

31 and/or maintaining the head organizer while involvement of these BMP antagonists during
32 vertebrate axial patterning are recent evolutionary acquisitions.

33

34 **Key words: Hydra, gremlin, noggin, Wnt, BMP**

35

36 **Summary statement**

37 We show that setting up of the Organizer by BMP/Noggin antagonism and role of BMP
38 inhibitors in tissue patterning are evolutionarily ancient, probably arising for the first time in
39 hydra

40

41 **Introduction**

42 Bone morphogenetic protein family, a subfamily of transforming growth factor- β (TGF- β)
43 superfamily was originally identified for role of some of its members in formation and
44 regeneration of bone *in vivo*. Subsequently, their roles in crucial developmental processes, such
45 as, proliferation, migration, differentiation and fate specification of embryonic cells,
46 morphogenesis and dorso-ventral patterning were discovered (Massagué, 1998; Komiya and
47 Habas, 2008). Non-optimal BMP signaling leads to a variety of developmental abnormalities and
48 disease conditions including cardiovascular diseases, symphalangism, diabetic nephropathy and
49 several types of cancers (Kattamuri et al., 2017). BMPs initiate downstream signaling by two
50 mechanisms. The first is a canonical smad-dependent pathway which involves phosphorylation
51 of Serine/Threonine kinase receptors, Type I and Type II receptor complexes (BMPRI and
52 BMPRII), and activation of smad-1/5/8. The second is a smad-independent pathway, which
53 involves TGF- β Activated Tyrosine Kinase 1 (TAK1) and Mitogen Activated Protein Kinase
54 (MAPK) (Zhang and Li, 2005). Similar to BMP pathway, Wnt family of secreted glycoproteins
55 also act as powerful regulators of embryonic development, cell proliferation, migration,
56 differentiation and cell fate specification. Extracellular glycosylated Wnt ligands bind to Frizzled
57 receptor and co-receptors, such as, lipoprotein receptor-related protein (LRP) 5/6-, Ryk and Ror.
58 Once initiated, signal transduction occurs through two distinct mechanisms: canonical or β -
59 catenin-dependent pathway and a non-canonical β -catenin-independent pathway.

60

61 Mechanisms regulating BMP and Wnt signaling pathways and the regulatory networks involved
62 in the downstream signaling pathways have been studied extensively in many organisms
63 (Azpiazu et al., 1996; Carmena et al., 1998; Hoppler and Moon, 1998; Jin et al., 2001). Both the
64 pathways can function either independently or exhibit overlapping expression patterns
65 suggesting a crosstalk between them (Itasaki and Hoppler, 2009). One of the important
66 mechanisms through which these two pathways interact is by secreted molecules that bind to the
67 extracellular components of these pathways. Several molecules like Noggin, Chordin, Gremlin
68 and Follistatin, which inhibit BMP signaling by binding to and neutralizing BMP ligands have
69 been identified. Similarly, Cerberus and Connective tissue growth factor bind to Wnt and BMP,
70 affecting both pathways (Bouwmeester et al., 1996). Though BMP pathway was initially thought
71 to have originated along with the dorso-ventral axis in bilaterians (Finnerty, 2003), occurrence of
72 components of this pathway in lower invertebrates like Cnidarians has raised several questions
73 regarding their evolutionary functions in regulating axial patterning.

74
75 Hydra, a Cnidarian, has been a favorite model for studying morphogenesis and pattern formation
76 because of its unique features, such as, maintenance of axial polarity, spectacular ability of
77 regeneration, absence of cellular senescence, maintenance of stemness, and peculiar tissue
78 dynamics. Several components of BMP and Wnt pathways have been characterized in hydra.
79 Eleven Wnt ligands and components of the pathway, β -catenin and Tcf have been reported from
80 hydra and their roles in the formation of head Organizer, axial patterning and tissue
81 morphogenesis as well as in regeneration have been established (Hobmayer et al., 1996; 2001;
82 Broun et al., 2005; Philipp et al., 2009). Similarly, role of *HyBMP5-8b*, a BMP5-8 orthologue, in
83 tentacle formation and patterning the body axis has been reported (Reinhardt et al., 2004).
84 *HySmad1*, a smad gene involved in nematocyte differentiation and oogenesis (Hobmayer et al.,
85 2001), and inhibitors of BMP ligand, Chordin (Rentzsch et al., 2006) and Noggin (Chandramore
86 et al., 2010) from hydra have also been reported. Our earlier work has shown that hydra Noggin
87 induces secondary axis in *Xenopus* embryos and partially rescues UV-induced ventralization in
88 *Xenopus* embryos through inhibition of BMP signaling, confirming its functional conservation in
89 vertebrate embryos (Chandramore et al., 2010). Occurrence of components of BMP pathway in
90 hydra thus point toward their origin before the divergence of Cnidarians and bilaterians
91 (Reinhardt et al., 2004; Rentzsch et al., 2006). Though genes involved in axial patterning, such

92 as, *Wnt*, *BMPs* and those encoding BMP inhibitors have been reported from hydra, their detailed
93 structural and functional characterization remains to be done. In the present study, we report
94 *gremlin*, a secreted BMP antagonist belonging to the DAN (Differential screening-selected gene
95 Abberrative in Neuroblastoma) family for the first time and compare it to *noggin*, another BMP
96 antagonist from *Hydra vulgaris* Ind Pune. We find that *gremlin* and *noggin* are differentially
97 expressed in hydra suggesting roles in different biological processes. Further, we demonstrate an
98 antagonistic relationship between Wnt and BMP pathways in hydra that does not directly involve
99 *noggin* and *gremlin*.

100

101 **Results**

102

103 **Identification of *gremlin* like gene from Hydra**

104 Search for hydra *gremlin* sequence in the NCBI database led to identification of a predicted
105 *gremlin-like 1* mRNA sequence (gi|449664166) from *Hydra magnipapillata*. Complete coding
106 sequence of 483 bp amplicon was amplified from *Hydra vulgaris* Ind-Pune using primers
107 designed based on the available predicted sequence (Fig.1a). The amplicon was cloned,
108 sequenced and submitted to the Genbank with accession number KJ672500.

109

110 ***In silico* analysis of Gremlin and comparison with Noggin**

111 The translated peptide sequence of Gremlin from *H. vulgaris* Ind-Pune was analyzed using the
112 protein database SMART which confirmed the presence of a characteristic C-terminal Cysteine
113 Knot (CTCK/CT) domain or von Willebrand type C (VWC) domain (shown in blue), and a 25
114 amino acid residue secretory signal sequence at the N-terminus (shown in brown) (Fig. 1b).
115 Cysteine residues participating in forming the 8-membered ring are shown in red. Sequence
116 comparison by CLUSTALW analysis of Gremlin across different species (Fig. 1d) showed a
117 variable N-terminal region and a more conserved C-terminal region (Fig. 1e). Analysis of hydra
118 Noggin also revealed the presence of characteristic CTCK domain (shown in blue) in the C-
119 terminus which is comprised of 9 Cysteine residues (shown in red) required for the formation of
120 a 10-membered ring (Fig. 1c). Sequence alignment of different BMP antagonists among
121 themselves showed variable N-terminal region with more similarity/identity towards the C-
122 terminal region (Walsh et al., 2010). Similarly, alignment between hydra Gremlin and Noggin

123 also revealed variable N- terminal region and increased similarity towards the C- terminal region
124 (Fig. 1f). Both ligands are glycoproteins and show potential N-glycosylation sites on
125 Asparagines (NXT/NXS), at 70th and 101th positions in Gremlin and at 141st position in Noggin
126 using NetNGly prediction tool. To understand the structural conservation of Gremlin and Noggin
127 from Hydra to vertebrates, homology modeling was carried out for the available sequences from
128 different animals. Predicted homology models generated using UCSF Chimera program based on
129 the available crystal structure of human Gremlin-1 homodimer (pdb-5aej) and crystal structure of
130 BMP-7-Noggin complex (1m4u.1) showed high structural/topological conservation of both
131 proteins across phyla (Fig. 2). Ramachandran plot analysis of generated models using
132 RAMPAGE application showed 100 % residues falling in favoured and allowed regions with 0
133 % outliers for hydra Gremlin and 97 % residues falling in favoured and allowed regions with 3
134 % residues in outlier region for hydra Noggin. Superimposed models of hydra Gremlin with
135 counterparts of other species showed maximum root mean square (RMS) value with
136 *Nematostella vectensis* (Fig. 2A), a fellow Cnidarian, while superimposed models of hydra
137 Noggin with other species showed maximum deviation with *Ambystoma mexicanum* (Fig. 2B).
138 Both models show less deviation with human counterparts suggesting their conservation from
139 early metazoans to humans.

140

141 **Localization of *gremlin* and *noggin* in non-budding and budding polyps**

142 Expression patterns of *gremlin* and *noggin* were assessed by whole mount *in situ* hybridization in
143 whole polyps followed by serial transverse sectioning to study germ line specific localization.
144 *Gremlin* transcripts were expressed ubiquitously in the endoderm of body column forming a
145 gradient with highest expression in the budding region and lowest in the head and foot regions
146 (Fig. 3Ab). The transcripts were predominantly expressed in the endoderm of budding region in
147 whole polyps suggesting a possible role in budding. This was confirmed by *in situ* hybridization
148 in polyps with different stages of buds, stage -3 (Fig. 3Ac), -4e (Fig. 3Ad), -5e (Fig. 3Ae) and -7
149 (Fig. 3Af), which showed predominant expression of *gremlin*, especially during the early stages,
150 3, 4e and 5e (arrows in Fig. 3Ac, d, e, respectively) when the new head organizer is established,
151 confirming its role in budding. However, no expression was detected in the hypostome and foot
152 regions that show organizer properties on transplantation (Browne, 1909; Gilbert, 2000; Kadu et
153 al., 2012), suggesting the absence of direct involvement of *gremlin* in organizer formation in

154 hydra. *Noggin* transcripts, on the other hand, showed significant expression in the endoderm of
155 hypostome, base of the tentacles, lower body column and in the basal region in whole polyps
156 (Fig. 3Bb). The observed expression of *noggin* in hypostome, base of the tentacles and foot
157 region is comparable to our earlier observations made using *Xenopus noggin* probes in hydra
158 (Chatterjee et al., 2001). During budding, *noggin* continued to be expressed in the hypostome,
159 base of the tentacles, lower body column and basal disc in the adult polyp (Fig. 3Bc-f) and was
160 also observed at the sites where new tentacles would emerge in the developing buds (shown by
161 arrows in Fig. 3Bc, d, e). This suggests role of *noggin* in Organizer formation and tentacle
162 formation. Expression of *noggin* in the hypostome and basal disc in whole polyps (Fig. 3Bb) that
163 show Organizer activities on transplantation (Browne, 1905; Gilbert, 2000; Kadu et al., 2012),
164 points towards Organizer function of *noggin* in hydra.

165

166 **Localization of *noggin* and *gremlin* with activated Wnt signaling**

167 In view of the expression of *noggin* in the hypostome, base of the tentacles in whole polyps, and
168 during bud development, its localization in alsterpaullone treated polyps was examined, since
169 this experimental condition induces formation of ectopic Organizers and tentacles in the body
170 column of the polyps which otherwise lacks Organizer property. This happens as a consequence
171 of up-regulated Wnt signaling. For this, hydra treated with 5 μ M Alsterpaullone for 24 h
172 followed by recovery in hydra medium for different time intervals (48, 72 and 96 h) were used.
173 Inactivation of GSK3 β by alsterpaullone leads to over-activation of canonical Wnt pathway in
174 hydra resulting in the formation of ectopic tentacles or multiple axes along the upper 2/3 portion
175 of the body column. *In situ* hybridization showed expression of *noggin* as distinct spots where
176 the ectopic tentacles would emerge after 48 h (Fig. 4Ad) post recovery in hydra medium. This
177 spectacular expression of *noggin* persisted at the base of ectopic tentacles formed along the body
178 column after 72 (Fig. 4Ae) and 96 h (Fig. 4Af) post recovery in hydra medium. This has been
179 confirmed in transverse sections of *in situ* hybridized polyps which showed expression of *noggin*
180 in the endoderm layer of body column (Fig. 4Bb) and foot (Fig. 4Bc) regions in whole polyps
181 and at the base of ectopic tentacles in alsterpaullone treated polyps (Fig. 4Cb, c). Sections
182 passing through polyps hybridized with sense probes show no signal in control (Fig. 4Ba) and
183 alsterpaullone treated polyps (Fig. 4Ca). *In situ* hybridization in DMSO treated control hydra
184 also showed significant expression of *noggin* in the hypostome, base of the tentacles and in the

185 foot region at 48 (Fig. 4Aa.), 72 (Fig. 4Ab) and 96 h (Fig. 4Ac) post recovery in hydra medium.
186 Expression of *noggin* in the body column as distinct spots in alsterpaullone treated polyps thus
187 confirms the Organizer function of *noggin* in hydra. As opposed to *noggin* expression, *gremlin*
188 expression showed diffused expression in the endoderm of body column in alsterpaullone treated
189 polyps at 48, 72 and 96 h (Fig. 5Ab, c, and d, respectively). Magnified images (Fig. 5B) showed
190 diffused expression in alsterpaullone treated polyps at 48 (Fig. 5Ba), 72 (Fig. 5Bb) and 96 h (Fig.
191 5Bc) post recovery in hydra medium with no expression in the original head (H) and foot (F)
192 regions at all time intervals (Fig. 5Ba-c). Absence of *gremlin* transcripts in the hypostome (Fig.
193 5Ca) and foot (Fig. 5Cc) regions and in the body column (Fig. 5Cb) was also confirmed by
194 transverse sectioning of control polyps. The finding that *noggin* is expressed in the hypostome
195 and foot regions while *gremlin* is not points towards their distinct functions in hydra.

196

197 **Antagonism between Wnt and BMP pathways in hydra**

198 Four major types of molecular interactions have been identified between BMP and Wnt
199 pathways (Itasaki and Hoppler, 2009). To understand the nature of interaction occurring between
200 these two pathways in hydra and to identify the possible involvement of *noggin* and *gremlin*
201 during such interaction, canonical Wnt pathway was over-activated in the body column of hydra
202 using alsterpaullone and expression levels of *BMP 5-8b*, *noggin* and *gremlin* were analysed by
203 RT-PCR. Further, *FGF* levels were also checked, given that different types of interactions
204 between FGF-BMP and FGF-Gremlin during tissue morphogenesis and limb bud formation have
205 been reported (Verheyden and Sun, 2008; Zhu et al., 2014). *Wnt3* and *EF1- α* were used as
206 positive and endogenous controls, respectively. Treatment with alsterpaullone for 24 h followed
207 by return to hydra medium for 0.5 h (Fig. 6A) showed up-regulation of *Wnt3* by semi
208 quantitative RT-PCR, confirming the activation of canonical Wnt signaling. Significant down-
209 regulation of *BMP 5-8b* was observed as early as 0.5 h post-recovery in hydra medium which
210 demonstrates the presence of antagonism between Wnt and BMP pathways. No significant
211 change in the expression levels of *noggin* and *gremlin* was detectable at this time point (Fig.
212 6Aa). This suggests absence of direct involvement of both BMP inhibitors in causing down-
213 regulation of *BMP 5-8b* by Wnt signaling in hydra. Also no change was detected in *FGF* levels
214 suggesting lack of direct interaction between *Wnt* and *FGF* in down-regulating *BMP 5-8b*.
215 Modulation of expression of *noggin*, *gremlin* and *FGF* was also examined after increased

216 recovery time intervals in hydra medium. Recovery in hydra medium for 4 h also showed no
217 significant difference in the expression levels of *noggin*, *gremlin* and *FGF*, while down-
218 regulation of *BMP5-8b* still continued (Fig. 6Ba). However, at 24 h recovery, though *BMP5-8b*
219 continued to get down-regulated, significant down-regulation of *FGF* was also observed for the
220 first time, while no change was seen in expression of *noggin* and *gremlin* (Fig. 6Ca). At 48 h
221 recovery, *BMP 5-8b* down-regulation continued, while relatively little down-regulation of *noggin*
222 and *gremlin* was seen (Fig. 6Da). A careful observation of *BMP 5-8b* gene expression at all time
223 intervals showed recovery of basal levels of *BMP5-8b* from 0.5 h till 48 h (Fig. 6Ea). Histograms
224 plotted for the normalized values of *Wnt3*, *noggin*, *gremlin*, *BMP5-8b* and *FGF* against
225 endogenous control, *EF1- α* at 0.5, 4, 24, 48 h showed no significant change in the expression
226 levels of *noggin* and *gremlin* during *BMP5-8b* inhibition by Wnt pathway (Fig. 6 Ab; Bb; Cb;
227 Db).

228

229 Discussion

230 Establishment of anterior-posterior axis by canonical Wnt signaling is well documented in
231 metazoans. Expression of *Wnt* in the posterior regions and development of anterior axis as a
232 result of *Wnt* inhibition suggests that the anterior-posterior symmetry could be the ancestral
233 condition in the body plan development of bilaterians (Petersen and Reddien, 2009). Similarly, in
234 vertebrates, BMP signaling plays a crucial role in the patterning of dorso-ventral axis formation.
235 A gradient of BMP signals, such as, high levels of BMPs specifies the ventral side, low levels
236 specifies the lateral axis and lack of BMP signals leads to the dorsal side determination. Control
237 of BMP signaling occurs by secreted glycoproteins such as Noggin, Chordin, Gremlin and
238 Follistatin which bind to and inhibit BMP signaling. Likewise, role of FGFs in dorso-ventral axis
239 specification in vertebrate embryos has also been demonstrated. It is thus clear that interactions
240 between different signaling pathways are necessary in several developmental events including
241 morphogenesis, cell fate specification, and organogenesis. Many of these pathways transduce
242 signals by ligand binding to their respective receptors resulting in the activation of intermediate
243 molecules, such as, secreted proteins and transcription factors that lead to the regulation of gene
244 expression (Trompouki et al., 2011). Interactions between Wnt and BMP pathways have been
245 well studied and involve distinct mechanisms. One of the important mechanisms by which these
246 two pathways interact is through secretory molecules which bind to the extracellular components

247 of Wnt and/or BMP pathways. In the present study, we have studied various aspects of BMP and
248 Wnt signaling in hydra, a diploblastic organism with a simple but definite body plan that is
249 believed to have evolved over 600 million years ago. We have characterized *gremlin* from hydra,
250 compared its gene expression pattern with another BMP inhibitor, *noggin* and deduced their
251 respective functions and their relationship with Wnt signaling in hydra.

252

253 Gremlin belongs to the CAN (Cerberus and DAN) subfamily of BMP antagonists that contains a
254 C-terminal Cystine knot with 8-membered ring, resembling the ring structure of BMPs (Avsian-
255 Kretchmer and Hsueh, 2004). The typical structure of 8-membered ring in these members
256 contains Cysteine residues arranged in the form of C-X_n-CXGXC-X-C_{1/2}-X_n-CXC (Avsian-
257 Kretchmer and Hsueh, 2004). *In silico* structural analysis of hydra Gremlin also revealed
258 conservation of the N-terminal signal peptide and a characteristic CTCK domain in the C-
259 terminus. The motif in hydra Gremlin shows C-X₉-CXGXC-X₂₂-CX₂C-X₁₃-C-X₁₇-CXC
260 arrangement, where ‘C’ represents Cysteine residue involved in forming the ring, ‘X’ represents
261 any amino acid and numbers in the subscript represent number of amino acids present between
262 two Cysteine residues. This suggests structural conservation of Gremlin from hydra to humans.
263 This is further validated by generating homology models for hydra Gremlin using the crystal
264 structure of human Gremlin, which showed less RMS deviation upon superimposition with
265 human Gremlin. A similar observation is made for hydra Noggin which showed a characteristic
266 10-membered ring motif CX₂₂CX₅CX₇CX₁₄CX₁₀CX₁₂-CXCXC as seen in human Noggin
267 (Avsian-Kretchmer and Hsueh, 2004). Hydra homology models generated based on the human
268 BMP-Noggin complex crystal structure also showed less deviation with human Noggin. This
269 suggests the structural conservation of both BMP inhibitors from hydra to vertebrates including
270 humans.

271

272 Localization studies by whole mount *in situ* hybridization followed by serial transverse
273 sectioning revealed *gremlin* expression predominantly in the endoderm of budding region and
274 early stages of bud formation in hydra. This suggests that *gremlin* is possibly involved in
275 budding in hydra. It is established that Gremlin is the principal BMP inhibitor that plays a key
276 role in limb bud development in vertebrate embryos (Verheyden and Sun, 2008). Also it is
277 reported that *gremlin* regulates *FGF* and *sonic hedgehog* to direct the outgrowth of the limb

278 (Khokha et al. 2003). Limb bud formation in vertebrates and bud formation in hydra involve
279 accumulation of cells resulting in the formation of tissue evagination and protrusion forming a
280 circular bulge. Expression of *gremlin* in the budding region (whole polyps), during bud
281 evagination (stage 3-4 buds) and protrusion (stage 5-6 buds) in hydra suggests presence of
282 similar mechanisms during budding (see Fig. 3Ac, d). Previous studies have reported expression
283 of *gremlin* in the migrating neural crest cells and not in the Organizer, suggesting its potential
284 role in the overall development of embryo and not restricted to gastrulation (Hsu et al. 1998).
285 Similarly, we do not detect expression of *gremlin* in the hypostome and foot that show Organizer
286 function in hydra (Browne, 1905; Gilbert, 2000; Kadu et al. 2012) indicating that *gremlin* is not
287 involved in Organizer function in hydra. Lack of *gremlin* expression in the regenerating tips (Fig.
288 S1) further supports this conclusion.

289
290 *Noggin* transcripts, unlike *gremlin* transcripts, showed significant expression in the endoderm of
291 hypostome, base of the tentacles, lower body column and in the basal region in whole polyp and
292 at sites where new tentacles would emerge in the developing bud. This suggests role of *noggin* in
293 tentacle formation. Expression of *noggin* in the hypostome and basal disc in whole polyps that
294 show Organizer activity (Browne, 1905; Gilbert, 2000; Kadu et al., 2012) points towards the role
295 of *noggin* in Organizer formation in hydra. This is further confirmed in polyps with activated
296 Wnt signaling which showed *noggin* expression as distinct spots in the body column where the
297 tentacles would emerge from newly formed ectopic Organizers (see Fig. 4). It is interesting to
298 note that this expression pattern of *noggin* as distinct spots before the emergence of tentacles in
299 the developing buds and in the alsterpaullone treated polyps exactly coincides with the reported
300 expression pattern of *BMP5-8b* in hydra (Reinhardt et al. 2004). The first tentacles formed in the
301 developing bud face the foot of the parent polyp and show *BMP 5-8b* expression as distinct spots
302 in the young bud (Reinhardt et al. 2004). *Noggin* expression appears in the same region as two
303 spots facing the foot of the parent polyp in the developing bud (Fig. 3Bd), suggesting the
304 presence of interaction between *noggin* and *BMP5-8b* during tentacle patterning and
305 morphogenesis. In alsterpaullone treated polyps, both *noggin* and *BMP5-8b* showed similar
306 expression pattern as spots on the body column before the emergence of tentacles and at the
307 tentacle base zone once the tentacles are formed. This perfectly overlapping spatiotemporal
308 expression of *noggin* and *BMP5-8b* in suggests their role in displacing the tissue from the body

309 column to tentacle border zone and then to tentacles. Thus, *noggin* and *BMP5-8b* seem to be
310 involved in either tentacle patterning, morphogenesis or in both. However, we could not detect
311 expression of *noggin* at the regenerating ends of head and foot pieces (Fig. S2).

312

313 The findings that Wnt signaling modulates BMP pathway in different ways prompted us to study
314 the expression of *BMP5-8b*, *gremlin* and *noggin* with activated Wnt signaling in hydra. Since
315 FGF signaling plays a crucial role in the establishment of anterior-posterior axis patterning
316 during embryo development (Dorey and Amaya, 2010) and interactions between FGF-BMP and
317 FGF-Gremlin during tissue morphogenesis and limb bud formation have also been reported
318 (Verheyden and Sun, 2008; Zhu et al., 2014), transcript levels of *FGF* were also analyzed.
319 Though Wnt and BMP pathways can and do act independently, both co-operative and
320 antagonistic mechanisms exist between them depending on the cell and tissue type. Four types of
321 functional and molecular interactions between them have been identified depending on the
322 cellular context and it is important to understand such interactions during development (Itasaki
323 and Hoppler, 2010). In hydra, activated Wnt signaling resulted in localization of both *noggin* and
324 *BMP5-8b* as distinct spots on the body column. In order to identify the nature of interactions
325 between *Wnt* and *BMP5-8b* in hydra, semi-quantitative RT-PCRs were performed for *BMP5-8b*
326 in alsterpaullone treated hydra after different time intervals post transfer to hydra medium.
327 Treatment for 24 h followed by return to hydra medium for 0.5 h showed up-regulation of *Wnt3*,
328 confirming the activation of canonical Wnt signaling. We find significant down-regulation of
329 *BMP 5-8b* with activated Wnt signaling demonstrating the presence of antagonism between these
330 pathways in hydra. Though molecular interactions (either synergism or antagonism) between
331 Wnt and BMP pathways have been well studied in different cellular contexts, inhibition of BMP
332 pathway by Wnt signaling has been reported only under few conditions. For example, in
333 *Drosophila* leg development and in eye/antennal discs, wingless (*wg*) and decapentaplegic
334 (*Dpp*), a *Drosophila* homolog of human BMP2/4, show antagonistic relationship by repressing
335 each other's expression thus providing distinct territories for both during development (Theisen
336 et al., 1996). Also induction of neural tissue by Wnt8 by inhibition of *BMP4* expression is
337 reported in *Xenopus* embryos (Baker et al. 1999). In other cases, expression of Wnt may induce
338 secretory molecules that bind to and inhibit BMPs such as PRDC, Xiro1, BMP-activin
339 membrane bound inhibitor, thereby resulting in inhibition of BMP pathway (Glavic et al., 2001;

340 Sekiya et al., 2004; Im et al., 2007). Up-regulation of *gremlin* by *Wnt* in human fibroblasts
341 (Klapholz-Brown et al., 2007) and inhibition of *BMP4* by inducing Noggin as a result of *Wnt1*
342 activation during somite patterning in chick embryos has also been reported (Hirsinger et al.,
343 1997). Here, we investigated whether up-regulation of *noggin* and/or *gremlin* by *Wnt* has
344 resulted in *BMP 5-8b* down-regulation. This was not so as RT-PCR results showed no significant
345 change in the expression levels of *noggin* and *gremlin*. Thus, these two BMP inhibitors are not
346 involved in down-regulation of *BMP 5-8b* by Wnt signaling in hydra. Also, no change was
347 detected in *FGF* levels in the early time points (0.5 and 4 h) suggesting the absence of direct
348 interaction between *Wnt* and *FGF* in down-regulating *BMP 5-8b*. Significant down-regulation of
349 *FGF* was seen only after 24 h. It is known that FGFs act as posteriorising factors (Dorey and
350 Amaya, 201). With activated Wnt signaling in hydra, the body column takes head fate resulting
351 in the formation of ectopic tentacles and organizers after 24 h post transfer to hydra medium.
352 Down-regulation of *FGF* at this time interval thus confirms the presence of interactions between
353 *Wnt3* and *FGF* in hydra. It is interesting to note that with increased recovery time intervals in
354 hydra medium, expression of *BMP5-8b* increases. Slight down-regulation of *noggin* and *gremlin*
355 was also seen at 48 h. It is known that low levels of BMPs cause up-regulation of *noggin* and
356 *gremlin*, while high concentrations of BMPs inhibit *noggin* and *gremlin* (Re'em-Kalma et al.,
357 1995; Gazzero et al., 1998; Nissim et al., 2006). The observed down-regulation of *noggin* and
358 *gremlin* at 48 h recovery, therefore, could be the result of constant expression of *BMP5-8b* at the
359 base of the tentacle.

360

361 In summary, in addition to identification and *in silico* characterization of hydra Gremlin, our
362 results show differential expression of BMP inhibitors *gremlin* and *noggin* in hydra and
363 demonstrate the absence of direct involvement of *gremlin* and *noggin* in inhibition of BMP
364 pathway by Wnt signaling in hydra. Most importantly, our data indicate that BMP/Noggin
365 antagonism as a mechanism for Organizer formation is evolutionarily ancient. Gremlin and
366 Noggin may have been recruited for different/additional functions during vertebrate axial
367 patterning. A better understanding of the roles of BMP antagonists and the interplay between
368 various pathways in hydra, which lacks a dorso-ventral axis, would help in understanding the
369 evolution of body axes and body plans in metazoans.

370

371 **Materials and Methods**

372

373 **Hydra culture**

374 Clonal cultures of *Hydra vulgaris* Ind-Pune (Reddy *et al.*, 2011) were maintained in hydra
375 medium (Sugiyama and Fujisawa, 1977) in glass crystallizing bowls at a constant temperature of
376 $18 \pm 2^\circ\text{C}$ with 12 h light/dark cycle. Polyps were fed with freshly hatched *Artemia salina* nauplii
377 on alternate days.

378

379 ***In silico* analysis**

380 Sequence alignments for peptide sequences of Gremlin were carried out using CLUSTALW
381 analysis. Homology models for Gremlin and Noggin were generated in UCSF Chimera based on
382 the pdb files generated by both manual and automated methods using Swiss model work space
383 and compared with homology models generated for available sequences of different organisms
384 across phyla.

385

386 **Whole mount *in situ* hybridization**

387 Whole-mount *in situ* hybridization using digoxigenin (DIG)-labeled RNA probes was carried
388 out as previously described (Krishnapati and Ghaskadbi, 2013) with few modifications. Briefly,
389 pGEMT Easy vector harboring complete coding sequences of *gremlin* and *noggin* clones were
390 amplified using T7 and SP6 promoter primers, purified and used for *in vitro* transcription
391 reaction using Dig-RNA labeling kits (Roche). Following *in situ* hybridization, serial transverse
392 sectioning of hydra was performed to study details of expression patterns as previously described
393 (Krishnapati and Ghaskadbi, 2013).

394

395 **Primer design, PCR and statistical analysis**

396 Sequences flanking the open reading frame of *gremlin* and *noggin* mRNAs were used to design
397 primers for amplifying the complete coding sequences. Analysis of expression of desired genes
398 was carried out by semi quantitative RT-PCR using cDNA as template. Each experiment was
399 carried out at least in triplicate. Histograms were computed by normalizing the values of band
400 intensities of test genes with *Hyactin/EF1-a*. Mean and standard deviation were calculated for
401 each experimental set and statistical significance was calculated by Students paired ttest.

402 **Treatment with alsterpaullone**

403 Hydra starved for 24 h were treated with 5 μ M alsterpaullone, an inhibitor of GSK-3 β , for 24 h,
404 as described previously (Broun et al., 2005). Subsequently, hydra were thoroughly washed with
405 hydra medium and transferred to fresh medium for different time intervals, viz., 0.5, 4, 24, 48, 72
406 and 96 h. Hydra polyps treated with appropriate concentrations of dimethyl sulfoxide (DMSO)
407 served as solvent controls while those in hydra medium served as master controls.

408

409 **Acknowledgements**

410 We thank Dr. Vidya Patwardhan and Ms. Rohini Londhe for discussions and help and Ms. Aditi
411 Kavimandan for help in whole mount *in situ* hybridization.

412

413 **Competing interests**

414 We declare no competing interests.

415

416 **Funding**

417 This work was supported by an extramural grant from Science and Engineering Research Board
418 (SERB), Department of Science and Technology (DST), Government of India, New Delhi and
419 Emeritus Scientist Scheme of Council for Scientific and Industrial Research (CSIR), New Delhi
420 to SG, and Young Scientist grant from DST-SERB, Government of India, New Delhi to KLS.

421

422 **References**

423

424 Avsian-Kretchmer, O. and Hsueh, A. J. (2004). Comparative genomic analysis of the eight-
425 membered ring cystine knot-containing bone morphogenetic protein antagonists. *Mol.*
426 *Endocrinol.* **18**(1), 1-12.

427 Azpiazu, N., Lawrence, P. A., Vincent, J. P. and Frasch, M. (1996). Segmentation and
428 specification of the *Drosophila* mesoderm. *Genes. Dev.* **10**, 3183-3194.

429 Baker, J. C., Beddington, R. S. P. and Harland, R. M. (1999). Wnt signaling in *Xenopus* embryos
430 inhibits *Bmp4* expression and activates neural development. *Genes. Dev.* **13**, 3149-3159.

- 431 Bouwmeester, T., Kim, S., Sasai, Y., Lu, B. and De Robertis, E. M. (1996). Cerberus is a head-
432 inducing secreted factor expressed in the anterior endoderm of Spemann's organizer.
433 *Nature*. **382**, 595-601.
- 434 Broun, M., Gee, L., Reinhardt, B. and Bode, H. R. (2005). Formation of the head organizer in
435 hydra involves the canonical Wnt pathway. *Development*. **132**, 2907-2916.
- 436 Browne, E. N. (1909). The production of new hydranths in hydra by the insertion of small grafts.
437 *J Expt. Zool.* **8**, 1-23.
- 438 Carmena, A., Gisselbrecht, S., Harrison, J., Jiménez, F. and Michelson, A. M. (1998).
439 Combinatorial signaling codes for the progressive determination of cell fates in the
440 *Drosophila* embryonic mesoderm. *Genes. Dev.* **12**, 3910-3922.
- 441 Chandramore, K., Ito, Y., Takahashi, S., Asashima, M. and Ghaskadbi, S. (2010). Cloning of
442 *noggin* gene from hydra and analysis of its functional conservation using *Xenopus laevis*
443 embryos. *Evol. Dev.* **12**, 267-274.
- 444 Chatterjee, S., Lahudkar, S., Godbole, N. N. and Ghaskadbi, S. (2001). Hydra constitutively
445 expresses transcripts involved in vertebrate neural differentiation. *J. Biosci.* **26**(2), 153-
446 155.
- 447 Dorey, K. and Amaya, E. (2010). FGF signalling: diverse roles during early vertebrate
448 embryogenesis. *Development*. **137**, 3731-3742.
- 449 Finnerty, J. R. (2003). The origins of axial patterning in the metazoa: how old is bilateral
450 symmetry? *Int. J. Dev. Biol.* **47**, 523-529.
- 451 Gazzero, E., Ganji, V. and Canalis, E. (1998). Bone morphogenetic proteins induce the
452 expression of *noggin*, which limits their activity in cultured rat osteoblasts. *J. Clin. Invest.*
453 **102**, 2106-2114.
- 454 Gilbert, S. F. (2000). *Developmental Biology*. 6th edition. Sunderland (MA): Sinauer Associates.

- 455 Glavic, A., Gómez-Skarmeta, J. L. and Mayor, R. (2001). Xiro-1 controls mesoderm patterning
456 by repressing *bmp-4* expression in the Spemann organizer. *Dev. Dyn.* **222**(3), 368-376.
- 457 Hirsinger, E., Duprez, D., Jouve, C., Malapert, P., Cooke, J. and Pourquié, O. (1997). Noggin
458 acts downstream of Wnt and Sonic Hedgehog to antagonize BMP4 in avian somite
459 patterning. *Development.* **124**(22), 4605-4614.
- 460 Hobmayer, E., Hatta, M., Fischer, R., Fujisawa, T., Holstein, T. W. and Sugiyama, T. (1996).
461 Identification of a *Hydra* homologue of the *beta-catenin/plakoglobin/armadillo* gene
462 family. *Gene.* **172**, 155-159.
- 463 Hobmayer, B., Rentzsch, F. and Holstein, T. W. (2001). Identification and expression of
464 *HySmad1*, a member of the R-Smad family of TGF beta signal transducers, in the
465 diploblastic metazoan *Hydra*. *Dev. Genes. Evol.* **211**, 597-602.
- 466 Hoppler, S. and Moon, R. T. (1998). BMP-2/-4 and Wnt-8 cooperatively pattern the *Xenopus*
467 mesoderm. *Mech. Dev.* **71**, 119-129.
- 468 Hsu, D. R., Economides, A. N., Wang, X., Eimon, P. M. and Harland, R. M. (1998). The
469 *Xenopus* Dorsalizing Factor Gremlin Identifies a Novel Family of Secreted Proteins that
470 Antagonize BMP Activities. *Mol. Cell.* **1**(5), 673-683.
- 471 Im, J., Kim, H., Kim, S. and Jho, E. H. (2007). Wnt/beta-catenin signaling regulates expression
472 of PRDC, an antagonist of the BMP-4 signaling pathway. *Biochem. Biophys. Res.*
473 *Commun.* **354**, 296-301.
- 474 Itasaki, N. and Hoppler, S. (2010). Crosstalk between Wnt and bone morphogenic protein
475 signaling: a turbulent relationship. *Dev. Dyn.* **239**, 16-33.
- 476 Jin, E. J., Erickson, C. A., Takada, S. and Burrus, L. W. (2001). Wnt and BMP signaling govern
477 lineage segregation of melanocytes in the avian embryo. *Dev. Biol.* **233**, 22-37.
- 478 Kadu, V., Ghaskadbi, S. S., Ghaskadbi, S. (2012). Induction of secondary axis in *hydra* revisited:
479 New insights into pattern formation. *Int. J Mol. Cell Med.* **1**(1), 11-20.

- 480 Kattamuri, C., Nolan, K. and Thompson, T. B. (2017). Analysis and identification of the Grem2
481 heparin/heparan sulfate-binding motif. *Biochem. J.* **474**(7), 1093-1107.
- 482 Khokha, M. K., Hsu, D., Brunet, L. J., Dionne, M. S. and Harland, R. M. (2003). Gremlin is the
483 BMP antagonist required for maintenance of Shh and Fgf signals during limb patterning.
484 *Nat. Genet.* **34**(3), 303-307.
- 485 Klapholz-Brown, Z., Walmsley, G. G., Nusse, Y. M., Nusse, R. and Brown, P. O. (2007).
486 Transcriptional program induced by Wnt protein in human fibroblasts suggests
487 mechanisms for cell cooperativity in defining tissue microenvironments. *PLoS One.* 2(9),
488 e945.
- 489 Komiya, Y. and Habas, R. (2008). Wnt signal transduction pathways. *Organogenesis.* 4, 68-75.
- 490 Krishnapati, L. S. and Ghaskadbi, S. (2013). Isolation and characterization of VEGF and FGF
491 from hydra. *Int. J. Dev. Biol.* **57**(11-12), 897-906.
- 492 Massagué, J. (1998). TGF-beta signal transduction. *Annu. Rev. Biochem.* **67**, 753-791.
- 493 Nissim, S., Hasso, S. M., Fallon, J. F. and Tabin CJ (2006). Regulation of Gremlin expression in
494 the posterior limb bud. *Dev. Biol.* **299**(1), 12-21.
- 495 Petersen, C. P. and Reddien, P. W. (2009). Wnt signaling and the polarity of the primary body
496 axis. *Cell*, **139**, 1056-1068.
- 497 Philipp, I., Aufschnaiter, R., Ozbek, S., Pontasch, S., Jenewein, M., Watanabe, H., Rentzsch, F.,
498 Holstein, T. W. and Hobmayer, B. (2009). Wnt/ β -Catenin and noncanonical Wnt
499 signaling interact in tissue evagination in the simple eumetazoan *Hydra*. *Proc. Natl.*
500 *Acad. Sci. (U S A)*. **106**, 4290-4295.
- 501 Reddy, P. C., Barve, A. and Ghaskadbi, S. (2011). Description and phylogenetic characterization
502 of common hydra from India. *Curr. Sci.* **101**, 736-738.

- 503 Re'em-Kalma, Y., Lamb, T. and Frank, D. (1995). Competition between noggin and bone
504 morphogenetic protein 4 activities may regulate dorsalization during *Xenopus*
505 development. *Proc. Natl. Acad. Sci. U S A.* 19; **92**(26), 12141-12145.
- 506 Reinhardt, B., Broun, M., Blitz, I. L. and Bode, H. R. (2004). HyBMP5-8b, a BMP5-8
507 orthologue, acts during axial patterning and tentacle formation in hydra. *Dev. Biol.* **267**,
508 43-59.
- 509 Rentzsch, F., Anton, R., Saina, M., Hammerschmidt, M., Holstein, T.W. and Technau, U.
510 (2006). Asymmetric expression of the BMP antagonists chordin and gremlin in the sea
511 anemone *Nematostella vectensis*: Implications for the evolution of axial patterning. *Dev.*
512 *Biol.* **296**, 375-387.
- 513 Sekiya, T., Adachi, S., Kohu, K., Yamada, T., Higuchi, O., Furukawa, Y., Nakamura, Y.,
514 Nakamura, T., Tashiro, K., Kuhara, S., et al. (2004). Identification of BMP and activin
515 membrane-bound inhibitor (BAMBI), an inhibitor of transforming growth factor-beta
516 signaling, as a target of the beta-catenin pathway in colorectal tumor cells. *J. Biol. Chem.*
517 **279**(8), 6840-6846.
- 518 Sugiyama, T. and Fujisawa, T. (1977). Genetic analysis of developmental mechanisms in Hydra.
519 I. Sexual reproduction of Hydra magnipapillata and isolation of mutants. *Develop.*
520 *Growth. Differ.* **19**, 187-200.
- 521 Theisen, H., Haerry, T. E., O'Connor, M. B. and Marsh, J. L. (1996). Developmental territories
522 created by mutual antagonism between Wingless and Decapentaplegic.
523 *Development.* **122**(12), 3939-3948.
- 524 Trompouki, E., Bowman, T. V., Lawton, L. N., Fan, Z. P., Wu, D. C., DiBiase, A., Martin, C.
525 S., Cech, J. N., Sessa, A. K., Leblanc, J. L., et al. (2011). Lineage regulators direct BMP
526 and Wnt pathways to cell-specific programs during differentiation and regeneration.
527 *Cell.* **147**(3), 577-589.
- 528 Verheyden, J. M. and Sun, X. (2008). An Fgf/Gremlin Inhibitory Feedback Loop Triggers
529 Termination of Limb Bud Outgrowth. *Nature.* **454**(7204), 638-641.

530 Walsh, D. W., Godson, C., Brazil, D. P. and Martin, F. (2010). Extracellular BMP-antagonist
531 regulation in development and disease: tied up in knots. *Trends. Cell. Biol.* **20**(5), 244-
532 256.

533 Zhang, J. and Li, L. (2005). BMP signaling and stem cell regulation. *Dev. Biol.* **284**, 1-11.

534 Zhu, X. J., Liu, Y., Dai, Z. M., Zhang, X., Yang, X., Li, Y., Qiu, M., Fu, J., Hsu, W., Chen, Y. et
535 al (2014). BMP-FGF signaling axis mediates Wnt-induced epidermal stratification in
536 developing mammalian skin. *PLoS Genet.* **10**(10): e1004687.

537

538 **Figure legends**

539

540 **Fig. 1 Identification of *gremlin* in hydra.** Amplification of 483 bp complete coding sequence of
541 *gremlin* from hydra using PCR (a). Translated peptide sequence of Gremlin (b) and Noggin (c)
542 shows N-terminal signal peptide (brown), conserved CTC domain (blue) and conserved Cysteine
543 residues (red) involved in the formation of eight and ten membered ring respectively. Potential
544 glycosylation sites, NXT/NXS in both protein sequences are shown in pink. Multiple alignment
545 of gremlin (e) across different organisms (d) from hydra to vertebrates shows conserved C-
546 terminal region. Sequence alignment between hydra Gremlin and Noggin shows variable N-
547 terminal and conserved C-terminal regions (f).

548

549 **Fig. 2 Homology models of hydra Gremlin and Noggin.** Predicted homology models
550 generated using UCSF Chimera program showed topological conservation of hydra Gremlin (A)
551 and Noggin (B). Superimposed models of hydra Gremlin and Noggin shows maximum root
552 mean square (RMS) deviation with *Nematostella vectensis* (0.89Å) and *Ambystoma mexicanum*
553 (0.42 Å) respectively. RMS values for each organism are shown inset of each predicted model.

554

555 **Fig. 3 Localization of *gremlin* and *noggin* in hydra.** Gremlin (A) is expressed in the budding
556 region and body column of non-budding polyp (b), with no expression in the basal disc and
557 hypostome. In developing buds, stages-3 (c), -4e (d), -5e (e) and -7 (f), predominant expression
558 is seen during budding in the early stages (shown by arrows in Ac, d, e). *Noggin* expression (B)
559 is predominant in the hypostome, base of the tentacles, lower body column and in the basal

560 region in non-budding polyp (b). In developing buds, stages-3 (c), -4c (d), -5c (e) and -6 (f),
561 *noggin* is seen as spots at the sites where new tentacles would emerge (shown by arrows in Bc, d,
562 e). ‘Aa’ and ‘Ba’ represent polyps hybridized with sense probes for *gremlin* and *noggin*,
563 respectively.

564

565 **Fig. 4 Localization of *noggin* in alsterpaullone treated polyps.** Expression of *noggin* is
566 observed as distinct spots in the 2/3rd body column of alsterpaullone treated polyps (A) at 48 (d),
567 72 (e) and 96 h (f). *Noggin* expression in DMSO treated polyps is seen in hypostome, base of the
568 tentacles and basal region (Aa, b, c). Scale bar = 200 μ m. Sections passing through whole hydra
569 (B) show endodermal expression of *noggin* in the body column (b) and foot region (c). Sections
570 passing through alsterpaullone treated hydra (C) show endodermal expression of *noggin* at the
571 base of the ectopic tentacles formed in the body column (b, c). ‘Ba’ and ‘Ca’ represent sections
572 passing through the control polyp hybridized with sense probes.

573

574 **Fig. 5 Localization of *gremlin* in alsterpaullone treated polyps.** *Gremlin* (A) shows ubiquitous
575 expression, except in the hypostome and foot region in alsterpaullone treated polyps (b, c, d).
576 Scale bar = 200 μ m. Magnified views of alsterpaullone treated polyps (B) show diffused
577 expression in the body column (Bc) and show lack of expression in the head (H) and foot regions
578 (F) after 48 (a), 72 (b) and 96 h (c). Sections passing through head, body column and foot
579 regions of control polyp (C) show lack of expression in the hypostome (a) and foot (c) while
580 endodermal expression is seen in the body column (b).

581

582 **Fig. 6 Effect of Wnt pathway on *BMP 5-8b* expression.** Downregulation of *BMP 5-8b* at 0.5 h
583 (Aa) post recovery in hydra medium was seen with activated Wnt signaling. Similar pattern of
584 expression was seen at 4 (Ba), 24 (Ca) and 48 h (Da). No significant change was seen with
585 *noggin* and *gremlin* expression at 0.5 (Aa), 4 (Ba) and 24 h (Ca). At 48 h post recovery,
586 downregulation of both *noggin* and *gremlin* was seen (Da). No change in *FGF* levels was seen at
587 0.5 (Aa) and 4 h (Ba), while significant downregulation was seen at 24 h (Ca). Recovery of basal
588 levels of *BMP5-8b* was seen from 0.5 h till 48 h, while no significant change was observed for
589 *gremlin* and *noggin* (e). Histograms show normalized values of *Wnt3*, *noggin*, *gremlin*, *BMP5-8b*
590 and *FGF* against *EF1- α* at 0.5, 4, 24 and 48 h (Ab; Bb; Cb; Db).

591 **S1. *Gremlin* and *noggin* expression in regenerating hydra.** No expression of *gremlin* (A) was
592 seen in foot regenerating (a-d) and head regenerating (e-h) pieces after 1, 2, 4 and 24 h
593 respectively post mid-gastric bisection. No significant expression of *noggin* (B) was seen in both
594 foot regenerating (a-d) and head regenerating (e-h) pieces at 0, 2, 4 and 18 h post mid-gastric
595 bisection. Original expression of *gremlin* (A) in the budding region of foot pieces and *noggin* (B)
596 in the hypostome, base of the tentacles in head pieces and at the basal disc in foot pieces is
597 observed.

598

599

600

601

602

603

604

605

606

607

608

609

610

611

612

613

614

615

616

617

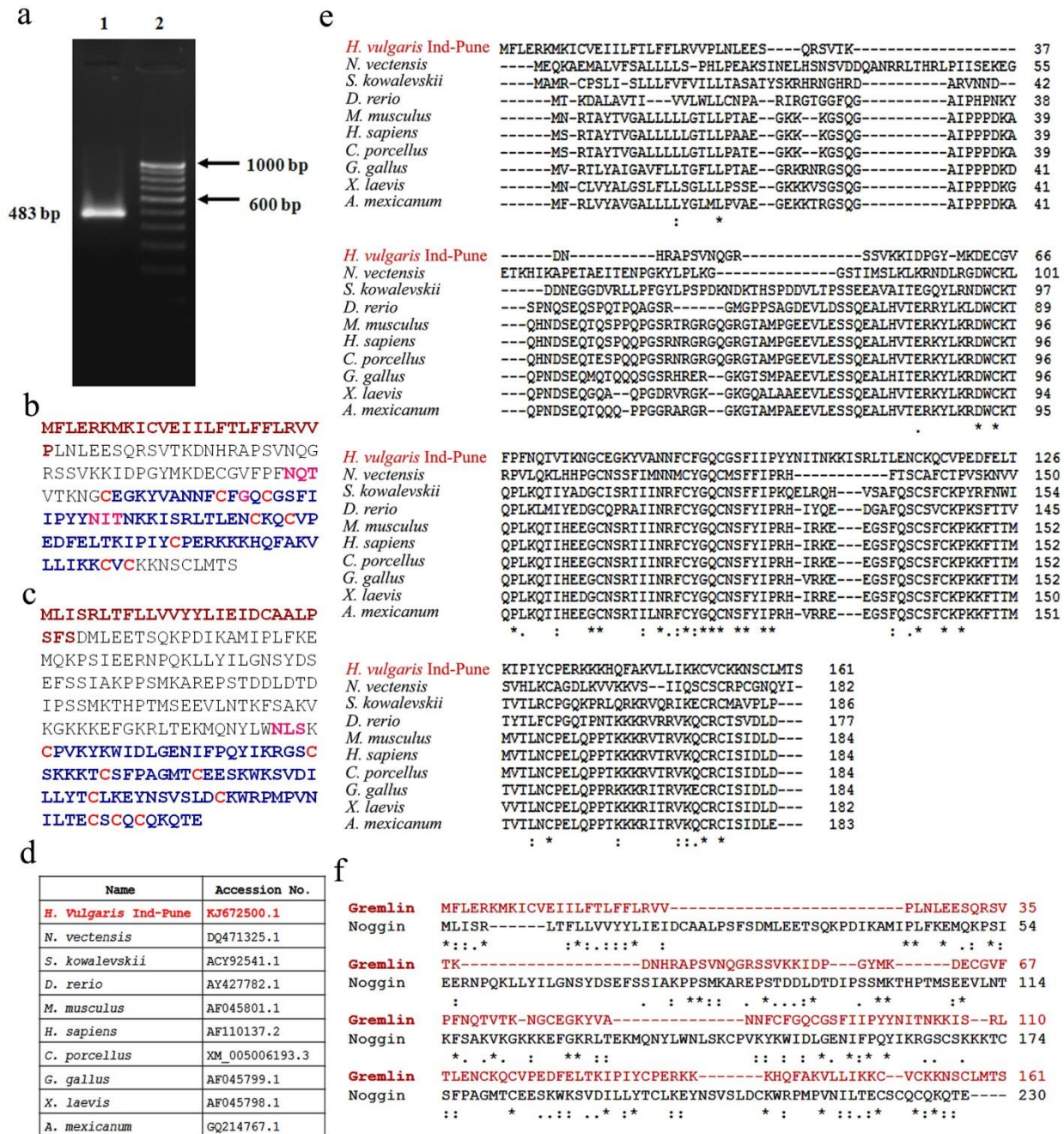
618

619

620

621

622 Fig. 1



623

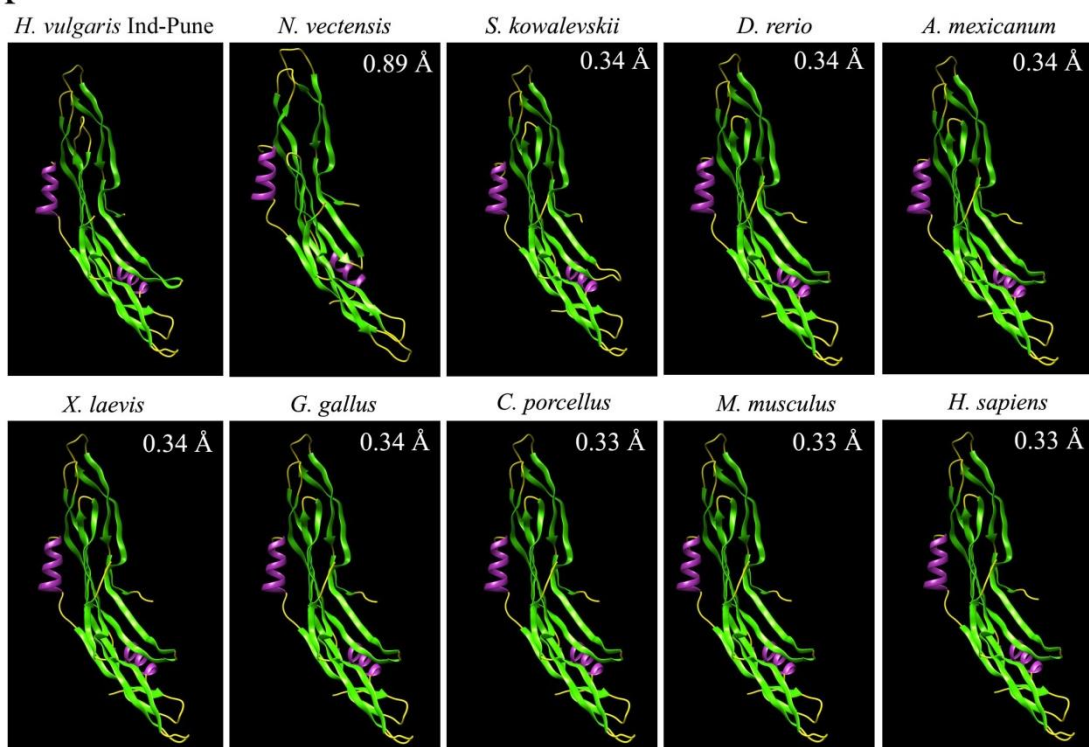
624

625

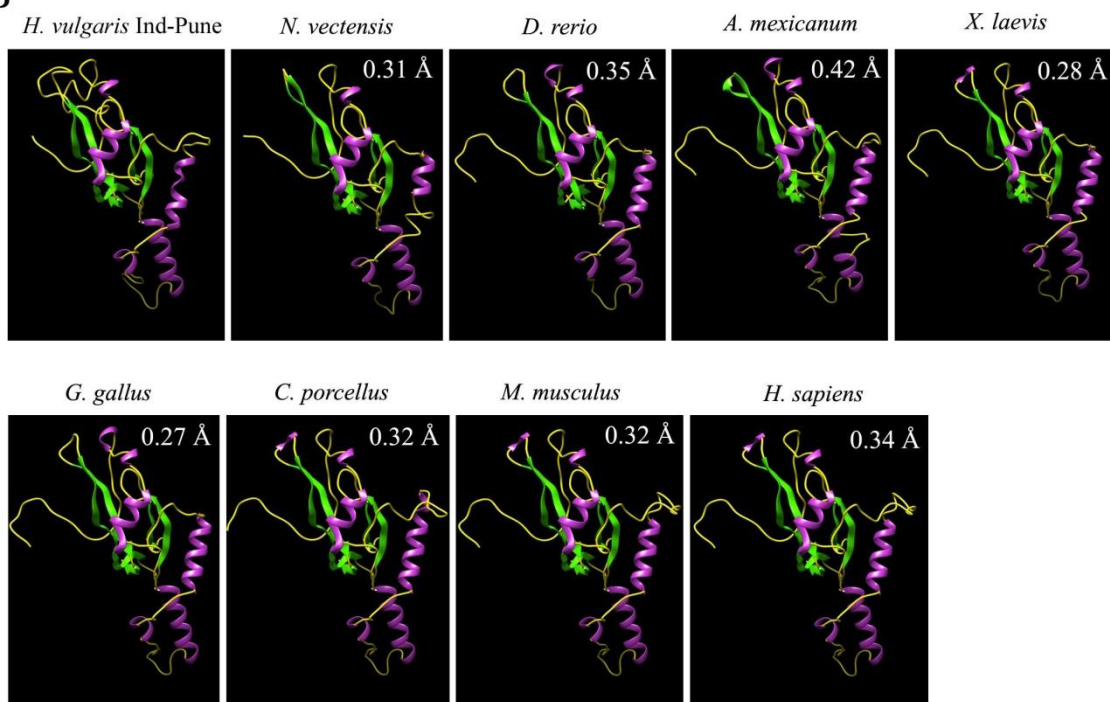
626

627 Fig. 2

A



B



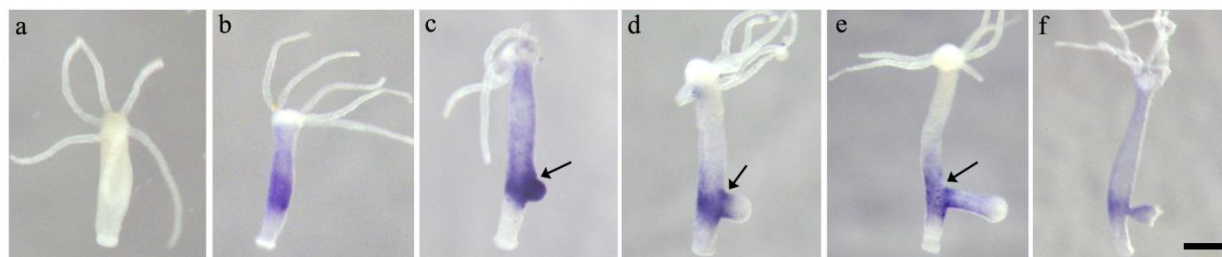
628

629

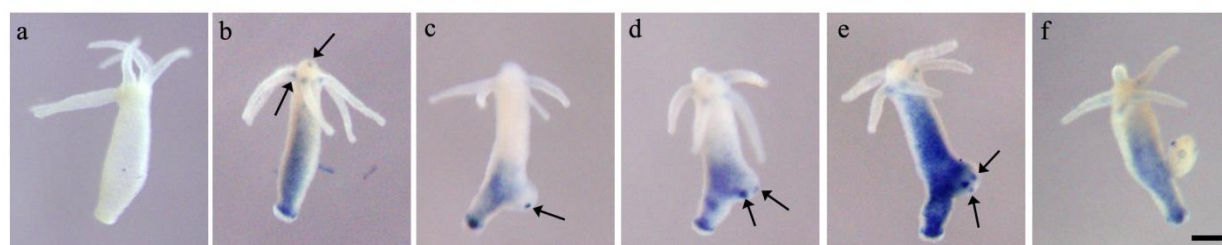
630

631 Fig. 3

A



B



632

633

634

635

636

637

638

639

640

641

642

643

644

645

646

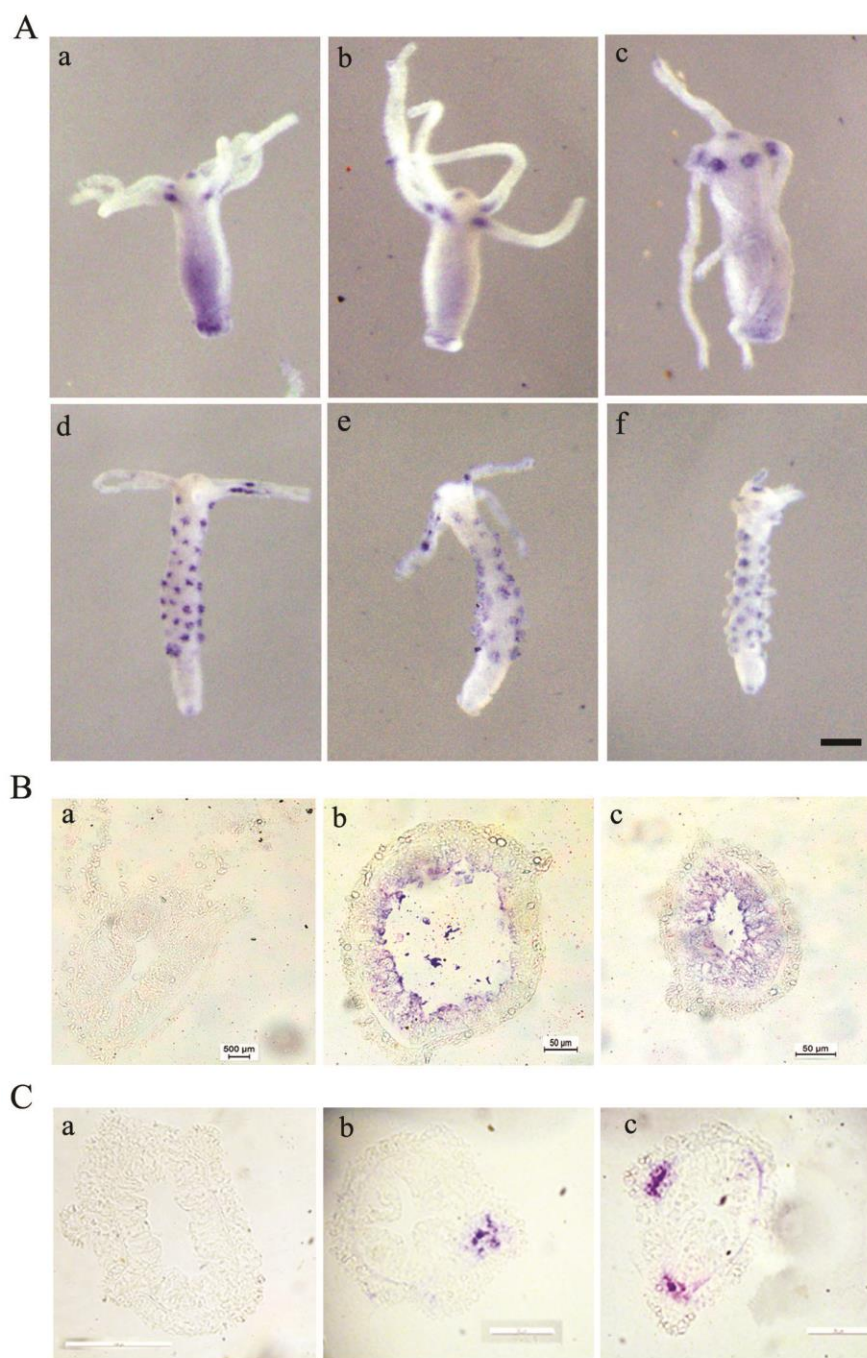
647

648

649

650

651 Fig. 4



652

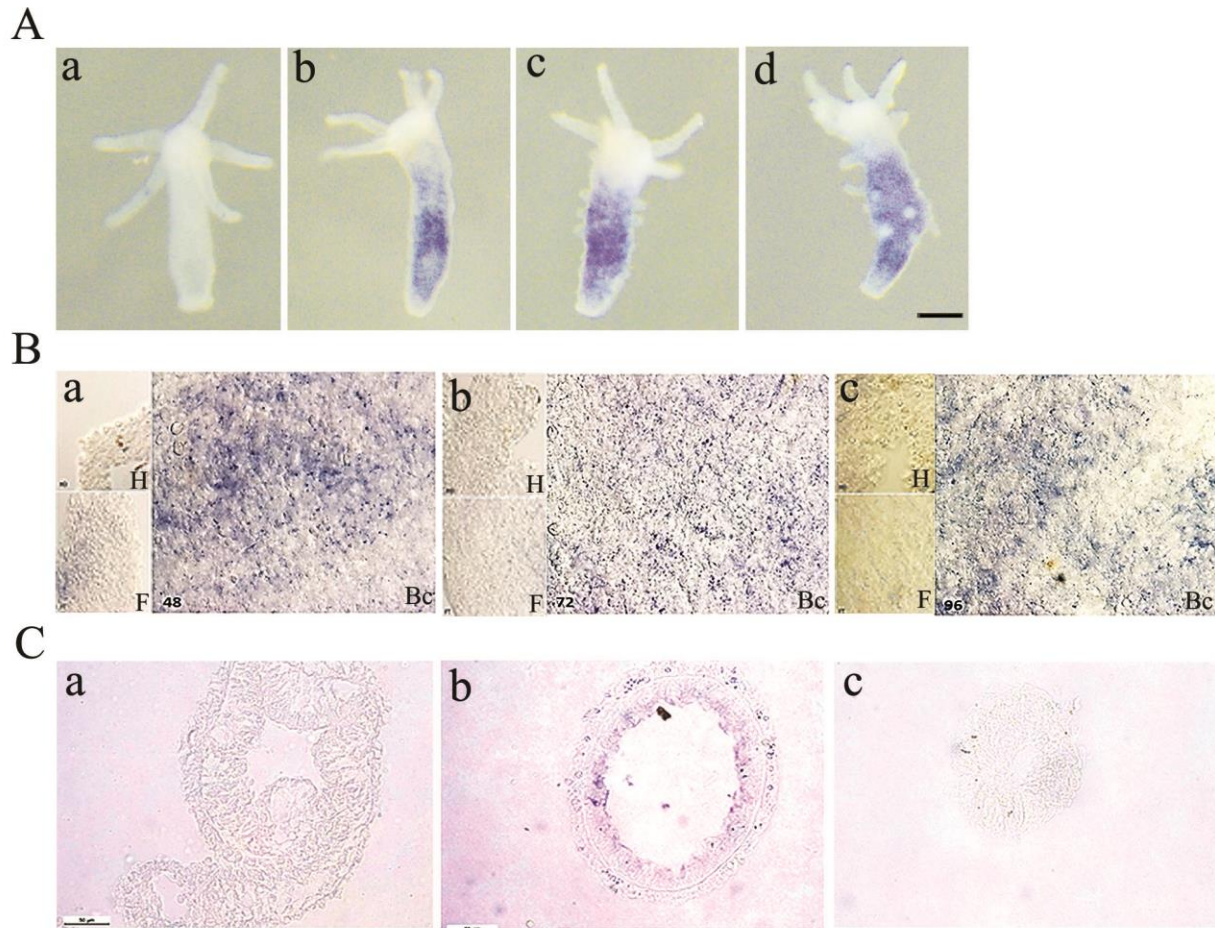
653

654

655

656

657 Fig. 5



658

659

660

661

662

663

664

665

666

667

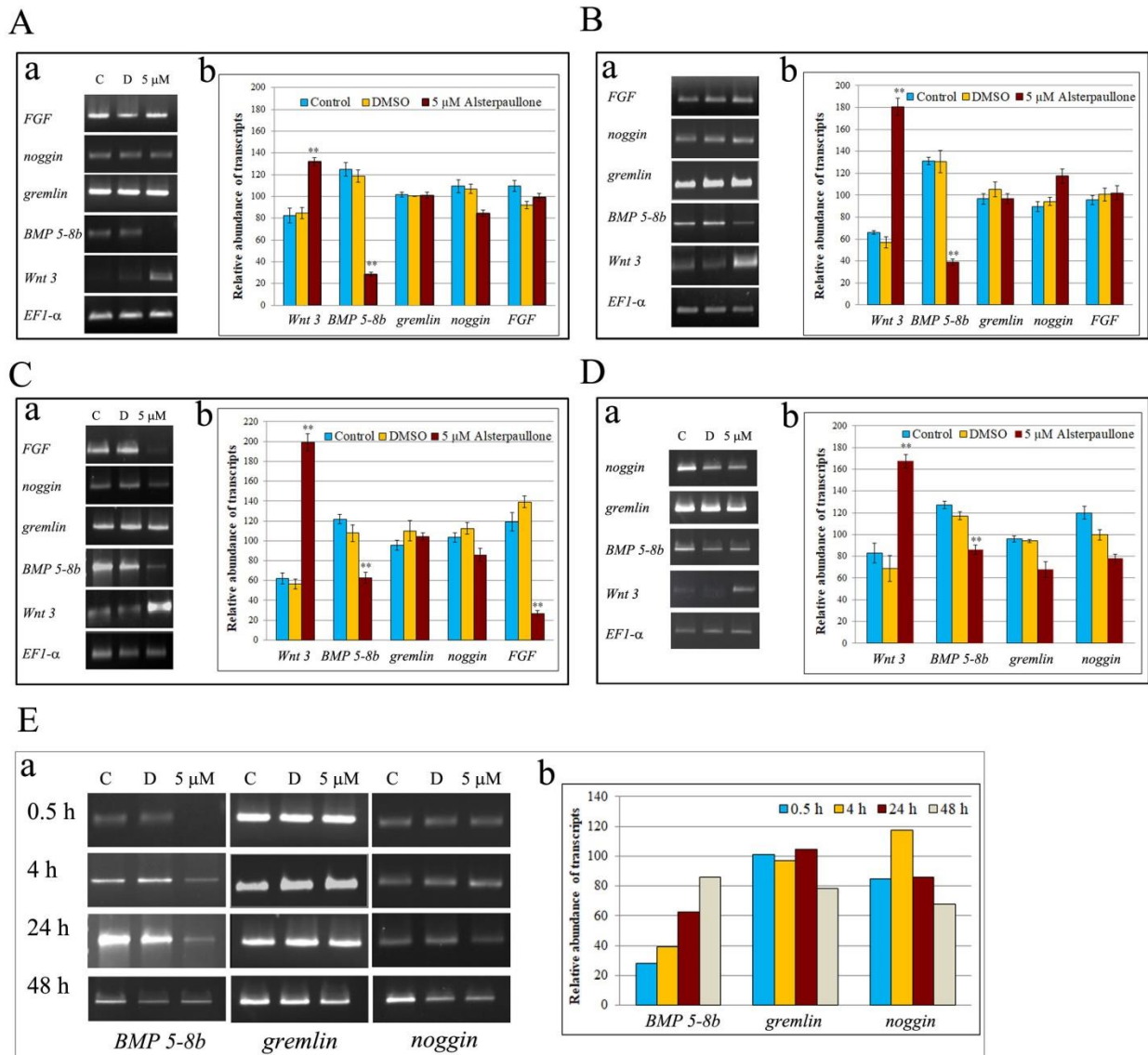
668

669

670

671

672 Fig. 6



673

674

675

676

677

678

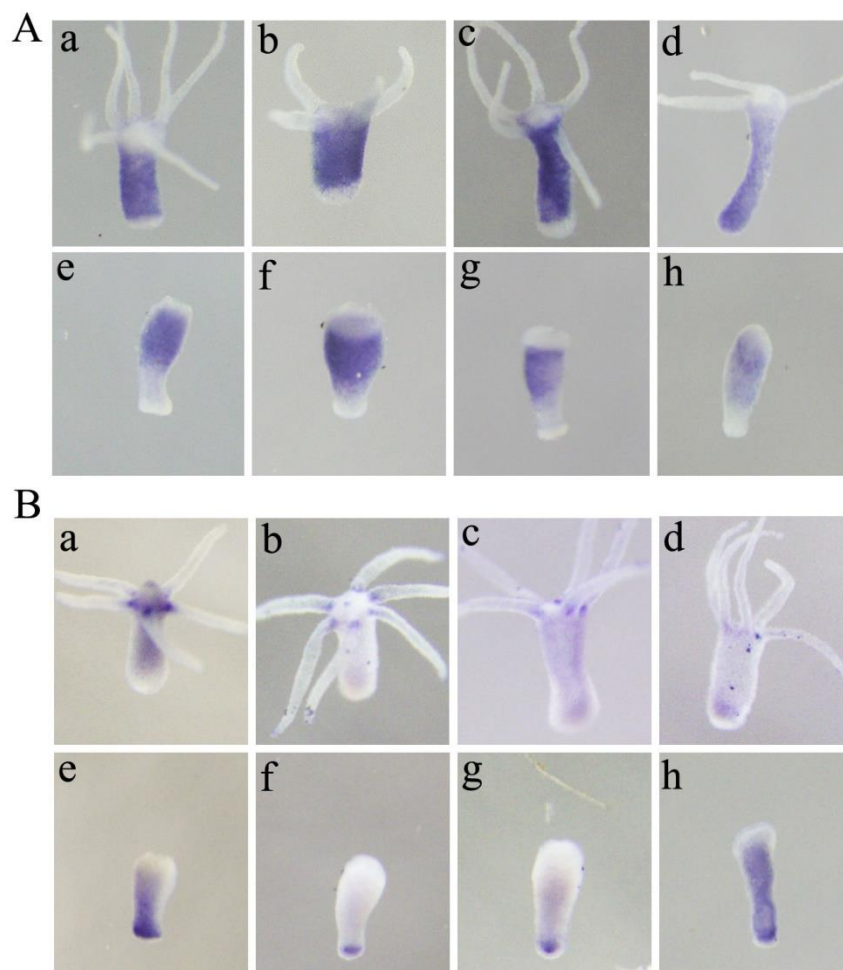
679

680

681

682

683 S1



684