially in Oncological sphere across a globe. It has two manufacturing facilities in the country, at Baddi, Himachal Pradesh and one at Kalyani, West Bengal. Company’s Research & Development Centre is situated in Gurgaon. Exports to group companies constitute a significant share of annual turnover of the company.

2) 2.1 Significant Accounting Policies

2.1.1 Basis for preparation of accounts

The financial statements of the company have been prepared and presented in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company’s annual reporting date. These financial statements were authorised for issuance by the Company’s Board of Directors on 7 June 2022.

Assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule – III to the Companies Act, 2013.

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

- certain financial assets are measured either at fair value or at amortised cost depending on the classification;
- employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;
- long-term borrowings are measured at amortised cost using the effective interest rate method.
- right-of-use the assets are recognised at the present value of lease payments that are not paid at that date. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs, incurred, if any.

All financial information is presented in Indian Rupees and has been rounded off to the nearest Lakhs.

2.1.2 Use of Estimates

Ind AS requires management to make estimates and assumptions related to financial statements that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the financial year. Actual results could differ from such estimates. Any revision in accounting estimates is recognized prospectively in the period of change and material revision including its impact on financial statement, is reported in the notes to accounts in the year of revision of accounting.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 2.8 — Financial instruments;
- Notes 2.3 and 2.5 — Useful lives of property, plant and equipment and intangible assets;



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

- Notes 2.11 – determination of cost for right-of-use assets and lease term;
- Note 2.12 — Valuation of inventories;
- Note 2.13 — Assets and obligations relating to employee benefits;
- Note 2.14 — Evaluation of recoverability of deferred tax assets, and estimation of income tax payable and income tax expense in relation to an uncertain tax position;
- Note 2.15 — Provisions, accruals and Contingencies; and

2.1.3 New Standards and Interpretations not yet adopted

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

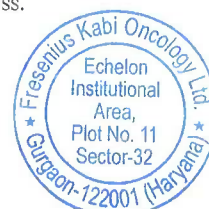
Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

2.2 Recognition of Revenue

The Company derives revenues primarily from manufacturing and sale of oncology drugs and from Services which primarily relates to contract research services and other support services.

Revenue on the sale of products and services, which is recorded as “Revenue from Operations” in the Statement of Profit and Loss, is recognized when a contractual promise to a customer (performance obligation) has been fulfilled by transferring control over the promised goods and services to the customer, substantially all of which is at the point in time of shipment to or receipt of the products by the customer or when the services are performed. If contracts contain customer acceptance provisions, revenue would be recognized upon the satisfaction of acceptance criteria. If products are stockpiled at the request of the customer, revenue is only recognized once the products have been inspected and accepted by the customer, and there is no right of return or replenishment on product expiry. The amount of revenue to be recognized is based on the consideration that the company expects to receive in exchange for its goods and services. If a contract contains more than one performance obligation, the consideration is allocated based on the standalone selling price of each performance obligation. The Company presents revenues net of indirect taxes in its statement of Profit and loss.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

Revenues are recognized upon satisfaction of each of the performance obligations in the contract and the consideration is allocated based on the standalone selling price of each performance obligation, wherever applicable.

The consideration received in exchange for its goods or services may be fixed or variable. Variable consideration is only recognized when it is highly probable that a significant reversal will not occur. The most common elements of variable consideration are listed below.

- Refunds granted to customers are recorded as a revenue deduction at the time the related sales are recorded. They are calculated on the basis of historical experience and clinical data available for the product, as well as the specific terms in the individual agreements. In cases where historical experience and clinical data are not sufficient for a reliable estimation of the outcome, revenue recognition is deferred until the uncertainty is resolved or until such history is available.
- The Company receives consideration from Fresenius Kabi Deutschland GmbH as an adjustment to the sale price against Revenue from sale of goods. The value of this consideration is determined based on cost of production of the company for the period presented.

The variable consideration amounts recognised at year end are adjusted to actual amounts as refunds and the contingent consideration amounts are finalised /processed. The likelihood of reversal of revenue on account of actualisation is estimated to be immaterial.

Revenues in excess of invoicing are classified as contract assets (referred as 'unbilled revenue') while invoicing in excess of revenues are classified as contract liabilities (referred as 'unearned revenues').

Other Income

The company has an enduring agreement with Fresenius Kabi Deutschland GmbH ("Commercialisation Agreement"). As per the Commercialisation agreement Fresenius Kabi Deutschland GmbH will reimburse the company for ongoing expenses incurred for maintenance activities incurred in relation to the Intellectual Property owned by the company. The reimbursement comprises of actual expenses incurred by the company on such activities and includes amounts determined based on standard/budgeted rates. The company does not identify such reimbursement as an income arising in the course of ordinary activities of the company. Hence, such reimbursement of expenses have been presented as a part of Other Income.

Other incomes have been recognized on accrual basis in financial statement except for cash flow information.

2.3 Property, Plants and Equipments

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. These are recognized and carried under cost model i.e. cost less accumulated depreciation and impairment loss, if any.

- a) Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such costs also include Borrowing Cost if the recognition criteria are met.
- b) Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in the statement of profit and loss.
- c) The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.
- d) Depreciation has been provided on straight line method in terms of expected life span of assets specified in Schedule – II of the Companies Act, 2013 or as determined by management. The residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.
- e) Components relevant to fixed assets, where significant, are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in item specific context.
- f) For new projects, all direct expenses and direct overheads (excluding services of non-exclusion nature provided by employees in company's regular payroll) are capitalized till the assets are ready for intended use.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

- g) The treatment of liquidated damages received from the vendors depends on the facts and circumstances. Where the liquidated damages are directly identifiable with the project/item of property, plant and equipment and are received for mitigating extra project costs incurred by the entity which will be capitalised, then such amounts are adjusted with the cost of the item of property, plant and equipment. In other cases, the liquidated damages are accounted for and presented as an item of Other Income.
- h) Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other current /non- current assets as applicable. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.
- i) Bearer Plants: Biological Assets which are held to bear agricultural produce are classified as Bearer plants. Taxus Bacatta bushes which have attained harvestable stage to produce taxus bacatta leaves are recognised as Bearer plants assets. Cost incurred for new plantations and additional costs incurred till the time these bushes attain harvestable age are capitalised. Such cost includes cost of land preparation, new planting and maintenance till maturity. Bearer plants attain a harvestable stage in about 3-5 years.

The matured bearer plants are depreciated over their estimated useful life. Bearer plants assets are carried at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure on bearer assets are expensed unless it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Refer note 2.12 for accounting of taxus bacatta leaves derived from such bearer plants.

2.4 Non Current Assets held for sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned.

The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised

2.5 Intangible Assets:

Intangible assets with finite useful life are amortized over the useful economic life on a straight-line basis and are subjected to test of impairment whenever there is an indication that the intangible assets may be impaired. Intangible assets with indefinite useful life are tested for impairment annually.

- Patents and Trade Marks: The useful life is taken to be 10 years.
- Software: The useful life is taken from 3 to 10 years depending on the nature of the software.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

Product Development

Product development rights that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

2.6 Impairment of Non-Financial Assets:

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed at each year end.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount.

Impairment losses, other than those recognized on goodwill, that have been recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.7 Government grant:

Government Grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

- a) Grants related to assets are reduced from the costs of the assets.
- b) Grants related to income are treated as other income in statement of profit & loss subject to due disclosure about the nature of grant.

Export Incentives

Export incentives are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the incentives will be received.

The company is entitled to various export incentives

- a) Export entitlements from government authorities under the Merchandise Exports from India Scheme (MEIS) and Duty Draw Back scheme are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. Accordingly, income is recognised based on the sales recognised during the financial year.
- b) Export entitlements from government authorities under the Service Exports from India Scheme (SEIS) are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company. Accordingly, income is recognised only on filing of the claims for availing this benefit with the Directorate General of Foreign Trade.
- c) Duty waived on import of capital goods is not considered in the value of capital assets purchased/acquired by the company.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

2.8 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.8.1 Financial Assets:

Initial Recognition and Measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset.

Financial assets are classified, at initial recognition, either as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories: -

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets that measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost.

- **Business Model Test:** The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI:-

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

For this purpose, the Company follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

2.8.2 Financial Liabilities:

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

2.9 Financial Guarantee:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are measured at their fair values and recognised as income in the Statement of Profit and Loss.

Where guarantees in relation to loans or other payables of group companies are provided for no compensation, the fair value are accounted for as contributions and recognised as part of cost of investment. Consequently, the beneficiary accounts for such guarantee by recognizing a deemed equity contribution and recognising a finance cost for obtaining such a guarantee.

2.10 Fair value measurement:

The company measures financial instruments, such as derivatives at fair value at each balance sheet date.

~~Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:~~

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non –financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the financial statement on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

2.11 Leases:

Company as Lessee

The company's lease asset class primarily consists of lease of land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

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

Certain lease arrangements may include an option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that the option to extend the lease will be exercised /option to terminate the lease will not be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liabilities and Right-of-use assets have been separately presented in the balance sheet and respective lease payments have been classified as financing cashflows.

Company as Lessor

The Company is not a lessor in any active lease contract. Hence, no further details are being provided.

2.12 Inventories:

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods and are measured at the lower of cost and net realisable value.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognised as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables, which are used in operating machines or consumed as indirect materials in the manufacturing process. The basis of measurement of cost is as follows:

- a) Raw material, Packing Material; Moving Weighted Average Basis.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

- b) Stores & spares: Moving Weighted Average Basis.
- c) Work-in-progress: Cost of input plus overhead upto the stage of completion.
- d) Finished Goods: Cost of input plus appropriate overhead.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Leaves from Taxus Bacatta bushes which have attained required chemical properties, after the point of harvest, are recognized as agriculture produce and recognized, at fair value less cost to sell, as plantation inventory. The company believes that leaves which have not matured does to have any fair value considering the chemical properties contained therein. Any changes in fair value are recognised in the Statement of Profit and Loss in the year in which they arise.

2.13 Employee Benefits:

Short-term employee benefits

Short-term employee benefits include wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services, are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The liabilities are presented as current employee benefit obligations in the balance sheet.

ESI is provided on the basis of actual liability accrued and paid to authorities.

Long Term Employee Benefit

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods.

The Company's current policies permit certain categories of its employees to accumulate and carry forward a portion of their unutilized compensated absences and utilise them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the balance sheet date. Such measurement is based on actuarial valuation as at the balance sheet date carried out by a qualified actuary. Remeasurements are recognised in the statement of profit and loss in the period in which they arise.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees. The company contributes to a superannuation fund and also makes contribution on account of employee Provident Fund and Employee State Insurance.

Defined Benefit Plans

Gratuity Liability on the basis of actuarial valuation as per Ind AS 19. Liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The cost is included in employee benefit expense in the statement of profit and loss. Actuarial gain / loss arising from experience adjustments and changes in actuarial assumptions are credited / debited to "other comprehensive Income" forming part of other equity.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

2.14 Income Tax:

Income tax expense consists of current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The liability of company on account of Income Tax is estimated considering the provisions of the income Tax Act, 1961.

Deferred tax is provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The company considers the impact of uncertainty over a tax treatment, for recognizing and measuring deferred and current income tax assets and liabilities. Accruals for uncertain tax positions require management to make judgements of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty.

Tax benefits are not recognised unless the tax positions will probably be accepted by the tax authorities. This is based upon management's interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

2.15 Provision Contingent Liability and Contingent Assets:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

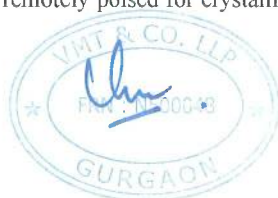
Restructuring Provisions

A provision for restructuring is recognised when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided.

Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Disputes, liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Goods and Services Tax, Income Tax Excise etc.) pending in appeal / court for which no reliable estimated can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

Contingent Assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.16 Foreign Currency Translation:

The company's financial statements are presented in INR, which is also the company's functional currency.

- a) Transactions in foreign currencies are recognized at rate of foreign currency ruling on the date of transactions. Gain / Loss arising on account of rise or fall in foreign currencies vis-à-vis functional currency between the date of transaction and that of payment is charged to Statement of Profit & Loss.
- b) Monetary Assets in foreign currencies are translated into functional currency at the exchange rate ruling at the reporting date and the resultant gain or loss, is accounted for in the Statement of Profit & Loss.
- c) Non-Monetary items which are carried at historical cost denominated in a foreign currency reported using the exchange rate at the date of the transaction.
- d) Impact of exchange fluctuation is separately disclosed in notes to accounts.

2.17 Operating Segments:

The Chief Operating Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

- a) Segment revenue includes sales and other income directly identifiable with the segment including inter-segment revenue.
- b) Expenses that are directly identifiable with the segments are considered for determining the segment results. Expenses which relate to the company as a whole and not allocable to segments are included under unallocable expenditure.
- c) Income which relates to the company as a whole and not allocable to segments is included in unallocable income.
- d) Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the company.
- e) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the company as a whole and not allocable to any segment.

2.18 Earnings Per Share:

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, if any.



Fresenius Kabi Oncology Limited
Notes to the financial statements for the year ended 31 March 2022

2.19 Borrowing Cost

Borrowing cost consists of interest and other costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost is recognized as expense in the period in which they are incurred. Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

2.20 Cash and Cash equivalents

For the purpose of presentation in the balance sheet, cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flow, working capital borrowing, repayable on demand, which form integral part of cash management, has been included in cash and cash equivalent.

2.21 Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Also, tax charges related to exceptional items and certain one-time tax effects are considered exceptional. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS.



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

3 Property, plant and equipment and Capital work in progress

Particulars	Freehold Land #	Buildings	Plant, Machinery & Equipment*	Vehicles	Furniture Fixtures	Office Equipments	Computers	Bearer Plants	Total	Capital Work in Progress **
Gross Block										
At 1 April 2020	625.75	13,830.46	46,394.70	292.49	2,192.29	1,074.96	1,605.94	326.09	66,342.68	2,482.61
Additions	-	263.16	1,834.41	17.12	47.13	46.69	285.62	-	2,494.13	2,529.97
Disposals / other adjustment	-	-	(122.74)	(89.73)	(11.00)	(3.72)	(20.92)	-	(248.11)	(2,495.45)
At 31 March 2021	625.75	14,093.62	48,106.37	219.88	2,228.42	1,117.93	1,870.64	326.09	68,588.70	2,517.13
Additions	-	746.63	1,694.82	15.32	51.27	87.86	480.25	292.24	3,368.39	4,729.18
Disposals / other adjustment	-	(0.58)	(221.24)	(27.64)	(7.11)	(9.38)	(56.28)	-	(322.23)	(3,368.39)
At 31 March 2022	625.75	14,839.67	49,579.95	207.56	2,272.58	1,196.41	2,294.61	618.33	71,634.86	3,877.92
Accumulated Depreciation & Impairment										
At 1 April 2020	-	3,878.05	19,487.92	100.69	1,287.89	680.70	937.55	80.61	26,453.41	-
Charge for the year	-	479.26	3,553.22	35.37	133.11	100.67	236.64	27.73	4,566.00	-
Impairment charge for the year (Refer Note 43)	-	119.95	(86.13)	-	(0.70)	(0.79)	-	-	32.33	-
Disposals / other adjustment	-	-	(67.44)	(63.12)	(2.58)	(2.26)	(17.23)	-	(152.63)	-
At 31 March 2021	-	4,477.26	22,887.57	72.94	1,417.72	778.32	1,156.96	108.34	30,899.11	-
Charge for the year	-	474.42	3,207.09	30.29	129.18	98.54	288.71	31.21	4,259.44	-
Disposals / other adjustment	-	(0.58)	(208.84)	(21.31)	(7.11)	(9.00)	(53.91)	-	(300.75)	-
At 31 March 2022	-	4,951.10	25,885.82	81.92	1,539.79	867.86	1,391.76	139.55	34,857.80	-
Net Block										
At 31 March 2021	625.75	9,616.36	25,218.80	146.94	810.70	339.61	713.68	217.75	37,689.59	2,517.13
At 31 March 2022	625.75	9,888.57	23,694.13	125.64	732.79	328.55	902.85	478.78	36,777.06	3,877.92

Notes:

* Includes plant, machinery, laboratory equipments, hydraulic and pipeline works.

** Includes Bearer plant in progress of Rs. 73.10 (previous year of Rs. 343.42).

Title deeds of immovable properties not held in name of the Company, refer note 42 (ii).

Capital work in progress:- ageing schedule

	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Years	
Projects in progress (as at 31 Mar 2022)	3,179.49	462.17	166.18	70.08	3,877.92
Projects in progress (as at 31 Mar 2021)	1,425.85	192.68	540.58	358.02	2,517.13
Projects temporarily suspended (as at 31 Mar 2022)	-	-	-	-	-
Projects temporarily suspended (as at 31 Mar 2021)	-	-	-	-	-

Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan.



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

4 Leases

A. Leases as lessee

(i) The carrying amount of right to use assets is as follows:

Particulars	Land #	Building	Total
Balance as at 1 April 2020	271.36	916.06	1,187.42
Additions during the year	-	384.23	384.23
Disposals / adjustments / transfers during the year	-	-	-
Depreciation expense for the year	(0.28)	(606.47)	(606.75)
Balance as at 31 March 2021	271.08	693.82	964.90
Additions during the year	-	1,798.79	1,798.79
Disposals / adjustments / transfers during the year	-	-	-
Depreciation expense for the year	(0.28)	(703.04)	(703.32)
Balance as at 31 March 2022	270.80	1,789.57	2,060.37

Title deeds of immovable properties not held in name of the Company, refer note 42 (ii).

(ii) The movement in lease liabilities during the year

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening Balance	773.28	1,008.00
Additions during the year	1,798.79	382.92
Finance costs incurred during the year	76.82	58.78
Payments of lease liabilities	(797.36)	(676.42)
Closing Balance	1,851.53	773.28

(iii) Maturity analysis of lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Maturity Analysis of contractual undiscounted cash flows		
Less than one year	803.44	466.55
One to five years	1,182.15	357.18
More than five years	-	-
Total undiscounted lease liability	1,985.59	823.73
Balances of lease liabilities		
Non-Current lease liability	1,134.60	334.97
Current lease liability	716.93	438.31
Total lease liability	1,851.53	773.28

(iv) Amount Recognised in Statement of Profit & Loss Account during the Year

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation expense for right-of-use assets (Refer Note 30)	703.32	606.75
Interest expense on lease liabilities (Refer Note 29)	76.82	58.78
Expense relating to short-term leases (Refer Note 31)	27.36	12.58
Total Expenses	807.50	678.11

(v) Amounts recognised in Statement of Cash Flows

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on lease liability - Financing Activity	76.82	58.78
Payment of lease liability - Financing Activity	720.54	617.64
Short term / low value lease payments	27.36	12.58



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

*(All amounts are in Rupees Lakhs, unless otherwise stated)***5 Intangible assets**

Particulars	Product Development	Patent/ Product Rights	Softwares	Total
Gross Block				
At 1 April 2020	180.80	100.05	953.35	1,234.20
Additions	-	-	752.76	752.76
At 31 March 2021	180.80	100.05	1,706.11	1,986.96
Additions	-	-	320.70	320.70
At 31 March 2022	180.80	100.05	2,026.81	2,307.66
Accumulated Amortization				
At 1 April 2020	180.80	94.94	52.41	328.15
Amortization for the year	-	1.92	202.05	203.97
At 31 March 2021	180.80	96.86	254.46	532.12
Amortization for the year	-	1.67	336.77	338.44
At 31 March 2022	180.80	98.53	591.23	870.56
Net Block				
At 31 March 2021	-	3.19	1,451.65	1,454.84
At 31 March 2022	-	1.52	1,435.58	1,437.10



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

Non current assets**6 Financial Assets- Investments**

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unquoted</i>		
<i>Investments in Equity Instruments carried at FVTPL</i>		
Investments - Shivalik Waste Management Limited [30,000 (previous year 30,000) Equity Shares of Rs. 10 each]	3.00	3.00
Total	3.00	3.00

7 Financial Assets- Other

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good</i>		
Bank deposits given as security / margin money	21.42	43.16
Security deposits	391.85	78.76
Accrued interest on fixed deposits	8.93	20.73
Total	422.20	142.65

8 Other non current Assets

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured, considered good</i>		
Balances with government authorities #	5,368.54	4,592.42
Prepaid Expenses	31.30	39.02
Advance payment of income tax (net of provision Rs. 10,864.68 (previous year Rs. 10,864.68))	709.17	693.89
Total	6,109.01	5,325.33

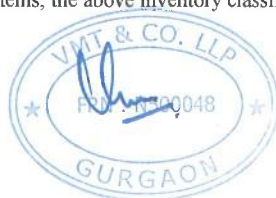
Includes Rs. 229.77 (previous year Rs. 218.32) paid under protest and Rs 3,353.78 (previous year Rs. 2,583.78) towards GST refund for which company has filed writ petition with the Hon'ble High Court.

Current assets**9 Inventories**

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials (Refer Note 1 below)	13,410.09	12,038.92
Stores and spare parts (Refer Note 1 below)	3,343.78	3,355.93
Work-in-process	31,491.58	28,578.60
Stock in trade	-	0.69
Finished goods	2,793.68	3,176.73
Total	51,039.13	47,150.87

Note :

1. Includes raw material-in-transit Rs 465.75 (previous year Rs. 488.61) and Stores and spares Rs 25.43 (previous year Rs. 40.91).
2. The closing stock of inventory is net off provision of Rs. 526.63 (previous year Rs. 103.11).
3. Owing to the technical and complex nature of inventory items, the above inventory classification is based on management estimate and analysis.



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

10 Financial assets- Trade Receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables considered good - unsecured	35,651.79	22,442.13
Less : Allowance for expected credit loss*	(102.70)	(83.22)
Trade receivables credit impaired - unsecured	281.12	280.83
Less: Allowance for credit impairment *	(281.12)	(280.83)
Total	35,549.09	22,358.91

* Refer Note 35 (i) for details of change in allowance for credit losses. Refer Note 36 for dues from related parties.

Ageing for trade receivable outstanding as at 31 March 31 2022:

Particulars	Considered Good	Significant Credit Risk	Credit Impaired	Total as at 31 March 2022
Undisputed Trade receivables:				
Not Due	33,990.02	-	-	33,990.02
Over Due : Less than 6 Months	1,513.59	-	-	1,513.59
Over Due : 6 Months to 1 year	124.93	-	-	124.93
Over Due : 1 to 2 Years	12.29	-	-	12.29
Over Due : 2 to 3 years	3.83	-	-	3.83
Over Due : More than 3 years	7.14	-	267.32	274.46
Sub-total A	35,651.80	-	267.32	35,919.12
Disputed Trade receivables:				
Not Due	-	-	-	-
Over Due : Less than 6 Months	-	-	-	-
Over Due : 6 Months to 1 year	-	-	-	-
Over Due : 1 to 2 Years	-	-	-	-
Over Due : 2 to 3 years	-	-	-	-
Over Due : More than 3 years	-	-	13.79	13.79
Sub-total B	-	-	13.79	13.79
Less: Allowance for credit losses C				(383.82)
Total A+B+C				35,549.09

Ageing for trade receivable outstanding as at 31 March 31 2021:

Particulars	Considered Good	Significant Credit Risk	Credit Impaired	Total as at 31 March 2021
Undisputed Trade receivables:				
Not Due	20,671.75	-	-	20,671.75
Over Due : Less than 6 Months	1,214.62	-	-	1,214.62
Over Due : 6 Months to 1 year	142.83	-	-	142.83
Over Due : 1 to 2 Years	179.20	-	-	179.20
Over Due : 2 to 3 years	2.35	-	247.84	250.19
Over Due : More than 3 years	231.38	-	19.20	250.58
Subtotal A	22,442.13	-	267.04	22,709.17
Disputed Trade receivables:				
Not Due	-	-	-	-
Over Due : Less than 6 Months	-	-	-	-
Over Due : 6 Months to 1 year	-	-	-	-
Over Due : 1 to 2 Years	-	-	-	-
Over Due : 2 to 3 years	-	-	-	-
Over Due : More than 3 years	-	-	13.79	13.79
Subtotal B	-	-	13.79	13.79
Less: Allowance for credit losses C				(364.05)
Total A+B+C				22,358.91



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

11 Financial assets- Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash in hand	0.24	0.24
Balances with banks in current accounts *	421.26	440.86
Others (debit balance in cash credit accounts)	2,524.84	-
Total	2,946.34	441.10

* Includes balance of Rs. 399.82 (previous year Rs. 408.30) earmarked for payment to shareholders pursuant to the reduction of equity share capital undertaken in accordance with the provisions of section 66 of the Companies Act, 2013.

12 Financial assets- Other Bank Balance

Particulars	As at 31 March 2022	As at 31 March 2021
Deposits with original maturity after three months but before one year given as security / margin money	67.42	42.00
Total	67.42	42.00

13 Financial assets- Loans

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured & Considered Good</i>		
Loans to employees	46.31	37.70
Total	46.31	37.70

14 Other Financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured & Considered Good</i>		
Security deposit	116.53	455.89
Accrued interest but not due on fixed deposits	15.11	-
Total	131.64	455.89

15 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured & Considered Good</i>		
Trade advances	687.55	837.14
Capital advances	2,934.40	1,904.18
Balances with government authorities [net of allowance of Rs. 500.78 (previous year Rs. 500.78)]	10,763.11	8,754.49
Export incentives receivable [net of allowance of Rs. 345.60 (previous year Rs. 345.60)]	1,301.72	2,000.86
Prepaid expenses	464.69	457.03
Other receivables	111.39	-
Total	16,262.86	13,953.70



Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

16 Equity Share Capital

Particulars	As at	As at
	31 March 2022	31 March 2021
(a) Authorised :		
500,000,000 (previous year 180,000,000) Equity shares of Rs. 1/- each	5,000.00	5,000.00
	5,000.00	5,000.00
Issued, Subscribed and Paid up:		
480,427,326 (previous year 165,232,882) Equity Shares of Rs. 1/- each	4,804.27	1,652.33
	4,804.27	1,652.33
Reconciliation of number of Equity shares outstanding at the beginning and end of the year :		
Outstanding at the beginning of the year	165,232,882	165,232,882
Add: Issue of 315,194,444 (previous year Nil) Equity share of Rs. 1/- each under the rights issue	315,194,444	-
Outstanding at the end of the year	480,427,326	165,232,882

(b) Terms / Rights attached to Equity shares

The Company has only one class of equity shares having par value of Rs. 1/-. Each holder of one equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of shares shall be entitled to remaining assets of the company, after distribution of all preferential amounts.

(c) Shareholders holding more than 5% equity shares in the company :

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Fresenius Kabi (Singapore) Pte Ltd.	480,427,326	100.00%	165,232,882	100.00%

d) Aggregate number of bonus share allotted, share allotted pursuant to contract without payment being received in cash and share bought back during the period of five years immediately preceding the reporting date is NIL

e) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2022 is as follows:

Particulars	As at 31 March 2022		As at 1 April 2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Fresenius Kabi (Singapore) Pte Ltd.	480,427,326	100.00%	165,232,882	100.00%

There is no change in the percentage of the promoter shareholding during the year ended 31 March 2022. Refer para (f) below for details of the rights issue made by the company during the year.

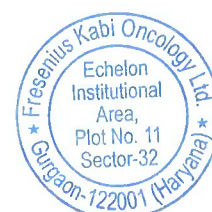
Disclosure of shareholding of promoters as at 31 March 2021 is as follows:

Particulars	As at 31 March 2021		As at 1 April 2020	
	No. of Shares	Percentage	No. of Shares	Percentage
Fresenius Kabi (Singapore) Pte Ltd.	165,232,882	100.00%	165,232,882	100.00%

There was no change in the percentage of the promoter shareholding during the year ended 31 March 2021.

f) On 30 June 2021, the Board of Directors of the Company approved issue of 315,194,444 equity shares of face value of Rs. 1 each (the "Equity Shares") for cash at an issue price of Rs. 36 per Equity Shares (including a premium of Rs. 35 per Equity Share), aggregating to Rs. 113,470 by the Company on the rights basis to such equity shareholders of the Company ("Equity Shareholders") whose names appeared in the register of members of the Company and/ or register of beneficial owners maintained by the relevant depository, as on 2 July 2021, being the record date fixed by the board of directors of the Company ("Board") for the purposes of this rights issue.

The Rights Issue Committee of the Board of Directors, on 10 August 2021, approved the allotment of 315,194,444 partly paid equity shares with Rs. 21.60 per share being payable at the application and allotment of the Equity Shares. The balance of Rs. 14.40 per share was payable within 90 days from the date of allotment. During the year, the Company has received Rs. 3,151.94 towards face value of equity shares and Rs. 110,318.06 towards securities premium account in relation to the said rights issue.



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

Non current liabilities

17 Financial Liabilities - Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured</i>		
Term loan from related party- Intermediate holding entity- Fresenius Kabi AG (Refer Note 36)	2,900.00	13,945.95
Total	2,900.00	13,945.95

a. There is no default in repayment of principal loan or interest thereon. The company has repaid term loan of Rs. 11,045.95 during the current year for which maturity date was scheduled in financial year 2022-23.

b. No guarantee or bond has been furnished against the above borrowings by any third party including directors.

Terms of Loan and Repayment Schedule

Terms and conditions of outstanding borrowings are as follows:

Particulars	Rate	Years of maturity	As at 31 March 2022	As at 31 March 2021
Term loan from Fresenius Kabi AG - INR	Mibor + 138.5 BPT	2022-23	-	11,045.95
Term loan from Fresenius Kabi AG - INR	Mibor + 140.0 BPT	2025-26	2,900.00	2,900.00

18 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Non current Provisions:		
Provision for compensated absences (Refer Note 37)	871.65	894.60
Provision for gratuity (Refer Note 37)	341.14	397.62
Total Non current Provisions	1,212.79	1,292.22
Current Provisions:		
Provision for compensated absences (Refer Note 37)	169.69	118.84
Other provisions (Refer Notes (i) & (ii) below)	343.97	343.97
Total Current Provisions	513.66	462.81

Notes:

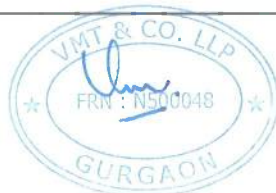
(i) Movement in Other Provisions

Particulars	Service Tax on Lawyer's Fees	Vendor Claim
As at 31 March 2021	103.45	240.52
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
As at 31 March 2022	103.45	240.52
Grand Total		343.97

Particulars	Service Tax on Lawyer's Fees	Vendor Claim
As at 31 March 2020	103.45	240.52
Provisions made during the year	-	-
Provisions used during the year	-	-
Provisions reversed during the year	-	-
As at 31 March 2021	103.45	240.52
Grand Total		343.97

(ii) Information about other provisions

Particulars	Service Tax on Lawyer's Fees	Vendor Claim
Expected timing of outflow	31st March 2023	31st March 2023
Any expected reimbursement	-	-
Asset, if any, recognized for reimbursement	-	-



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

19 Deferred tax assets (Net)

A. Amounts recognised in statement of profit and loss	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax expense		
Current year	-	-
Tax relating to earlier year	-	-
Deferred Tax Expense / (Income)		
Property, plant and equipment	10.95	(187.87)
Impairment of trade receivables	(4.98)	107.02
Provision for compensated absences	(7.03)	(29.84)
Provision for gratuity	(16.84)	34.61
Other Provisions	-	-
Unabsorbed tax losses	1,295.71	(932.33)
Expenses disallowed under Income Tax Act	(106.35)	42.14
Lease Liabilities	(271.40)	59.08
Right of Use Assets	275.73	(56.01)
	1,175.79	(963.20)
Tax Expenses / (Income) recognized in the statement of profit and loss	1,175.79	(963.20)
Other Comprehensive Income / Retained Earnings		
Tax Income on remeasurement of defined benefit liability	31.06	(59.66)
Tax Expense / (Income) recognised in Equity	31.06	(59.66)

B. Particulars Amount recognised in Other Comprehensive Income	For the year ended 31 March 2022	For the year ended 31 March 2021
Loss/(Gain) on remeasurements of defined benefit plans	(123.39)	237.03
Before tax		
Tax Expense/ (Income)	31.06	(59.66)
	(92.33)	177.37

C. Reconciliation of effective tax expense

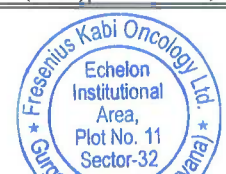
The following is a reconciliation of the Company's effective tax expenses :

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	4,732.23	(34,578.98)
Enacted income tax rate (%) applicable to the Company	25.17%	25.17%
Computed expected tax expense	1,191.10	(8,703.53)
<i>Effect of:</i>		
Recognition of previously unrecognized DTA	(116.21)	(1,508.84)
Income exempt from income taxes	-	(6.75)
Effect of expenses that are not deductible	50.20	9,304.75
Other items	50.70	(48.83)
Income tax expense	1,175.79	(963.20)

D Movement in deferred tax balances

Particulars	As at 31 March 2021	Recognized in P&L	Recognized in OCI /Retained Earnings	As at 31 March 2022
Deferred Tax Assets				
Impairment of trade receivables	91.63	4.98	-	96.61
Provision for compensated absences	255.08	7.03	-	262.11
Provision for gratuity	100.08	16.84	(31.06)	85.86
Other provisions	86.58	-	-	86.58
Unabsorbed tax losses	6,413.14	(1,295.71)	-	5,117.43
Disallowance of expenses under Income Tax Act	69.70	106.35	-	176.05
Lease Liability	194.63	271.40	-	466.03
Total Deferred Tax Assets (a)	7,210.84	(889.11)	(31.06)	6,290.67

Particulars	As at 31 March 2021	Recognized in P&L	Recognized in OCI /Retained Earnings	As at 31 March 2022
Deferred Tax Liabilities				
Property, plant and equipment	2,840.76	10.95	-	2,851.71
Right of Use Assets	172.87	275.73	-	448.60
Total Deferred Tax Liabilities (b)	3,013.63	286.68	-	3,300.31
Net Deferred Tax Assets / (Liability) (a-b)	4,197.21	(1,175.79)	(31.06)	2,990.36



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	As at 31 March 2020	Recognized in P&L	Recognized in OCI /Retained Earnings	As at 31 March 2021
Deferred Tax Assets				
Impairment of trade receivables	198.65	(107.02)	-	91.63
Provision for compensated absences	225.24	29.84	-	255.08
Provision for Gratuity	75.03	(34.61)	59.66	100.08
Other provisions	86.58	-	-	86.58
Unabsorbed tax losses	5,480.81	932.33	-	6,413.14
Disallowance of expenses under Income Tax Act	111.84	(42.14)	-	69.70
Lease Liability	253.71	(59.08)	-	194.63
Total Deferred Tax Assets	6,431.86	719.32	59.66	7,210.84
Deferred Tax Liabilities				
Property, plant and equipment	3,028.63	(187.87)	-	2,840.76
Right of Use Assets	228.88	(56.01)	-	172.87
Total Deferred Tax Liabilities	3,257.51	(243.88)	-	3,013.63
Net Deferred Tax Assets / (Liability)	3,174.35	963.20	59.66	4,197.21

Notes:

- The Company does not have any unrecognized deferred tax liabilities as on 31 March 2022 and 31 March 2021.
- In assessing whether the deferred tax assets will be realised, management considers whether some portion or all of the deferred tax assets will not be realised. The ultimate realisation of the deferred income tax assets and tax loss carry forwards is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and tax planning strategy in making this assessment. Based on the level of historical taxable income and projections of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realise the benefits of those recognised deductible differences and tax loss carry forwards. Recoverability of deferred tax assets is based on estimates of future taxable income. Any changes in such future taxable income would impact the recoverability of deferred tax assets.
- Operating loss carry forward consists of business losses and unabsorbed depreciation. A portion of this total loss can be carried indefinitely and the remaining amounts expire at various dates ranging upto 31 March 2024.
- Deferred tax Assets amounting to as on 31 March 2022 : Rs. 966.06 (previous year ended 31st March 2021 : Rs. 2,969.69) against unabsorbed Tax loss / Unabsorbed depreciation have not been recognised in the absence of convincing evidence as per Ind AS 12.



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

Current liabilities

20 Financial Liabilities- Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured</i>		
Current maturities of Long Term Borrowing from related party- Intermediate holding entity- Fresenius Kabi AG (Refer Note 36)	-	19,800.00
Cash credits	-	1,244.50
Packing credit loans	-	2,494.58
Working capital demand loan	-	21,900.00
Total	-	45,439.08

Notes:

- There is no default in repayment of principal loan or interest thereon.
- Unsecured Loans from banks are covered by guarantee bond furnished by the ultimate holding company.
- Packing credit loans comprises of Euro denominated loans carrying interest rates of EURIBOR plus 100 to 110 bps (previous year EURIBOR plus 100 to 150 bps). These are repaid within 6 months from the date of drawdown.
- The company uses cash credits for cash management purposes, and such cash credits have been classified as cash and cash equivalents for the purposes of reporting under Ind AS 7 - Statements of Cash Flows.
- Disclosure for changes in liabilities arising from financing activities:

Particulars*	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-term borrowings		
Opening balance	44,194.58	35,270.88
Additional loans taken during the year	38,454.27	81,906.67
Repayment during the year	(82,607.57)	(73,509.18)
Non - cash changes: acquisition/foreign exchange movement/fair value changes	(41.28)	526.21
Closing Balance	-	44,194.58

*For details of changes in Lease Liabilities classified as financing activity, refer note 4.

21 Financial Liabilities- Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Due to Micro, Small & Medium enterprises (Refer Note 40)	337.61	431.02
Other creditors (For amounts payable to related parties, Refer Note 36)	24,879.26	25,383.16
Total	25,216.87	25,814.18

Trade Payables Ageing Schedule

Particulars	As at 31 March 2022	As at 31 March 2021
Due to Micro, Small & Medium enterprises - Undisputed :		
Not Due	307.55	256.69
Over Due : Less than 1 year	28.85	172.89
Over Due : 1 to 2 Years	0.32	1.44
Over Due : 2 to 3 years	0.89	-
Over Due : More than 3 years	-	-
Subtotal A	337.61	431.02
Other creditors - Undisputed:		
Not Due	588.58	176.36
Over Due : Less than 1 year	3,318.30	4,484.77
Over Due : 1 to 2 Years	240.10	2,517.34
Over Due : 2 to 3 years	2,571.62	6,366.32
Over Due : More than 3 years	18,160.66	11,838.37
Subtotal B	24,879.26	25,383.16
Total A + B	25,216.87	25,814.18

There are no disputed dues to Micro, Small & Medium enterprises and Other Creditors.



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

22 Other Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Unsecured</i>		
Interest accrued (For related parties payable refer note 36)	3.44	1,239.46
Creditors for capital goods (Refer Note 36 & 40)	319.40	241.04
Employee related dues	1,501.16	1,730.36
Bonus payable	253.73	266.66
Other accruals for expenses	2,014.38	1,920.50
Payable to shareholders pursuant to capital reduction	399.82	408.30
Other Payable to Related Party (Refer Note 36 & 41)	-	36,750.00
Other payables	34.83	68.00
Total	4,526.76	42,624.32

23 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advances from customers (Refer Note 45)	14.98	-
Other Advances	14.63	14.53
Deferred Revenue (Refer Note 45)	32.01	-
Statutory dues	322.50	470.64
Total	384.12	485.17

24 Current tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision of Income tax [net of advance tax Rs. 2,836.14 (previous year Rs.2,836.14)]	44.73	44.73
Total	44.73	44.73



25 Revenue from operations

Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
A. Sale of products and Services*		
Sale of goods	54,462.27	46,723.29
Sale of services:		
Contract R&D services	10,539.49	10,784.32
Other services	1,181.93	1,143.99
Total	66,183.69	58,651.60
B. Other operating income		
Scrap sales	359.57	119.05
Government Grant- Export incentives	128.35	1,488.02
Others	55.75	-
Total	543.67	1,607.07
Total	66,727.36	60,258.67

* Refer Note 45 for details of disaggregation of revenue, contract balances and performance obligations.

26 Other Income

Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Reimbursement of expenses	2,804.32	3,163.42
Liabilities and provisions written back	867.33	60.28
Interest income on fixed deposits and security deposits	114.37	58.10
Dividend income	0.45	0.45
Reversal of impairment on trade receivables	7.67	324.95
Miscellaneous income	17.37	16.06
Total	3,811.51	3,623.26

27 Changes in inventories of finished goods, work-in-progress and stock-in-trade

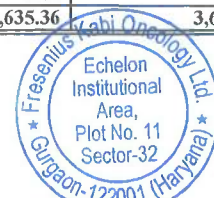
Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Opening Stock:		
Finished goods	3,176.73	2,890.52
Work-in-process	28,578.60	26,543.95
Stock in trade	0.69	-
Closing Stock:		
Finished goods	2,793.68	3,176.73
Work-in-process	31,491.58	28,578.60
Stock in trade	-	0.69
Changes In Inventories:		
Finished goods	383.05	(286.21)
Work-in-process	(2,912.98)	(2,034.65)
Stock in trade	0.69	(0.69)
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,529.24)	(2,321.55)

28 Employee benefits expense

Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Salaries, wages and bonus	13,846.32	14,571.91
Contribution to provident and other funds	1,033.78	956.34
Workmen and staff welfare expenses	1,273.39	831.60
Total	16,153.49	16,359.85

29 Finance cost

Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Interest cost on financial Liabilities measured at amortized cost:		
Interest on borrowings	1,452.07	3,248.93
Finance charge on finance leases in the nature of interest expense	76.82	58.78
Exchange differences regarded as an adjustment to borrowing cost	8.13	306.90
Others:		
Financial Guarantee charges	97.50	82.08
Interest on late deposit of taxes	0.84	0.57
Total	1,635.36	3,697.26



30 Depreciation and amortization expense

Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Depreciation on property, plant and equipment	4,259.44	4,566.00
Depreciation on Right of Use Assets	703.32	606.75
Amortization of intangible assets	338.44	203.98
Total	5,301.20	5,376.73

31 Other Expenses

Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Power and fuel	2,545.75	2,475.24
Stores & spares consumed	1,000.21	983.57
Repairs and maintenance-Building	145.10	104.49
Repairs and maintenance-Plant & Machinery	1,381.28	1,613.78
Repairs and maintenance-Others	84.74	113.74
Plantation expenses	40.02	26.97
Testing charges	865.17	1,262.68
Freight charges	1,748.50	1,778.89
Short-term lease expenses	27.36	12.58
Rates and taxes	62.04	119.39
Regulatory fees expenses	220.72	256.79
Insurance	429.60	413.59
Printing & stationery	108.67	99.01
Travel expenses	190.43	297.85
Legal and professional *	589.65	529.83
Communication expenses	106.82	39.27
Security expenses	215.24	187.23
Directors' sitting fees	14.00	23.00
Marketing expense	32.20	-
Information technology expenses	1,056.66	993.85
House keeping expenses	815.07	732.79
Recruitment and training expenses	145.69	111.03
Books and periodicals	127.37	15.27
Allowance for doubtful debts #	27.44	19.62
Bank charges	9.94	33.44
Loss on sale / disposal of assets	7.61	47.45
Foreign exchange loss	1,998.47	273.02
Export incentive receivable written off	254.29	-
Allowance for export incentive receivable	-	345.60
Miscellaneous expenses	256.18	311.42
Total	14,506.22	13,221.39

The Company has written off trade receivables as bad debts amounting to Rs. Nil (previous year Rs. 119.86) against allowance for doubtful debts created in earlier years.

* Payment to Auditors (excluding Goods & Service Tax)

Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Audit fee	22.00	20.00
Certification fee	0.20	0.80
Reimbursement of expenses	1.08	1.30
Total	23.28	22.10

32 Earnings per share (EPS)

Particulars		For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
Profit/(Loss) for the year	(A)	3,556.44	(33,615.78)
Basic earning per equity share - weighted average number of equity shares outstanding	(B)	299,082,577	165,232,882
Effect of dilutive common equivalent shares- partly paid shares		41,450,228	-
Weighted average number of equity shares of Rs. 1/- each (for Diluted EPS)	(C)	340,532,805	-
EPS - Basic	(A) / (B)	1.19	-
EPS - Diluted	(A) / (C)	1.04	(20.34)



33 Contingent Liabilities & Commitments

The Company is involved in disputes, lawsuits, claims, governmental and/or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business. Often, these issues are subject to uncertainties and therefore the probability of a loss, if any, being sustained and an estimate of the amount of any loss is difficult to ascertain. Consequently, for a majority of these claims, it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of the proceedings.

Although, there can be no assurance regarding the outcome of any of the legal proceedings or investigations referred to in this note, the Company does not expect them to have a materially adverse effect on its financial position, as it believes that the likelihood of loss in excess of amounts accrued (if any) is not probable. However, if one or more of such proceedings were to result in judgments against the Company, such judgments could be material to its results of operations in a given period. In these cases, the Company discloses information with respect to the nature and facts of the case. The significant matters are discussed below:

(i) Particulars	Estimated timing of settlement	As at 31 March 2022	As at 31 March 2021
Claims against the company not acknowledged as debts			
a) Excise duty in disputes	Un-certain	7,313.64	7,342.08
b) Income tax in disputes	Un-certain	10,406.12	8,439.53
c) Service Tax in disputes	Un-certain	3,078.45	-
d) Others :			
-Legal and administrative matters	Un-certain	119.30	119.30
-Shortfall on export obligations under advance authorisation	Un-certain	76.42	76.42
-Utilization of MEIS scrips	Un-certain	305.39	152.70
-SEIS scrips claim	Un-certain	78.00	78.00

Commitments

(ii) Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	6,956.57	6,684.54

34 (i) CIF Value of Imports

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials (including packing material)	18,072.78	13,550.96
Stores & spares	1,103.79	835.85
Capital goods	385.31	712.19
Total	19,561.88	15,099.00

(ii) Earnings in Foreign Exchange (on FOB basis):

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of goods (on FOB basis)	42,396.46	37,348.45
Sale of services	11,721.42	11,928.30
Reimbursement of expenses	2,804.32	3,163.42
Other operating income	55.75	-
Other Income	881.72	-
Total	57,859.66	52,440.17



35 Financial instruments – Fair values and risk management

I. Fair value measurements

Particulars	As at 31 March 2022 Carrying Amount	As at 31 March 2021 Carrying Amount
Financial assets measured at Fair Value		
Non-current		
Investments in Equity Instruments	3.00	3.00
Financials Assets measured at Amortized Cost		
Non-current		
Other financial assets	422.20	142.65
Current		
Trade Receivables	35,549.09	22,358.91
Cash and cash equivalents	2,946.34	441.10
Bank balances other than Cash and cash equivalents	67.42	42.00
Loans (Short Term)	46.31	37.70
Other financial assets	131.64	455.89
	39,166.00	23,481.25
Financial liabilities measured at Amortized Cost		
Non-current		
Borrowings (Long Term)	2,900.00	13,945.95
Lease Liability	1,134.60	334.97
Current		
Borrowings (Short Term)	-	45,439.08
Trade Payables	25,216.87	25,814.18
Lease Liabilities	716.93	438.31
Other current financial liabilities	4,526.76	42,624.32
	34,495.16	128,596.81

Fair Value Hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The company does not have any investments which are categorised as Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The company does not have any investments which are categorized as Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unlisted equity securities.

Note:

- There are no transfers between level 1 and level 2 during the year.
- The fair value of financial assets and liabilities approximate their carrying amount measured under Level 3 hierarchy.
- Long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, such long-term debt are carried at amortized cost which approximates fair value.
- For financial assets measured at fair value, carrying value is equivalent to fair value.

Fair Value Measurement-Agricultural Produce

Agricultural produce is the harvested produce of the entity's Bearer Plants at the point of Harvest. Taxus Bacatta Leaves (at the point of plucking) falls within the definition of Agricultural Produce at the point of Harvest.

The Company uses a valuation technique that is appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximizing the use of relevant observable inputs. Accordingly, the Company follows a Market Approach as permitted under Indian Accounting Standard Ind AS-113- 'Fair Value Measurement'. The Company believes that leaves at or before the point of plucking does not have any fair value considering the desired chemical properties.

Financial risk management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

i Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, cash and cash equivalents, bank balances, security deposits, loans to employees.

Trade and other receivables

Related parties: Majority of the debtors are related parties; being subject to global monitoring by the group, no material credit risk is expected in this regard. Accordingly, no provision for impairment has been created.

Third parties: The company has established a credit policy under which each new customer is analysed individually for evaluation of credit worthiness before offering company's terms and conditions of payment and delivery. The company limits its exposure to credit risk by establishing maximum payment period of 300 days. Emphasis is laid to deal with countries which have stable economic conditions.

The Company computes an allowance for impairment of trade receivables from third parties based on a simplified approach, that represents its expected credit losses. The Company uses an allowance matrix to measure the expected credit loss of trade receivables. Loss rates are based on actual credit loss experienced over the past 3 years. These loss rates are adjusted with scalar factors to reflect differences between current and historical economic conditions and the management's view of economic conditions over the expected lives of the receivables. Based on the industry practice and business environment in which the entity operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 365 days past due.

Reconciliation of loss allowance provision – Trade and other receivables

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	364.05	789.24
Allowances made during the year	27.44	19.62
Trade receivables written off during the year	-	(119.86)
Allowances reversed during the year / collection	(7.67)	(324.95)
Closing balance	383.82	364.05

Cash and cash equivalents, deposits with banks and other financial instruments

Credit risk from balances with banks and other financial instruments is managed by Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the management, for periodic updation.

Impairment on cash and cash equivalents, deposits and other financial instruments has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of counterparties.

Concentration of significant credit risk

There is no concentration of customer risk so far transactions with third parties are concerned.

Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses recognized represent the maximum credit exposure. The maximum exposure to credit risk as at 31 March 2022 and 31 March 2021 was as follows:

Particulars	31 March 2022	31 March 2021
Trade receivables	35,549.09	22,358.91
Cash and cash equivalents*	2,946.34	441.10
Bank balances other than Cash and cash equivalents	67.42	42.00
Loans	46.31	37.70
Bank deposit given as security / margin money*	21.41	43.16
Security Deposits	508.38	534.65
Other financial assets	24.05	20.73
	39,163.00	23,478.25

* Credit risk on Cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

Other than trade receivables, the Company has no significant class of financial assets that is past due but not impaired.

ii Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled in cash or exchange of another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficiency of liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The company mitigates liquidity risk by way of formulation of cash budget and comparison of actual cash flows with budget on a continuous basis.

(a) Financing arrangements

As at 31 March 2022 and 31 March 2021, the Company had unutilised credit limits from banks of Rs. 38,512.50 and Rs. 6,698.50 respectively.



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

Particulars	Contractual cash flows			
	31 March 2022	< 1 year	2 to 5 Years	5 years <
Non-derivative financial liabilities				
Borrowings (Long Term)	2,900.00	-	2,900.00	-
Borrowings (Short Term)	-	-	-	-
Trade Payables	25,216.87	25,216.87	-	-
Lease Liabilities	1,851.53	716.93	1,134.60	-
Other current financial liabilities	4,526.76	4,526.76	-	-
Total non-derivative liabilities	34,495.16	30,460.56	4,034.60	-

Particulars	Contractual cash flows			
	31 March 2021	< 1 year	2 to 5 Years	5 years <
Non-derivative financial liabilities				
Borrowings (Long Term)	13,945.95	-	13,945.95	-
Borrowings (Short Term)	45,439.08	45,439.08	-	-
Trade Payables	25,814.18	25,814.18	-	-
Lease Liabilities	773.28	438.31	334.97	-
Other current financial liabilities	42,624.32	42,624.32	-	-
Total non-derivative liabilities	128,596.81	114,315.89	14,280.92	-

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company does not use derivatives to manage market risks.

a. Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar (USD) and Euro (EUR). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

Majority of the currency risk on receivables for the company is confined to group transactions only. A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee depreciates relative to these foreign currencies, the Company's revenues measured in Indian Rupees may increase.

Transaction currency -->	As at 31 March 2022		As at 31 March 2021	
	Euro	USD	Euro	USD
Financial assets				
Trade receivables	26,664.67	4,319.30	16,958.49	2,777.32
Financial liabilities				
Borrowings	-	-	2,494.58	-
Trade payables	12,227.98	9,964.79	13,670.94	9,724.35
Other Payable	-	-	-	36,750.00
Net statement of financial position exposure	14,436.69	(5,645.49)	792.97	(43,697.03)
Conversion Rates	84.53	75.76	86.02	73.50

Transaction currency -->	As at 31 March 2022		As at 31 March 2021	
	GBP	GBP	GBP	GBP
Financial assets				
Trade receivables	-	13.18	-	-
Financial liabilities				
Borrowings	-	-	-	-
Trade payables	-	10.23	-	21.33
Net statement of financial position exposure	2.95	23.41	(21.33)	(21.33)
Conversion Rates	99.32	99.32	100.86	100.86



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

Sensitivity analysis

As below, possible strengthening/ weakening of INR against USD, EURO ,GBP & CHF at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss (net of tax) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or (loss) after tax	
	Strong	Weak
31 March 2022		
USD (2% movement)	84.49	(84.49)
EUR(2%movement)	(216.06)	216.06
GBP(2%movement)	(0.04)	0.04
31 March 2021		
USD (2% movement)	653.97	(653.97)
EUR(2%movement)	(11.87)	11.87
GBP(2%movement)	0.27	(0.27)

b. Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Any rise in market rate of interest effective effecting valuation of financial instruments, financial assets and financial liabilities have been regularly analysed for mitigational measure.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows

Particulars	Amount	
	31 March 2022	31 March 2021
Financial liabilities		
Variable-rate instruments		
Short Term Borrowings	-	45,439.08
Long term borrowings	2,900.00	13,945.95
Fixed-rate instruments		
Lease Liabilities	1,851.53	773.28
Financial Assets		
Fixed-rate instruments		
Fixed Deposits	88.83	85.16
Security Deposit	508.38	534.64

Sensitivity analysis

For the years ended 31 March 2022 and 31 March 2021, every 50 BPS increase or decrease in the floating interest rate component would affect the Company's net profit as follows

Profit or (loss), net of tax

Particulars	50 bp increase	50 bp decrease
31 March 2022		
Variable-rate instruments	(10.85)	10.85
31 March 2021		
Variable-rate instruments	(222.19)	222.19

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

iv Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases of the raw material components for active pharmaceutical ingredients that includes purchases of platinum. These are commodity products, whose prices may fluctuate significantly over short periods of time. The cost of the Company's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Company's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms a large portion of the Company's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of 31 March 2022, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

36 Related party disclosures:

Name of related party and nature of related party relationship where control exists:		
Ultimate Holding Entity	Fresenius SE & Co, KGaA	
Immediate Holding Entity	Fresenius Kabi (Singapore) Pte.Ltd.	
Intermediate Holding Entities	Fresenius Kabi AG	Fresenius Kabi Deutschland GmbH
	Fresenius Kabi Austria GmbH	
Other related parties with whom transactions have taken place during the year / previous year:		
Fellow Subsidiaries	Fresenius Kabi Latin America Fresenius Kabi Chile Ltda. Fresenius Kabi S.A., Argentina Hyginus Publisher GmbH Fresenius Kabi Asia Pacific Ltd. Fresenius Netcare GmbH Germany Calea U.K. Ltd Fresenius Kabi Italia S.r.l Fresenius Kabi Norge AS Fresenius Kabi Danmark	Fresenius Kabi Scientific Office Egypt, Lda PT Ethica Industri Farmasi Fresenius Kabi México S.A. de C.V. Fresenius Kabi Malaysia Sdn Bhd Fresenius Kabi India Private Ltd. Fresenius Kabi USA LLC Labesfal - Laboratórios Almiro, S.A. (Portugal) Pt. Fresenius Kabi Indonesia Fresenius Kabi Colombia S.A.S Fresenius Kabi d.o.o. Beograd
	Fresenius Kabi España, S.A.U. Fresenius Kabi Baltics UAB Fresenius Kabi s.r.o Fresenius Kabi Polska Sp. z o.o. Fresenius Kabi (China) Co Ltd.	Fresenius Kabi NV Fresenius Digital Technology GmbH Fresenius Kabi Nederland B.V. Fresenius Kabi iPSUM Fresenius Kabi South Africa Ltd.
Key Management Personnel	Arvind Sharma, Managing Director Nikhil Kulshreshtha, Company Secretary & Director Zankar Pandya, CFO (upto 13 September 2021) Suguet Chopra, CFO (w.e.f. 14 September 2021 & upto 4 March 2022) Rahul Sharma, CFO (w.e.f. 7 March 2022)	
Directors	Dr. Uday Chandrashekhar Shetty, Non-Executive Independent Director Rajiv Lochan Jain, Non-Executive Independent Director (upto 30 September 2020) Rakesh Bhargava, Non-Executive Director (upto 30 September 2020)	

Note: The above parties have been identified by the management.

A Transactions during the year:

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of Goods / (Sales Return)			
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	24,030.47	18,469.28
Fresenius Kabi Asia Pacific Ltd	Fellow Subsidiary	7,814.09	10,192.61
Fresenius Kabi India Pvt. Ltd.	Fellow Subsidiary	6,971.64	3,816.04
Fresenius Kabi USA, LLC	Fellow Subsidiary	1,829.26	2,145.51
Fresenius Kabi Chile Ltda.	Fellow Subsidiary	1,582.36	2,022.39
Other Fellow Subsidiaries	Fellow Subsidiaries	4,851.71	2,960.73
Total		47,079.53	39,606.56
Sale of Services			
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	11,721.42	11,928.31
Total		11,721.42	11,928.31
Scrap Sales			
Fresenius Kabi USA, LLC	Fellow Subsidiary	15.34	1.87
Total		15.34	1.87
Purchases			
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	-	19.98
Fresenius Kabi Austria GmbH	Intermediate Holding Entity	2.64	0.82
Fresenius Kabi (Singapore) Pte Ltd	Immediate Holding Entity	-	0.12
Fresenius Kabi iPSUM	Fellow Subsidiary	5.59	3.71
Fresenius Kabi India Pvt. Ltd.	Fellow Subsidiary	0.34	0.17
Fresenius Kabi Italia S.r.l	Fellow Subsidiary	11.42	9.67
Labesfal -Laboratórios Almiro, S.A. (Portugal)	Fellow Subsidiary	-	1.62
Total		19.99	36.09



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
Purchase of Property Plant & Equipment / Intangible Assets			
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	-	83.35
Total		-	83.35
Receiving of Services			
Fresenius SE & Co. KGaA	Ultimate Holding Entity	0.30	4.58
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	59.44	232.03
Fresenius Kabi Netcare., GmbH	Fellow Subsidiary	370.09	592.68
Fresenius Digital Technology GmbH	Fellow Subsidiary	294.04	-
Hyginus Publisher GmbH	Fellow Subsidiary	80.69	173.67
Total		804.56	1,002.96
Receipt of Reimbursement for Expenses incurred (Other income)			
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	2,804.32	3,163.42
Total		2,804.32	3,163.42
Receipt of Reimbursement for Expenses incurred (net off from Other Expenses)			
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	67.32	169.73
Fresenius Kabi AG	Intermediate Holding Entity	-	8.00
Fresenius Kabi Austria GmbH	Intermediate Holding Entity	-	0.78
Fresenius Kabi Ipsum S.R.L.	Fellow Subsidiary	-	11.77
Fresenius Kabi Colombia S.A.S	Fellow Subsidiary	34.46	49.58
Fresenius Kabi Chile Ltda.	Fellow Subsidiary	49.91	48.60
Fresenius Kabi Asia Pacific Ltd	Fellow Subsidiary	-	29.58
Fresenius Kabi Latin America	Fellow Subsidiary	19.23	6.58
Fresenius Kabi Mexico S.A De C.V.	Fellow Subsidiary	16.15	29.29
FRESENIUS KABI S.A.	Fellow Subsidiary	7.79	2.10
Other Fellow Subsidiaries	Fellow Subsidiaries	59.05	1.01
Total		253.91	357.02
Payment for Reimbursement of Expenses			
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	33.03	82.93
Fresenius Kabi AG	Intermediate Holding Entity	-	36,731.95
Fresenius Kabi Austria GmbH	Intermediate Holding Entity	1.04	-
Fresenius Kabi Asia Pacific Ltd	Fellow Subsidiary	-	0.78
Fresenius Kabi India Pvt. Ltd.	Fellow Subsidiary	-	12.76
Labesfal - Laboratórios Almiro S.A	Fellow Subsidiary	1.92	-
Fresenius Kabi (China) Co Ltd.	Fellow Subsidiary	-	6.11
Fresenius Kabi Malaysia Sdn Bhd	Fellow Subsidiary	0.22	-
Total		36.21	36,834.53
Liabilities written back			
Fresenius Kabi Deutschland GMBH	Intermediate Holding Entity	867.33	-
Total		867.33	-
Remuneration of Key Management Personnel			
Salaries, wages and bonus (Refer Note below)		486.52	473.82
Contribution to provident and other funds		28.39	26.05
Directors Sitting Fees		14.00	23.00
Total		528.91	522.87
Interest Expense			
Fresenius Kabi AG	Intermediate Holding Entity	778.74	1,955.82
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	-	167.50
Total		778.74	2,123.32
Fee in respect of financial Guarantee issued against the borrowing of the company (Non cash transaction)			
Fresenius Kabi AG	Intermediate Holding Entity	97.50	82.08
Total		97.50	82.08
Draw Down of Long Term Borrowing/(Repayment of Borrowing)			
Fresenius Kabi AG	Intermediate Holding Entity	(30,845.95)	2,900.00
Total		(30,845.95)	2,900.00



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

B Balance Outstanding:		As at 31 March 2022	As at 31 March 2021
Loans Outstanding			
Fresenius Kabi AG	Intermediate Holding Entity	2,900.00	33,745.95
Total		2,900.00	33,745.95
Trade Receivable			
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	20,959.74	11,161.10
Fresenius Kabi AG	Intermediate Holding Entity	-	7.66
Fresenius Kabi Asia Pacific Ltd	Fellow Subsidiary	4,099.45	4,423.13
Fresenius Kabi India Pvt. Ltd.	Fellow Subsidiary	3,171.73	1,520.04
Fresenius Kabi Mexico S.A De C.V.	Fellow Subsidiary	377.10	351.61
Fresenius Kabi Chile Ltda.	Fellow Subsidiary	995.10	572.54
Fresenius Kabi Norge AS	Fellow Subsidiary	208.01	54.16
Fresenius Kabi Polska Sp. z o.o.	Fellow Subsidiary	187.47	525.16
Fresenius Kabi USA, LLC	Fellow Subsidiary	1,670.08	641.20
Fresenius Kabi Colombia S.A.S	Fellow Subsidiary	496.23	417.34
Fresenius Kabi Latin America	Fellow Subsidiary	378.39	78.21
Fresenius Kabi S.A., Argentina	Fellow Subsidiary	263.20	71.97
Other Fellow Subsidiaries	Fellow Subsidiaries	224.72	43.34
Total		33,031.22	19,867.46
Trade Payable			
Fresenius Kabi (Singapore) Pte Ltd	Immediate Holding Entity	-	0.11
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	21,010.16	20,967.38
Fresenius Digital Technology GmbH	Fellow Subsidiary	100.05	-
Fresenius Kabi Netcare., GmbH	Fellow Subsidiary	-	98.22
Fresenius Kabi Asia Pacific Ltd	Fellow Subsidiary	16.10	34.31
Hyginus Publisher GmbH	Fellow Subsidiary	-	76.49
Other Fellow Subsidiaries	Fellow Subsidiaries	25.24	39.01
Total		21,151.55	21,215.52
Other Payable			
Fresenius Kabi AG	Intermediate Holding Entity	-	36,750.00
Total		-	36,750.00
Creditors for Capital Goods			
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	-	75.02
Total		-	75.02
Accrued Interest			
Fresenius Kabi AG	Intermediate Holding Entity	3.44	336.43
Fresenius Kabi Deutschland GmbH	Intermediate Holding Entity	-	880.64
Total		3.44	1,217.07
Guarantees furnished against bank loans obtained by the Company			
Fresenius Kabi AG	Intermediate Holding Entity	34,034.82	32,830.00

Note : All outstanding balances are unsecured and repayable/receivable in cash.

Some of the Key Management Personnel of the Company are also covered under the Company's Gratuity Plan / company's leave policy along with the other employees of the Company. Proportionate amounts of gratuity / Leave accrued under the Company's Gratuity Plan / Leave Policy have not been separately computed or included in the above disclosure.



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

37 Disclosure in respect of employee benefits under Indian Accounting Standard (Ind AS) – 19 “Employee Benefits” are given below:

i) Defined contribution plan

Employers' contribution towards provident fund amounting to Rs. 446.34 (Previous year Rs.419.04) and superannuation Rs. 57.54 (Previous year Rs. 64.76) is recognized as an expense and included in Employee Benefit expenses Note No 28.

ii) Defined benefit plan

Gratuity

The company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Indian law. However, no vesting condition applies in case of death.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Company fully contributes all ascertained liabilities to Life Insurance Corporation ("LIC") which manages the fund on behalf of the Gratuity Fund Trust created by the company for this purpose.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Expected contributions to gratuity plans for the year 2022-23 are Rs. 307.22 Lakhs.

(iii) Long-term employee benefit plan

Compensated Absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non accumulating compensated absences is recognized in the period in which the absences occur.

A. Particulars	Gratuity (Funded)		Compensated Absences (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Change in the Present value of obligation				
Balance at the beginning of the year	2,633.80	2,146.33	1,013.43	894.85
Benefits paid	(124.73)	(142.78)	(179.70)	(177.77)
Current service cost	305.33	256.53	165.35	165.32
Interest cost	162.61	129.40	61.38	52.11
Actuarial (gains) / losses recognised in profit and loss:				
-Changes in demographic assumptions	-	-	(67.28)	66.91
-Changes in financial assumptions	-	-	(12.75)	(31.02)
-Experience adjustments	-	-	60.91	43.03
Actuarial (gains) / losses recognised in OCI:				
-Changes in demographic assumptions	(146.13)	142.51	-	-
-Changes in financial assumptions	(37.19)	(82.51)	-	-
-Experience adjustments	70.12	184.32	-	-
Balance at the end of the year (a)	2,863.81	2,633.80	1,041.34	1,013.43

B. Particulars	Gratuity (Funded)		Compensated Absences (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Change in the fair value of plan asset				
Balance at the beginning of the year	2,236.18	1,848.22	-	-
Contributions paid into the plan	255.99	405.18	-	-
Benefits paid	(124.73)	(142.80)	-	-
Expected Return on Plan Asset	145.04	118.29	-	-
Actuarial Gain/(Loss) on Planned Assets	10.19	7.29	-	-
Balance at the end of the year (b)	2,522.67	2,236.18	-	-
Net Defined Benefit (Liability) (a-b)	341.14	397.62	1,041.34	1,013.43



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

C. Particulars	Gratuity (Funded)		Compensated Absences (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
i. Expense recognized in profit or loss				
Current service cost	305.33	256.53	165.35	165.32
Interest cost	162.61	129.40	61.38	52.11
Actuarial (Gain)/Loss	-	-	(19.12)	78.92
Expected Return on plan assets	(145.04)	(118.29)	-	-
Total	322.90	267.64	207.61	296.35

Particulars	Gratuity (Funded)	
	31 March 2022	31 March 2021
ii. Remeasurements recognised in other comprehensive income:		
Actuarial (gains) / losses recognised in OCI:		
-changes in demographic assumptions	(146.13)	142.51
-changes in financial assumptions	(37.19)	(82.51)
-Experience adjustments	70.12	184.32
Return on plan assets excluding interest income	(10.19)	(7.29)
Total	(123.39)	237.03

D. Particulars	Gratuity (Funded)		Compensated Absences (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Amount recognised in the balance sheet (A – B)				
Short term provision	-	-	169.69	118.84
Long term provision	341.14	397.62	871.65	894.59
Total	341.14	397.62	1,041.34	1,013.43

Plan Assets

Plan Assets comprise of the following:

Particulars	31st March 2022	31st March 2021
Pooled assets with an insurance company	100%	100%
Total	100%	100%

E. Plan Assets

Company's assets are managed by the Life Insurance Corporation of India, the total assets held as on 31 March 2022 is Rs 2,522.67 (previous year Rs. 2,236.18) with a funding ratio of 88.08% (previous year 84.90%) which is higher than the industry average of 50%.

F. Actuarial Assumptions	Gratuity (Funded)		Compensated Absences (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Economic assumptions:				
Discount Rate (Per annum)	6.79%	6.57%	6.79%	6.57%
Future Salary increase	Next year 7%, thereafter 11%	Next year 7%, thereafter 11%	Next year 7%, thereafter 11%	Next year 7%, thereafter 11%
Demographic assumptions:				
Retirement Age (Years)	60	60	60	60
Mortality rates inclusive of provision for disability**	IALM (2012-14) Ultimate			
Withdrawal Rate (%)	14.00%	11.00%	14.00%	11.00%

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 6.58 years (previous year 8.07 years).



G. Sensitivity analysis of the defined benefit obligation

a) Impact of the change in discount rate

Particulars	Gratuity		Compensated Absences (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Present Value of Obligation at the end of the period	2,863.81	2,633.80	1,041.34	1,013.43
a) Discount rate-100 basis points	3,040.79	2,836.01	1,105.30	1,096.91
b) Discount rate+100 basis points	2,705.73	2,456.33	984.27	941.07

b) Impact of the change in salary increase

Particulars	Gratuity		Compensated Absences (Unfunded)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Present Value of Obligation at the end of the period	2,863.81	2,633.80	1,041.34	1,013.43
a) Rate-100 basis points	2,696.85	2,463.60	981.06	945.49
b) Rate+100 basis points	3,046.52	2,823.02	1,107.65	1,090.75

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

H. Risk Exposure

Investment Risk - The funds are invested by LIC and they provide returns basis the prevalent bond yields. The returns on the investments may be lower than the interest on the obligation of the entity. however basis the past experience. the risk is assessed as low.

Interest Risk - LIC does not provide market value of assets, rather maintains a running statement with interest rates declared annually. The fall in interest rate is not therefore offset by increase in value of bonds, hence may pose a risk.

Salary Risk - The liability is calculated taking into account expected salary increase basis past experience, the risk is assessed as low.

I. Maturity Profile of defined benefit obligation (Undiscounted)

Particulars	As at 31 March 2022	As at 31 March 2021
	Gratuity (funded)	Gratuity (funded)
Year 1	416.59	260.30
Years 2-5	1304.01	1014.88
Beyond Year 5	2923.19	3471.76



38 Segment Reporting

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's components, and for which discrete financial information is available. All operating segments' and operating results are reviewed regularly by the company's Managing Director to make decisions about the resources to be allocated to the segments and assess their performance.

The company has three reportable segments, as described below which are the company's strategic business units. These business units offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the business units, the Managing Director conducts monthly/quarterly review of the consolidated MIS which consists of the discrete financial information in respect of each of the business units.

The following summary describes the operations in each of the reportable segments:

Reportable Segments	Operations
Bulk Drug	Producing bulk drugs, considerable share of which is for captive consumption
Formulation	Producing generic products
Contract R&D	Developing next generation cytotoxic, cytostatic and targeted therapies

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

The company's Managing Director has been identified as the Chief Operating Decision Maker ('CODM'), since he is responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, alliance, joint venture, merger and acquisition, and expansion of any new facility.

The Management reviews the operating results of "manufacturing of Bulk drugs, formulation and research and development activities" at Company level to assess its performance. Accordingly, there are three Reportable Segments for the Company which are "Formulation", "Bulk Drug", and "Contract R &D", hence specific disclosures have been made.

Particulars	For the year ended 31 March 2022				For the year ended 31 March 2021			
	Bulk Drug	Formulation	Contract R&D	Total	Bulk Drug	Formulation	Contract R&D	Total
Revenue:								
External Revenue	7,259.51	47,730.86	10,539.49	65,529.86	6,878.16	40,697.91	11,538.61	59,114.68
Inter-segment Revenue	20,038.02	(20,025.69)	(12.33)	-	13,751.52	(13,697.52)	(54.00)	-
Total Revenue from operations	27,297.53	27,705.17	10,527.16	65,529.86	20,629.68	27,000.39	11,484.61	59,114.68
Results:								
Segment result	701.93	4,346.25	2,199.63	7,247.81	516.80	3,079.08	4,315.40	7,911.28
Unallocated Corporate income				1,141.75				1,143.99
Unallocated corporate expenses				2,082.62				3,043.86
Operating profit				6,306.94				6,011.41
Unallocated Finance Charges				1,574.71				3,649.84
Profit from Ordinary activities				4,732.23				2,361.57
Less: Exceptional Items				-	36,846.88	93.67		36,940.55
Profit/(Loss) before tax				4,732.23				(34,578.98)
Tax Expense (Current & Deferred)				1,175.79				(963.20)
Profit/(Loss) after tax				3,556.44				(33,615.78)

Other information:

Particulars	For the Year Ended 31 March 2022				For the Year Ended 31 March 2020			
	Bulk Drug	Formulation	Contract R&D	Total	Bulk Drug	Formulation	Contract R&D	Total
Other information:								
Segment assets	55,767.09	69,940.86	18,116.74	143,824.69	52,789.97	58,029.39	15,096.12	125,915.48
Unallocated corporate assets				15,895.12				10,819.34
Total assets				159,719.81				136,734.82
Segment liabilities	18,856.37	8,391.35	3,192.19	30,439.91	66,326.31	8,940.44	2,976.03	78,242.78
Corporate Liability				6,210.55				52,638.96
Total Liabilities				36,650.46				130,881.74
Capital Expenditure *	2,876.35	1,401.59	715.74	4,993.68	769.81	1,485.25	858.82	3,113.88
Unallocated Capital Expenditure *				56.21				168.85
Depreciation & Amortisation *	1,705.88	1,771.87	970.65	4,448.40	1,749.91	1,923.92	953.43	4,627.26
Unallocated depreciation*				149.48				142.72

* Excluding right-of-use assets



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

B. Geographical Information

The bulk drug, formulation and Contract R&D segments are managed in India but majority of the revenue from sale of good and services is generated from abroad. Major customers and vendors are located in Germany, Netherlands, UK, etc.

The geographical information analyses the company's revenues and non-current assets by the company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been based on the geographical location of assets.

i) Revenue from operations	For the year ended 31 March 2022	For the year ended 31 March 2021
India (A)	10,507.18	8,685.12
Other Countries :		
Germany	35,755.93	30,397.58
United States of America	1,844.60	2,147.38
Hong Kong	7,814.09	10,192.61
Pakistan	1,238.91	803.16
Chile	1,582.36	2,022.39
Poland	1,418.29	531.84
Colombia	1,316.90	1,046.84
Others	5,249.11	4,431.75
Total other Countries (B)	56,220.18	51,573.55
Total (A+B)	66,727.36	60,258.67
ii) Non-current assets	As at 31 March 2022	As at 31 March 2021
India	53,677.02	52,294.65
Other Countries :	-	-
Total	53,677.02	52,294.65

C. Major Customer- Details of Revenue from Single customer exceeding 10% of total revenue of the company

Revenue from one customer (intermediate holding company) of the company's formulation segment based in Europe is Rs. 35,751.89 (Previous Year Rs. 30,397.58) which is more than 10% of the company's total revenue from operations.



- 39(i) The Company has incurred an amount of Rs. 17.94 (31 March 2021: Rs. 84.80) towards corporate social responsibility as per section 135 of the Companies Act, 2013 and is included in Miscellaneous expenses under Other expenses (Refer Note 31).

Particulars	As at 31 March 2022		As at 31 March 2021	
	In-cash	Yet to be Paid in cash	In-cash	Yet to be Paid in cash
Amount required to be spent by the Company during the year	-	-	82.98	-
Amount spent during the year	17.94	-	62.36	22.44
i) Construction/Acquisition of any asset	-	-	-	-
ii) Other purposes	17.94	-	62.36	22.44
Shortfall at the end of the year	-	-	-	-
Total of previous years shortfall	-	-	-	-
Reason for shortfall	N.A.	N.A.	N.A.	N.A.
Nature of CSR activities	Disaster management, Education, Health & Food		Promotion of education	
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-	-	-

The Company does not wish to carry forward any excess amount spent during the year.

- (ii) The process of receiving balance confirmation from trade receivables/ trade payables and their reconciliation is an ongoing process. The balances of certain trade receivables and trade payables are subject to reconciliation and confirmation as at 31 March 2022. In the opinion of the management, the unconfirmed balances will not have any material impact on the financial statements of the company.

40 Due to Micro & Small enterprises within the meaning of Micro, Small & Medium Enterprises Development Act, 2006 shown under creditors for goods

The Company identifies suppliers belonging to Micro and Small category under MSMED Act, 2006 on the basis of information available with the company or declaration to the effect made by such parties as required under the Statute.

The interest amount computed based on the provisions under Section 16 of the MSMED is Rs. NIL (31 March 2021: Rs. NIL) is remaining unpaid as of 31 March 2022.

The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under this Act is Rs. Nil (31 March 2021: Rs. Nil).

Details of MSME payable

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payable	337.61	431.02
Payable for capital items	39.76	11.72
Total	377.37	442.74

41 Settlement with U.S. Department of Justice "DOJ"

In November 2014, Fresenius Kabi Oncology Limited (FKOL) received a subpoena from the U.S. Department of Justice (DOJ), U.S Attorney for the District of Nevada. The subpoena requests documents in connection with the January 2013 inspection by the U.S Food and Drug Administration (FDA) of FKOL's plant for Active Pharmaceutical Ingredients (API) in Kalyani, West Bengal, India. Through ancillary subpoenas issued in January 2016, June 2016, and November 2016, the DOJ had requested additional historic information and data from the company and its related entities, Fresenius Kabi USA and Fresenius Kabi AG.

The subsequent Inspection during May 2017 resulted in a warning letter from the FDA. US FDA subsequently transferred the matter to the Department of Justice, (DOJ) USA for prosecuting the Company/Management/employees for their failure to comply/ maintain with good manufacturing practices in Kalyani Plant as well as obstructive conduct of employees during inspection. During the year 2019, the DOJ also interviewed some employees / ex-employees. For this entire period, Fresenius Kabi fully cooperated with the regulatory investigations.

The company sought the the possibility of settlement with DOJ instead of going for trial, as trials can be long-drawn, involving management focus and also entail significant monetary expenditure. Accordingly, a Plea Agreement was executed with DOJ and the same was filed, with the United States District Court for the district of Nevada, on 19 January 2021. Subsequently on 23 March 2021, the District Court of Nevada consented to the Plea Agreement executed with DOJ. Accordingly, the company during the previous year agreed to make the payment of US Dollar 50 Million (Equivalent INR 36,731.95), which was presented as part of 'exceptional items' in the Profit and Loss Account. Additionally, the company also agreed to implement and maintain a Compliance & Ethics Program (CEP) at the Kalyani Plant for a period of three years. The company undertook to continue to cooperate in the investigation against the ex-employees who were held responsible for these non-compliances.

During the current year, the Company has made the payment of US Dollar 50 Million to Fresenius Kabi AG ("Intermediate Holding Entity"). During the previous year, this liability was presented as 'Other Payable to group company' under other financial liabilities.



Fresenius Kabi Oncology Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Rupees Lakhs, unless otherwise stated)

42 (i) Additional regulatory information - Ratios:

Particulars	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	Variance in (%)	Explanation for change
Current ratio (in Times)	Total Current assets	Total Current liabilities	3.38	0.73	361%	Borrowings repaid & payment made for DOJ settlement during the current year.
Debt-equity ratio (in Times)	Total debt (including lease liabilities)	Shareholder's Equity	0.04	10.28	-100%	Repayment of borrowings and issue of equity share capital during the current year.
Debt service coverage ratio (in Times)	Net profit after taxes + Non-cash operating expenses + Interest + Other adjustments like loss on sale of fixed assets etc	Interest and Lease Payments + Principal Repayments	0.19	(6.28)	-104%	Borrowings repaid during the current year. Exceptional items during the previous year.
Return on equity (in %)	Net profits after taxes	Average Shareholder's Equity	5.5%	-148.0%	-104%	Issue of share capital during the current year. Higher finance cost & exceptional items during previous year.
Inventory turnover ratio (in Times)	Sales of goods	Average Inventory	1.11	1.03	8%	
Trade receivables turnover ratio (in Days)	Sales of products and Services	Average Trade Receivable	2.29	3.11	36%	Increase in trade receivables
Trade payables turnover ratio (in Times)	Total Purchases (Net of Returns) + Certain Other Expenses	Average Trade Payables	1.90	1.57	16%	
Net capital turnover ratio (in Times)	Revenue From Operations	Working Capital	0.89	(1.95)	-146%	Borrowings repaid & payment made for DOJ settlement during the current year.
Net profit ratio (in %)	Net profit	Revenue from Operations	5.3%	-55.8%	-110%	Higher finance cost & exceptional items during the previous year.
Return on capital employed (in %)	Earning before interest and taxes	Net Worth + Non-Current Borrowing + Non-Current Lease Liability	5.0%	-153.4%	-103%	Issue of share capital during the current year. Higher finance cost & exceptional items during the previous year.
Return on investment (in %)	Income generated from investments	Time weighted average investments	15.0%	15.0%	0%	

42 (ii) Title deeds of immovable Properties not held in name of the Company

Details of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are

Description of item of property	Relevant line item in the Balance sheet	Gross carrying value	Title deeds held in the name of the holder is a promoter, director #	Whether title deed holder is a promoter, director #	Period Held	Reason for not being held in the name of the company
Freehold Land At Solan District, Himachal Pradesh	Property, plant and equipment	625.75	Dabur Pharma Ltd.	No	17 October 2003	The Company was formerly known as Dabur Pharma Ltd.
Right of use land at Kalyani, West Bengal	Right-of-use assets	278.09	Dabur Pharma Ltd.	No	22 March 2005 to 26 February 2008	The Company was formerly known as Dabur Pharma Ltd.

Includes relative of promoter / director or employee of promoter/director



Fresenius Kabi Oncology Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Rupees Lakhs, unless otherwise stated)

43 Disclosure as per Ind AS 36 - Impairment of Assets

As required by Ind AS 36, an assessment of impairment of assets was carried out and based on such assessment, the Company has accounted impairment losses as under:

A During the financial year 2017-18, the Company had recognized an impairment loss of Rs. 1,952.48 due to shifting of one plant in Baddi. Movement of impairment provision due to sale/ scrapping of assets and change of estimates is presented as below.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	1,498.92	1,499.45
Provision written back during the year - assets considered usable	-	(0.53)
Closing balance	1,498.92	1,498.92

B The Company had an Oral Solid Dosage facility based out of Baddi, Himachal Pradesh which was discontinued during the previous year 2020-21 owing to lack of commercial feasibility. This had resulted in the impairment of the Property, Plant and Equipment to be measured at the higher of fair value less cost to sell or its value in use (representing the recoverable value). The fair value less cost to sell was determined by an independent valuer and was taken as the recoverable value as at March 31, 2021. As per management estimates, there is no significant change in assets physical conditions or market indicators which can trigger the change in impairment loss or fair value estimates for the year ended March 31, 2022. The recoverable amount of the assets has been assessed at Rs.255.73 (previous year Rs.255.73) and accordingly, the Company has recognized an impairment loss of Rs. Nil (previous year Rs. 32.86) and the same has been presented as 'Exceptional items - Impairment of Property, plant and equipment' in the Statement of Profit and Loss.

Movement of impairment provision due to sale/ scrapping of assets and change of estimates is presented as below.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	1,756.89	1,724.03
Utilised during the year - assets sold/ scrapped	(32.35)	-
Additional provision during the year	-	32.86
Closing balance	1,724.54	1,756.89

44 Exceptional items

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Expenses	Expenses	Expenses	Expenses
a) Aggregate cost incurred during the year - Remedial measures (consultancy cost including related expenses towards same)				
- Kalyani unit	-	-	114.93	
- Baddi unit	-	-	32.26	147.19
b) Impairment charge (Net)- (Refer Note 43)		-		32.33
c) Dismantling cost incurred due to shifting of one plant in Baddi		-		29.08
d) Settlement with U.S. Department of Justice "DOJ"		-		36,731.95
Total		-		36,940.55



45 Revenue from Contracts with Customers:

A. Disaggregation of Revenue

The Company disaggregates revenue from contracts with customers by nature of goods and services, geography, timing of revenue recognition and type of customers.

Nature of goods and services

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from sale of goods		
Active Pharmaceutical Ingredient	7,170.97	6,796.64
Formulation	47,291.30	39,926.65
Revenue from sale of services		
R&D	10,539.49	10,784.32
Others	1,181.93	1,143.99
Total Revenue from sale of products and services	66,183.69	58,651.60

Geography

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Asia	20,128.74	19,200.79
Europe	38,052.67	31,923.27
North America	3,086.27	3,142.13
South America	3,959.32	3,604.92
Africa	956.69	780.49
Total Revenue	66,183.69	58,651.60

Timing of Revenue Recognition

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Transferred at the point in time	54,462.27	46,723.29
Transferred Over time	11,721.42	11,928.31
Total	66,183.69	58,651.60

Information about major customers:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Related Parties	58,800.95	51,534.87
Third parties	7,382.74	7,116.73
Total	66,183.69	58,651.60

B. Contract balances:

Contract liabilities	For the year ended 31 March 2022	For the year ended 31 March 2021
Advance from customers	14.98	-
Deferred Revenue	32.01	-
Total	46.99	-

- The company does not have any contract assets as on 31 March 2022 and 31 March 2021.
- The company has receivables from Contract with customers. Refer Note 10 Receivable for contract with customers.
- The payment terms of revenue contracts of the company does not have any significant financing component as the credit period generally varies upto 300 days. The duration of the contracts of the company is generally less than one year.

C. Performance obligation

The company's revenue contracts have only one performance obligation which is fulfilled either upon shipment or upon delivery in case of sale of goods and in case of services performance obligations are satisfied as the services are rendered.



Fresenius Kabi Oncology Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Rupees Lakhs, unless otherwise stated)***46 Capital Management**

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is borrowings divided by Equity. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

Refer Note 42, for the Debt-Equity ratio of the company.

Particulars	As at 31 March 2022	As at 31 March 2021
Long Term Borrowings (including current maturities)	2,900.00	33,745.95
Equity Share Capital	4,804.27	1,652.33
Reserves and Surplus	118,265.08	4,200.75
Equity	123,069.35	5,853.08
Total	125,969.35	39,599.03

47 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, impairment of assets, write-down of inventory and impact on sales and purchase contracts. There is no significant impact on the financial statements due to COVID-19; however the actual impacts may differ from that estimated as at the date of approval of these financial statements.

For VMT & Co. LLP

Chartered Accountants

Firm Registration Number : N500048

**Vanit Kumar Mittal**
Partner

Membership No. : 505709

Place: Gurugram, India

Date: 07 June 2022

*For and on behalf of the***Board of Directors of Fresenius Kabi Oncology Limited**
Maria Gobbi
Chairperson
DIN:07005222
Nikhil Kulshreshtha
Director & Secretary
DIN: 07178027

Place: Gurugram, India

Date: 07 June 2022


Arvind Kumar Sharma
Managing Director
DIN:08144338
Rahul Sharma
Chief Financial Officer