



Independent Auditor's Report

To the Members of Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Private Limited)

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

288, Ghallib Apartments, Parwana Road, Pitampura, Delhi 110034, India
Ph. :- 91-11-27020321, 9313675636 Email:- vibhor@vpguptaandco.com



Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 with reference to financial statements 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 Board of Directors' 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;
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure B, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 of the accompanying financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position as at 31 March 2023;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;



- iv.
- a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

For **Vibhor Gupta & Associates**
Chartered Accountant
Firm's Registration No. 022402N



CA Vibhor Gupta
Proprietor
Membership No.: 512698
UDIN: 2351269886 XNMI8166

Place: Delhi
Date: April 21, 2023

Annexure A to the Independent Auditor's Report of even date to the members of Medibox Pharma Pvt. Ltd. (formerly known as Medibox Digital Solutions Private Limited), on the financial statements for the period ended 31 March 2023

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) In our opinion, the Company does not have any property, plant and equipment and intangible assets, accordingly, provisions of clause 3(i)(a) to (e) of the Order are not applicable.
- (ii) In our opinion, the Company does not have inventory and accordingly, provisions of clause 3(ii)(a) and (b) of the Order are not applicable.
- (iii) The Company has not made any investments or provided any guarantee or security or loans and advances in the nature of loans to companies, firms and other parties and accordingly provisions of clause 3(iii)(a) to (f) of the Order are not applicable to the Company.
- (iv) The Company has not given any loans, investments, guarantees and security and hence provisions of Section 185 and 186 of the Companies Act are not applicable to the Company.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) In our opinion, the cost records have not been specified by the Central Government. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vii) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the period-end for a period of more than six months from the date they became payable.
 - (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax which are outstanding on account of any dispute.
- (viii) In our opinion, there is no transaction which was not been recorded in the books of account and have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix)(a) The Company have not taken any loans and accordingly the provisions of clause 3(ix)(a), 3(ix)(c) to 3(ix)(f) of the Order are not applicable.
 - (b) In our opinion, the Company has not been declared wilful defaulter by any bank or financial institution or other lender:
- (x) The Company have not raised any money by way of initial public offer or further public offer (including debt instruments) or made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the period and accordingly the provisions of clause 3(x) of the Order are not applicable.
- (xi) (a) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
 - (b) In our opinion, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies



Annexure A to the Independent Auditor's Report of even date to the members of Medibox Pharma Pvt. Ltd. (formerly known as Medibox Digital Solutions Private Limited), on the financial statements for the period ended 31 March 2023 (cont'd)

(Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

- (c) In our opinion, no whistle-blower complaints, have been received during the period by the company;
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013:
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) The Company has not incurred any cash losses in the financial period and in the immediately preceding financial year;
- (xviii) There has been no resignation of the statutory auditors during the period and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios and information accompanying the financial statements, our knowledge of the Board of Directors 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 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) The provisions of Section 135 are not applicable to the Company and accordingly provisions of clause (xx)(a) and (b) of the Order are not applicable
- (xxi) Consolidated financial statements are not applicable to the Company and accordingly provisions of clause (xxi) of the Order are not applicable

For Vibhor Gupta & Associates

Chartered Accountant

(Firm Registration No. 022402N)



CA Vibhor Gupta

Proprietor

Membership No.: 512698

Place: Delhi

Date: April 21, 2023

UDIN : 2351269806XNM18166

Annexure “B” to the independent auditor’s report of even date on the financial statements of Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Private Limited.

Report on the Internal Financial Controls under Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of “Report on Other Legal and Regulatory Requirements” section:

We have audited the internal financial controls with reference to financial statements of **Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Private Limited** (“the Company”) as of March 31, 2023 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 with reference to financial statements 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures



selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial control with reference to financial statements 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 ICAI.

For Vibhor Gupta & Associates

Chartered Accountant

(Firm Registration No. 022402N)

Vibhor



CA Vibhor Gupta

Proprietor

Membership No.: 512698

Place: Delhi

Date: April 21, 2023

UDIN: 2351269886xNMI8166



Vibhor Gupta & Associates

Chartered Accountants

Independent Auditor's Report

To the Members of Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Private Limited)

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Private Limited ('the Company')), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

288, Ghalib Apartments, Parwana Road, Pitampura, Delhi 110034, India

Ph. :- 91-11-27020321, 9313675636 Email:- vibhor@vpguptaandco.com



Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 with reference to financial statements 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 Board of Directors' 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;
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure B, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 of the accompanying financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position as at 31 March 2023;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;



- iv.
- a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

For **Vibhor Gupta & Associates**
Chartered Accountant
Firm's Registration No. 022402N



CA Vibhor Gupta
Proprietor
Membership No.: 512698
UDIN: 23512698 BGXNMJ8166

Place: Delhi
Date: April 21, 2023

Annexure A to the Independent Auditor's Report of even date to the members of Medibox Pharma Pvt. Ltd. (formerly known as Medibox Digital Solutions Private Limited), on the financial statements for the period ended 31 March 2023

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) In our opinion, the Company does not have any property, plant and equipment and intangible assets, accordingly, provisions of clause 3(i)(a) to (e) of the Order are not applicable.
- (ii) In our opinion, the Company does not have inventory and accordingly, provisions of clause 3(ii)(a) and (b) of the Order are not applicable.
- (iii) The Company has not made any investments or provided any guarantee or security or loans and advances in the nature of loans to companies, firms and other parties and accordingly provisions of clause 3(iii)(a) to (f) of the Order are not applicable to the Company.
- (iv) The Company has not given any loans, investments, guarantees and security and hence provisions of Section 185 and 186 of the Companies Act are not applicable to the Company.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) In our opinion, the cost records have not been specified by the Central Government. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vii) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the period-end for a period of more than six months from the date they became payable.
 - (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax which are outstanding on account of any dispute.
- (viii) In our opinion, there is no transaction which was not been recorded in the books of account and have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix)(a) The Company have not taken any loans and accordingly the provisions of clause 3(ix)(a), 3(ix)(c) to 3(ix)(f) of the Order are not applicable.
 - (b) In our opinion, the Company has not been declared wilful defaulter by any bank or financial institution or other lender:
- (x) The Company have not raised any money by way of initial public offer or further public offer (including debt instruments) or made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the period and accordingly the provisions of clause 3(x) of the Order are not applicable.
- (xi) (a) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
 - (b) In our opinion, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies



Annexure A to the Independent Auditor's Report of even date to the members of Medibox Pharma Pvt. Ltd. (formerly known as Medibox Digital Solutions Private Limited), on the financial statements for the period ended 31 March 2023 (cont'd)

(Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

- (c) In our opinion, no whistle-blower complaints, have been received during the period by the company;
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013:
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) The Company has not incurred any cash losses in the financial period and in the immediately preceding financial year;
- (xviii) There has been no resignation of the statutory auditors during the period and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios and information accompanying the financial statements, our knowledge of the Board of Directors 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 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) The provisions of Section 135 are not applicable to the Company and accordingly provisions of clause (xx)(a) and (b) of the Order are not applicable
- (xxi) Consolidated financial statements are not applicable to the Company and accordingly provisions of clause (xxi) of the Order are not applicable

For Vibhor Gupta & Associates

Chartered Accountant

(Firm Registration No. 022402N)

Vibhor
CA Vibhor Gupta



Proprietor

Membership No.: 512698

Place: Delhi

Date: April 21, 2023

UDIN : 23512698BGXNM18166

Annexure “B” to the independent auditor’s report of even date on the financial statements of Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Private Limited.

Report on the Internal Financial Controls under Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of “Report on Other Legal and Regulatory Requirements” section:

We have audited the internal financial controls with reference to financial statements of **Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Private Limited (“the Company”)** as of March 31, 2023 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 with reference to financial statements 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures



selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial control with reference to financial statements 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 ICAI.

For Vibhor Gupta & Associates

Chartered Accountant

(Firm Registration No. 022402N)

Vibhor



CA Vibhor Gupta

Proprietor

Membership No.: 512698

Place: Delhi

Date: April 21, 2023

UDIN: 23512698BGXNMI8166

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)

CIN- U72900DL2016PTC399490

201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034

Balance Sheet as at March 31, 2023

(Amount in Rs.)

| Particulars | Notes | As at March 31,2023 | As at March 31,2022 |
|-------------------------------------|-------|------------------------|------------------------|
| ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Non-current tax assets | 3 | - | 2,38,290 |
| Total non-current assets | | - | 2,38,290 |
| (2) Current assets | | | |
| (b) Financial assets | | | |
| (i) Trade receivables | 4 | - | 2,74,93,000 |
| (ii) Cash and cash equivalents | 5 | 4,68,430 | 3,67,871 |
| Total current assets | | 4,68,430 | 2,78,60,871 |
| Total assets | | 4,68,430 | 2,80,99,161 |
| (1) EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 6 | 38,53,030 | 38,53,030 |
| (b) Other equity | 7 | (33,89,600) | 2,42,41,130 |
| Total equity | | 4,63,430 | 2,80,94,160 |
| (2) Liabilities | | | |
| Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Trade payables | 8 | 5,000 | 5,000 |
| Total current liabilities | | 5,000 | 5,000 |
| Total equity and liabilities | | 4,68,430 | 2,80,99,161 |

Significant accounting policies

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For Vibhor Gupta & Associates

Chartered Accountant

Registration No. 022402N

Vibhor



CA Vibhor gupta

Proprietor

Membership No. 512698

Place : Delhi

Date : April 21, 2023

For and on behalf of the Board of Directors of
Medibox Pharma Private Limited
(formerly known as Medibox Digital Solutions Pvt. Ltd.)

Arushi Jain

Arushi Jain

Director

DIN:08012943

Dharamvir Malik

Dharamvir Malik

Director

DIN:06758188

UDIN: 23512698BGXNM18166

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)
CIN- U72900DL2016PTC399490
201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034
Statement of Profit and Loss for the year ended March 31, 2023
(Amount in Rs.)

| Particulars | | Notes | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-------------|--|-------|------------------------------|------------------------------|
| I | Income | | | |
| | Revenue from operations | | | |
| | Sale of services | 9 | - | 58,88,295 |
| | Other operating income | 9 | - | 9,21,577 |
| | Other income | 10 | 10,270 | 4,36,71,713 |
| | Total income (I) | | 10,270 | 5,04,81,585 |
| II | Expenses | | | |
| | Employee benefits expense | 11 | - | 2,30,99,993 |
| | Other expenses | 12 | 2,76,41,000 | 1,12,65,921 |
| | Total expenses (II) | | 2,76,41,000 | 3,43,65,914 |
| III | Earnings before interest, tax, depreciation and amortisation (EBITDA)(1-II) | | (2,76,30,730) | 1,61,15,672 |
| IV | Finance costs | 13 | - | 15,10,344 |
| V | Depreciation and amortization | 2 | - | 30,20,441 |
| VI | Profit/(Loss) before tax | | (2,76,30,730) | 1,15,84,886 |
| VII | Less: Tax expense | | - | - |
| VIII | Profit/(Loss) after tax (VI-VII) | | (2,76,30,730) | 1,15,84,886 |
| IX | Other comprehensive income | | | |
| | Re-measurement gains/(losses) on defined benefit liability-Gratuity | | - | 8,76,110 |
| | Total other comprehensive income (net of tax) | | - | 8,76,110 |
| X | Total comprehensive income/(loss) (VIII+IX) | | (2,76,30,730) | 1,24,60,996 |
| XI | Earnings per equity share | 14 | | |
| | Basic earnings per share | | (71.71) | 30.07 |
| | [Nominal value of share Rs.10/- (Rs. 10/-) each] | | | |

Significant accounting policies 1
The accompanying notes form an integral part of these financial statements.
As per our report of even date attached

For Vibhor Gupta & Associates

Chartered Accountants

Registration No. 022402N



CA Vibhor Gupta
Proprietor
Membership No. 512698

Place : Delhi

Date : April 21, 2023

For and on behalf of the Board of Directors of
Medibox Pharma Private Limited

(formerly known as Medibox Digital Solutions Pvt. Ltd.)


Arushi Jain
Director
DIN:08012943


Dharamvir Malik
Director
DIN:06758188

UDIN: 2351269886XNJI8166

| Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.) CIN- U72900DL2016PTC399490 201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034 Statement of Change in Equity for the year ended on March 31,2023 a. Equity share capital | | | |
|--|--------------------|---|---|
| Particulars | No. of shares | Amount in Rs. | |
| Equity shares of Rs. 10/- each issued, subscribed and fully paid | | | |
| As at March 31, 2021 | 3,85,303 | 38,53,030 | |
| Add: changes during the year | - | - | |
| As at March 31,2022 | 3,85,303 | 38,53,030 | |
| Add: changes during the year | - | - | |
| As at March 31,2023 | 3,85,303 | 38,53,030 | |
| b. Other equity (Amount in Rs.) | | | |
| Particulars | Other equity | | |
| | Securities premium | Retained earnings | Total other equity attributable to equity holders |
| Balance as of March 31,2021 | 27,22,54,850 | (26,04,74,716) | 1,17,80,134 |
| Other comprehensive income for the year | - | 8,76,110 | 8,76,110 |
| Profit for the year | - | 1,15,84,886 | 1,15,84,886 |
| Balance as of March 31,2022 | 27,22,54,850 | (24,80,13,720) | 2,42,41,130 |
| Other comprehensive income for the year | - | - | - |
| (Loss) for the year | - | (2,76,30,730) | (2,76,30,730) |
| Balance as of March 31,2023 | 27,22,54,850 | (27,56,44,450) | (33,89,599) |
| Significant accounting policies(Note-1) The accompanying notes form an integral part of the financial statements. As per our report of even date attached For Vibhor Gupta & Associates Chartered Accountant Registration No. 022402N CA Vibhor gupta Proprietor Membership No. 519698 Place : Delhi Date :April 21,2023 | | | |
| | | For and on behalf of the Board of Directors of Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.) | |
| | | Arushi Jain Director DIN:08012943 | Dharamvir Malik Director DIN:06758188 |

UDIN: 2351269886 XNMI8166

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)

CIN- U72900DL2016PTC399490

201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034

Cash Flow Statement for the year ended on March 31, 2023

(Amount in Rs.)

| Particulars | | As at March 31,2023 | As at March 31,2022 |
|--|----------------|------------------------|------------------------|
| A. Cash Flow from Operating Activities | | | |
| Net profit before tax | | (2,76,30,730) | 1,15,84,886 |
| Adjustments for | | | |
| Interest income | | - | (18,825) |
| Bad debts | | 2,74,73,000 | 4,58,870 |
| Profit on sale of property, plant & equipments | | - | (4,31,66,585) |
| Depreciation and amortization | | - | 30,20,441 |
| Gain on termination of lease | | - | (65,976) |
| Interest on Income Tax refund | | (10,270) | (49,861) |
| Operating profit before working capital changes | | (1,68,000) | (2,82,37,050) |
| Adjustments for working capital changes | | | |
| Trade receivables | | 20,000 | (2,26,57,454) |
| Other financial assets-non current | | - | 14,02,444 |
| Other current assets | | - | 1,33,81,166 |
| Trade payables | | - | (7,61,500) |
| Other financial liabilities-current | | - | (23,63,218) |
| Other current liabilities | | - | (24,07,600) |
| Cash generated from operations | | (1,48,000) | (4,16,43,212) |
| Direct tax paid/Income tax refund received | | 2,48,559 | 1,15,889 |
| Net Cash from/(used in) Operating Activities | (A) | 1,00,559 | (4,15,27,324) |
| B. Cash Flow from Investing Activities | | | |
| Sale of property, plant and equipments | | - | 4,41,27,762 |
| Fixed deposit with bank(incl. accrued interest) | | - | 6,03,121 |
| Interest received | | - | 18,825 |
| Net Cash from/(used in) Investing Activities | (B) | - | 4,47,49,708 |
| C. Cash Flow from Financing Activities | | | |
| Proceeds from Borrowings | | - | 1,40,00,000 |
| Borrowings repaid | | - | (2,35,00,000) |
| Payment of lease liabilities | | - | (11,74,534) |
| Net Cash from/(used in) Financing Activities | (C) | - | (1,06,74,534) |
| Net increase/(decrease)in Cash and Cash Equivalents | (A+B+C) | 1,00,559 | (74,52,149) |
| Cash and Cash Equivalents(Opening Balance) | | 3,67,871 | 78,20,020 |
| Cash and Cash Equivalents(Closing Balance)(ref.note7) | | 4,68,430 | 3,67,871 |
| Change in Cash and Cash Equivalents | | 1,00,559 | (74,52,149) |
| Significant accounting policies | Note 1 | | |

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For Vibhor Gupta & Associates

Chartered Accountant

Registration No. 022402N

CA Vibhor Gupta

Proprietor

Membership No. 12698

Place : Delhi

Date : April 21, 2023

For and on behalf of the Board of Directors of

Medibox Pharma Private Limited

(formerly known as Medibox Digital Solutions Pvt. Ltd.)

Arushi Jain

Arushi Jain

Director

DIN:08012943

Dharamvir Malik

Dharamvir Malik

Director

DIN:06758188

1 Company overview and significant accounting policies

1.1 Company overview

Medibox Pharma Private Ltd. (formerly known as Medibox Digital Solutions Pvt. Ltd.) ("the Company") is a private limited Company incorporated and domiciled in India and has its registered office at Delhi (previously in Banglore), India, previously it was in the business of providing digital (IT) platform for business development and B2B market place (i.e. online portal) for medicines and healthcare products. The Company is subsidiary of Maxcure Nutravedics Limited. The Company now plans to engage in trading of the pharmaceuticals formulations.

The financial statements for the year ended March 31, 2023 were authorized for issue in accordance with a resolution of the Board of Directors on 21/04/23.

1.2 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on accrual basis on historical cost convention, except as stated otherwise.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements including notes thereon are presented in Indian rupees, which is the functional currency of the company. All the financial information presented in Indian rupees has been rounded to the nearest lakhs as per the requirement of Schedule III to the Act, unless stated otherwise.

1.3 Use of judgment, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgment, estimates and assumptions

The Company based its judgement, assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The judgement and key assumptions concerning the future and other key sources for estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Significant judgement, estimates and assumptions

a) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company is having brought forward losses and unabsorbed depreciation that may be used to offset taxable income. The Company has tax planning opportunities available that could support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it can recognise deferred tax assets on the tax losses carried forward.

The Company has created deferred tax asset on other deductible temporary differences. Deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.



Notes to the financial statements

b) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Property, plant and equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on past experience of the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgement involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

d) Recognition and measurement of defined benefit obligations

The cost of defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are periodically reviewed at each reporting date.

e) Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgement around estimating the ultimate outcome of such past events and measurement of the obligation amount.

1.4 Classification of assets and liabilities into current/non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classifications of assets and liabilities.

1.5 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

| Particulars | Useful Life |
|------------------------|--------------------|
| Right of use | Period of lease |
| Furniture and fittings | 10 years |
| Office equipments | 5 years |
| Computer equipments | 3 years |



Notes to the financial statements

(the management believes as per past experience that the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013, as given above, best represent the period over which management expects to use these assets.)

Residual value of property, plant and equipment(except "ROU") has been taken as five percent of the cost of the assets.

Depreciation methods, useful lives and residual values are reviewed in each financial year end and adjusted prospectively, if appropriate.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in net profit in the Statement of Profit and Loss when incurred.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

1.6 Intangible assets

Intangible assets acquired are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

The Company uses a presumption that the useful life of an intangible asset is five years from the date when the asset is available for use. The cost thereof is amortised over a period of 5 years.

Amortization methods and useful lives are reviewed in each financial year end and adjusted prospectively, if appropriate.

The cost and related accumulated amortization are eliminated from the financial statements upon de-recognition of the intangible asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

1.7 Financial instruments

1.7.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

1.7.2 Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets(Investment)

The Company measured its investment at fair value through statement of profit and loss.

(iii) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

1.7.3. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.8 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses assumptions that are based on market conditions and risks existing at each reporting date.



Arun Jain

[Signature]

1.9 Impairment

a. Financial assets

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.10 Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

1.11 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders (after deducting preference dividend and attributable taxes, if any) of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date.

1.12 Taxes

Tax expense comprises current and deferred tax. Tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or recognized in other comprehensive income.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax for current and prior periods is recognized at the amount expected to be paid to the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.



Arunesh Jain

Vibhor Gupta

Notes to the financial statements

Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised 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 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.

1.13 Employees benefits

All employee benefits payable wholly within twelve months rendering service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives etc., and the expected cost of bonus are recognized during the period in which the employee renders related service.

Gratuity

The Company provides for gratuity, a defined retirement benefit, covering eligible employees. The Company provides a lump-sum payment for gratuity to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit(PUC) method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an liability. Gains and losses through re-measurements of the net defined benefit liability, which are not subsequently be reclassified to statement of profit and loss, are recognized in other comprehensive income.

Provident fund

Retirement benefits, in the form of Provident Fund, is defined as a contribution plan and the contribution is charged to the Statement of Profit and Loss of the year when the contribution to the fund is due.

There is no obligation other than the contribution payable to the provident fund.

1.14 Cash flow statement

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

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and bank deposit with banks where original maturity is three months or less.

1.15 Revenue recognition

The Company derives revenues primarily from business of IT services comprising of software development, IT platform for facilitating on-line marketing and related services. However, during the year the Company has started with trading of pharmaceutical formulations.



Aruni Jain *Shruti*

Notes to the financial statements

Ind AS 115 five step model is used to determine whether revenue should be recognised at a point in time or over time, and at what amount is as below:

- Step 1: Identify the contract with the customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products.

Sale of goods

Revenue from sale of product is recognised at the point in time when control of the asset is transferred to the customer, usually on dispatch of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable.

Sale of services

Arrangements with customers for software-related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Revenue on time-and-material contracts are recognized as the related services are performed.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer.

Revenue also excludes goods and service tax (GST) collected from customers, since GST not received by the Company on its own account. Rather, it is collected tax on value added to the commodity/services by the seller, on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Accordingly, it is excluded from revenue. Revenue from the sale of goods is net of returns.

1.16 Other income

Other income is comprised primarily of interest income and gain / loss on investments. Interest income is recognized using the effective interest method.

1.17 Leases

Where the Company is lessee

The Company's lease asset classes primarily consist of leases for office. 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 includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will 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.



Aruni Jain

Shalini

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)

CIN- U72900DL2016PTC399490

201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034

Notes to the financial statements

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

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 incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

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

1.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the Company.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

1.20 Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/(loss) and does not include depreciation and amortization expense, finance cost and tax expense.

1.21 There have been no standards which are notified but not yet effective.



Amit Jain

Mobile

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)
 CIN- U72900DL2016PTC399490
 201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034
 Notes to the financial statements

| Particulars | Property, plant and equipment, intangible assets and right of use assets | | | | | | Intangible assets | | | Right of Use assets (ROU) | | Total |
|--|--|-------------------|-----------|-----------|-----------------------|----------|-----------------------|-------------|------------------|---------------------------|---|-------------|
| | Furniture and Fittings | Office Equipments | Computers | Total | Intellectual Property | Software | Total | | Use assets (ROU) | Total | | |
| | | | | | | | Intellectual Property | Software | | | | |
| Gross Block | | | | | | | | | | | | |
| As at 31 March 2021 | 5,56,244 | 10,97,320 | 39,30,892 | 55,84,456 | 1,94,47,672 | 2,53,395 | 1,97,01,067 | 1,97,01,067 | 52,00,112 | 3,04,85,635 | | 3,04,85,635 |
| Additions during the year | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposal during the year | 5,56,244 | 10,97,320 | 39,30,892 | 55,84,456 | 1,94,47,672 | 2,53,395 | 1,97,01,067 | 1,97,01,067 | 52,00,112 | 3,04,85,635 | | 3,04,85,635 |
| As at 31 March 2022 | | | | | | | | | | | | |
| Additions during the year | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposal during the year | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 31 March 2023 | | | | | | | | | | | | |
| Accumulated Depreciation and amortization | | | | | | | | | | | | |
| As at 31 March 2021 | 2,87,697 | 7,72,644 | 32,37,213 | 42,97,554 | 1,79,89,095 | 1,60,331 | 1,81,49,426 | 1,81,49,426 | 36,40,079 | 2,60,87,059 | | 2,60,87,059 |
| Charge for the year | 36,187 | 80,933 | 2,08,605 | 3,25,725 | 14,58,577 | 93,064 | 15,51,641 | 15,51,641 | 11,43,075 | 30,20,441 | | 30,20,441 |
| On disposal | 3,23,884 | 8,53,577 | 34,45,818 | 46,23,279 | 1,94,47,672 | 2,53,395 | 1,97,01,067 | 1,97,01,067 | 47,83,154 | 2,91,07,500 | | 2,91,07,500 |
| As at 31 March 2022 | | | | | | | | | | | | |
| Charge for the year | - | - | - | - | - | - | - | - | - | - | - | - |
| On disposal | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 31 March 2023 | | | | | | | | | | | | |
| Net carrying value | | | | | | | | | | | | |
| As at 31 March 2022 | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 31 March 2023 | - | - | - | - | - | - | - | - | - | - | - | - |



(Handwritten signature)

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)
 CIN- U72900DL2016PTC399490
 201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034
 Notes to the financial statements

3. Non current tax assets (Amount in Rs.)

| Particulars | As at March 31,2023 | As at March 31, 2022 |
|-------------------|------------------------|-------------------------|
| Income tax assets | - | 2,38,290 |
| Total | - | 2,38,290 |

4. Trade receivables-current (Amount in Rs.)

| Particulars | As at March 31,2023 | As at March 31, 2022 |
|---|------------------------|-------------------------|
| Undisputed trade receivables- considered good | - | 2,74,93,000 |
| Total | - | 2,74,93,000 |

Ageing of the above trade receivables is as below

| Particulars | As at March 31,2023 | As at March 31, 2022 |
|------------------|------------------------|-------------------------|
| Less than 1 year | - | 2,74,93,000 |
| Total | - | 2,74,93,000 |

5. Cash and cash equivalents (Amount in Rs.)

| Particulars | As at March 31,2023 | As at March 31, 2022 |
|--|------------------------|-------------------------|
| Balance with scheduled banks-in current accounts | 4,68,430 | 3,67,871 |
| Total | 4,68,430 | 3,67,871 |



Arun Jain

Ghosh

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)
CIN- U72900DL2016PTC399490
201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034
Notes to the financial statements

| 6.Share capital | | |
|--|------------------------|----------------------------|
| (Amount in Rs.) | | |
| Particulars | As at March 31,2023 | As at March 31, 2022 |
| Authorised | | |
| 5,00,000(March 31,2022 5,00,000) equity shares of Rs.10 each | 50,00,000 | 50,00,000 |
| | 50,00,000 | 50,00,000 |
| Issued, subscribed & fully paid up | | |
| 3,85,303 (March 31,2022 3,85,303) equity shares of Rs.10 each fully paid | 38,53,030 | 38,53,030 |
| | 38,53,030 | 38,53,030 |
| Total | 38,53,030 | 38,53,030 |

6(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year.

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---------------------------------------|----------------------|-----------|----------------------|-----------|
| | No. of Shares | Rs. | No. of Shares | Rs. |
| Equity share | | | | |
| At the beginning of the year | 3,85,303 | 38,53,030 | 3,85,303 | 38,53,030 |
| Add: converted from preference shares | - | - | - | - |
| At the end of the year | 3,85,303 | 38,53,030 | 3,85,303 | 38,53,030 |

6(b) Terms/rights attached to:

Equity shares

The Company has only one class of equity shares having face value of Rs 10/- per share. Each equity shareholder is entitled to one vote per share.

In the event of winding up of the Company, the equity shareholders shall be entitled to be repaid remaining assets of the Company, after distribution of all preferential amounts, in the ratio of the amount of capital paid upon such equity shares. However, no such preferential amounts exist currently.

6(c) Details of shareholders holding in the Company

| Name of shareholders | As at March 31, 2023 | | As at March 31, 2022 | |
|---------------------------------------|----------------------|---------------|----------------------|---------------|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| Equity share | | | | |
| Akums Drugs and Pharmaceuticals Ltd.* | 1,54,121 | 40.00 | 1,54,121 | 40.00 |
| Maxcure Nutravedics Ltd.** | 2,31,182 | 60.00 | 2,31,182 | 60.00 |
| Total | 3,85,303 | 100.00 | 3,85,303 | 100.00 |

*Ultimate Holding Company

**Holding Company



Arushi Jain

7. Other equity (Amount in Rs.)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Security premium | | |
| Balance as at the beginning/ end of the year | 27,22,54,850 | 27,22,54,850 |
| Add: Addition during the year | - | - |
| Closing balance | 27,22,54,850 | 27,22,54,850 |
| Retained earning | | |
| Balance as per last financial statements | (24,80,13,720) | (26,04,74,716) |
| Add: Profit/ (loss) for the year | (2,76,30,730) | 1,15,84,886 |
| Add: Other comprehensive income for the year | - | 8,76,110 |
| Closing balance | (27,56,44,450) | (24,80,13,720) |
| Total | (33,89,600) | 2,42,41,130 |

The purposes of each above reserve within other equity is as under:

1. Securities premium- The amount received in excess of face value of the preference shares is recognised in Securities Premium. The reserve will utilized in accordance with the provisions of Company Act 2013.
2. Retained earnings- Retained earnings are the loss that the Company has incurred till date.

8. Trade Payable (Amount in Rs.)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------|-------------------------|-------------------------|
| Trade Payable | 5,000 | 5,000 |
| Total | 5,000 | 5,000 |



Accountant

[Signature]

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)

CIN- U72900DL2016PTC399490

201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034

Notes to the financial statements

9. Revenue from operations

(Amount in Rs.)

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Sale of services | | |
| from IT services | - | 58,42,433 |
| from IT services(on line marketing platform) | - | 45,862 |
| | - | 58,88,295 |
| Other operating income | | |
| Other | - | 9,21,577 |
| | - | 9,21,577 |
| Total | - | 68,09,873 |

10. Other income

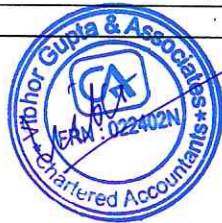
(Amount in Rs.)

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Interest on FDR | - | 18,825 |
| Profit on sale of property, plant and equipment | - | 4,31,66,585 |
| Interest on income tax refund | 10,270 | 49,861 |
| Miscellaneous income | - | 4,36,442 |
| Total | 10,270 | 4,36,71,713 |

11. Employee Benefits expense

(Amount in Rs.)

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---------------------------------|------------------------------|------------------------------|
| Salaries and other benefits | - | 2,23,39,969 |
| Contributions to-Provident fund | - | 7,30,620 |
| -ESIC | - | 29,404 |
| Total | - | 2,30,99,993 |



Atishor Gupta

Atishor Gupta

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)

CIN- U72900DL2016PTC399490

201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034

Notes to the financial statements

12. Other expenses

(Amount in Rs.)

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-------------------------------------|------------------------------|------------------------------|
| Conveyance | - | 15,151 |
| Fees and subscription | 30,296 | 33,00,219 |
| Legal and professional expenses | 89,500 | 1,33,417 |
| Electricity expenses | - | 67,574 |
| Misc. expenses | 8,264 | 10,44,344 |
| Postage charges | 497 | 1,645 |
| Printing and stationery | 820 | 16,531 |
| Telephone expenses | - | 2,38,967 |
| Sales promotion expenses | - | 6,38,852 |
| Transportation charges | - | 4,43,030 |
| Travelling expenses | - | 70,502 |
| Bank charges | 33,623 | 7,450 |
| Loyalty fee | - | 45,92,570 |
| General repairs & maintenance | - | 1,31,799 |
| Director sitting fees | - | 1,00,000 |
| Bad Debts | 2,74,73,000 | 4,58,870 |
| Payment to auditors (refer note 17) | 5,000 | 5,000 |
| Total | 2,76,41,000 | 1,12,65,921 |

13. Finance costs

(Amount in Rs.)

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-------------------------------------|------------------------------|------------------------------|
| Interest on unsecured loan | - | 14,51,274 |
| Interest expense on lease liability | - | 59,070 |
| Total | - | 15,10,344 |



Ashish Gupta

Charalita

14. Earning per equity share

Earnings per share (EPS) as per Ind AS-33 is calculated as under:

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Profit/(Loss) for the year | (2,76,30,730) | 1,15,84,886 |
| Weighted average number of equity shares for Basic EPS (C) | 3,85,303 | 3,85,303 |
| Basic earning per share (Rs.) (A/C) | (71.71) | 30.07 |
| Nominal value of shares (Rs.) | 10 | 10 |

15. Contingent liabilities(not provided for) and provisions made

(a) Contingent liabilities

There is no claim against the Company, which is to be acknowledged as a debt.

16. Capital and other commitments

There is no outstanding capital and other commitments.

17. Payment to auditors

(Amount in Rs.)

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---------------------|------------------------------|------------------------------|
| Statutory auditors | | |
| Statutory audit fee | 5,000 | 5,000 |
| Total | 5,000 | 5,000 |

18. There is no expenditure in foreign exchange during the year (previous year Rs.Nil/-).

There is no earning in foreign exchange during the year(previous year Nil).

19. Taxes

Income tax expense in the statement of profit and loss comprises:

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|----------------------|------------------------------|------------------------------|
| Current taxes | | |
| -on profit and loss | - | - |
| Total | - | - |
| Deferred taxes | - | - |
| Tax expense | - | - |

(a) Current tax

a) Reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Profit/(Loss) before income taxes | (2,76,30,730) | 1,15,84,886 |
| Income tax using the Company's domestic tax rate | 25.17% | 25.17% |
| Expected tax expense [A] | - | 29,15,916 |
| Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense | | |
| Set off for previous years unabsorbed losses | - | (47,61,261) |
| Others | - | 18,45,345 |
| Deferred Tax recognised on brought forward losses not recognised earlier # | - | - |
| Total adjustments [B] | - | (29,15,916) |
| Actual tax expense [C=A+B] | - | - |



Arushi Jain *[Signature]*

Note- All the movement of deferred tax is taken through credit/charge to profit and loss account and no impact is taken in other comprehensive income.

*Domestic tax rate applicable to the Company has been computed as follows

| | | |
|------------------------|--------|--------|
| Base tax rate | 22% | 22% |
| Surcharge (% of tax) | 10% | 10% |
| Cess (% of tax) | 4% | 4% |
| Applicable rate of tax | 25.17% | 25.17% |

The amount and expiry date of unused tax losses as under:

| Particulars | 2022-23 | | | 2021-22 | | |
|--------------------|-------------------------|-----------------|-------------|-------------------------|-----------------|-------------|
| | Unabsorbed depreciation | Business losses | Expiry date | Unabsorbed depreciation | Business losses | Expiry date |
| Unused tax losses* | | | | | | |
| A.Y. 2017-18 | - | 38,43,404 | 31-Mar-26 | - | 38,43,404 | 31-Mar-26 |
| A.Y. 2018-19 | 27,10,917 | 2,66,97,823 | 31-Mar-27 | 27,10,917 | 2,66,97,823 | 31-Mar-27 |
| A.Y. 2019-20 | 44,80,758 | 5,78,96,710 | 31-Mar-28 | 44,80,758 | 5,78,96,710 | 31-Mar-28 |
| A.Y. 2020-21 | 37,17,386 | 8,40,14,949 | 31-Mar-29 | 37,17,386 | 8,40,14,949 | 31-Mar-29 |
| A.Y. 2021-22 | 28,03,706 | 5,86,60,249 | 31-Mar-30 | 28,03,706 | 5,86,60,249 | 31-Mar-30 |
| A.Y. 2023-24 | - | 2,76,30,730 | 31-Mar-32 | - | - | - |
| | 1,37,12,767 | 25,87,43,666 | | 1,37,12,767 | 23,11,13,135 | |

Due to timing difference and unused tax losses for above items, deferred tax assets (net) has been worked out to Rs. 6,85,77,334/- (Rs.6,16,22,680/-) . As deferred tax asset shall be recognised for the timing differences and carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they can be utilized. As a matter of prudence, during the year deferred tax assets (net) is not being recognized in the books of accounts in respect of timing differences and unused tax losses.

Note:

The Taxation Laws (Amendment) Act, 2019 (2019 Tax Act) provides the Company with an option to move to a lower tax rate of 25.17% accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax (MAT) credit and certain other concessional tax rate benefits enjoyed by the Company presently. The Company has reviewed the implications of 2019 Tax Ordinance on its tax liability for the year and has opted to be in new regime.

20. Employees benefits

I. Details of employees benefits

A. Defined contribution plan

The Company contribute for Provident fund, a defined contribution plan, covering the eligible employees. The Company has recognized the following amount in statement of profit and loss:

| S. No. | Particulars | (Amount in Rs.) | |
|--------|---|------------------------------|------------------------------|
| | | Year ended March 31, 2023 | Year ended March 31, 2022 |
| (a) | Employer's contribution to provident fund | - | 7,30,620 |

B. Defined benefit plan

The Company provide gratuity, a defined benefit plan covering the eligible employees. The following provisions towards gratuity liability based on the projected unit credit (PUC) actuarial method as per actuarial valuation have been made by the Company:

| S. No. | Particulars | (Amount in Rs.) | |
|--------|-----------------------------|------------------------------|------------------------------|
| | | Year ended March 31, 2023 | Year ended March 31, 2022 |
| (a) | Provisions towards gratuity | - | - |

The following assumptions are taken

| | | | |
|-------|--|---|---|
| (i) | Discount rate | - | - |
| (ii) | Future salary increase | - | - |
| (iii) | Expected rate of return on plan assets | - | - |

The details of the expenses recognized in Statement of Profit and Loss and accumulated liabilities in the Balance Sheet as at 31.03.2022 are as under:

| S. No. | Particulars | (Amount in Rs.) | |
|--------|---|------------------------------|------------------------------|
| | | Year ended March 31, 2023 | Year ended March 31, 2022 |
| (l) | Expenses recognized in Statement of Profit & Loss | | |
| (a) | Service cost | - | - |
| (b) | Interest cost | - | - |
| (c) | Expenses recognized in the Statement of Profit and Loss | - | - |



Accountant

Manager

| (Amount in Rs.) | | | |
|-----------------|---|------------------------------|------------------------------|
| (II) | Expenses recognized in Other Comprehensive Income(OCI) | Year ended March 31, 2023 | Year ended March 31, 2022 |
| (a) | Net cumulative actuarial gain/(loss) opening | - | - |
| (b) | Actuarial gain/(loss) for the year on Projected benefit obligation(PBO) | - | 8,76,110 |
| (c) | Expenses recognized in Other Comprehensive Income(OCI) | - | 8,76,110 |

| (Amount in Rs.) | | | |
|-----------------|---|------------------------------|------------------------------|
| (III) | Liabilities recognized in Balance Sheet | Year ended March 31, 2023 | Year ended March 31, 2022 |
| (a) | Present value of the obligation as at the beginning of the year | - | 16,26,110 |
| (b) | Expenses as above | - | - |
| (c) | Benefits paid | - | (7,50,000) |
| (d) | Total actuarial (gain)/loss on obligation | - | (8,76,110) |
| (e) | Present value of the obligation as at the end of year | - | - |

| (Amount in Rs.) | | | |
|-----------------|---|------------------------------|------------------------------|
| (IV) | Change in present value of obligation | Year ended March 31, 2023 | Year ended March 31, 2022 |
| (a) | Present value of the obligation as at the beginning of the year | - | 16,26,110 |
| (b) | Interest cost | - | - |
| (c) | Service cost | - | - |
| (d) | Benefits paid | - | (7,50,000) |
| (e) | Re-measurements | - | (8,76,110) |
| (f) | Present value of the obligation as at the end of year | - | - |

(V) Change in fair value of plan assets
 There are no plan assets against the aforesaid liability. Therefore, the return of change in fair value of plan assets is not given.

21. Related party disclosures

Related party disclosures, as required by Ind AS-24

List of related party followed by nature and volume of transactions is given below:

I. Related parties (other than where control exists) with whom transactions were taken place during the year:

List of key management personnel (KMP)

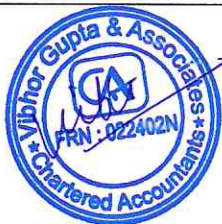
Whole Time (W.T) Directors of the Company:
 Mr. Bhavik Kumar (resigned w.e.f. 13.09.2021)
 Other Directors of the Company:
 Mr. Dharamvir Malik and Ms. Arushi Jain

Other related parties

Akums Drugs and Pharmaceuticals Limited, Ultimate parent company
 Sarvagunaushdhi Pvt Ltd, Fellow subsidiary
 Akumentis Healthcare Ltd, Fellow subsidiary
 Pure & Cure Healthcare Ltd, Fellow subsidiary

Arushi Jain

Dharamvir Malik



II. During the current year, the following transactions were carried out with the related parties in the ordinary course of business:

| Nature of transactions | (Amount in Rs.) | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Akumentis Healthcare Ltd Sale of services | - | 76,000 |

| Nature of transactions | (Amount in Rs.) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Pure & Cure Healthcare Ltd Sale of property, plant and equipment | - | 4,41,27,762 |
| Sarvagunaushdhi Pvt Ltd Sale of services | - | 18,905 |
| Akums Drugs & Pharmaceuticals Ltd Loan Taken | - | 1,40,00,000 |
| Loan Repaid | - | 2,35,00,000 |
| Closing Balance at year end | - | - |

| Nature of transactions | (Amount in Rs.) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Interest on Loan | - | 14,51,274 |
| Business support services | 1,000 | - |
| Re-imburement of Expenses & got reimbursed | 2,024 | 12,99,160 |
| Sale of services | - | 50,00,000 |
| Remuneration to whole time director Bhavik Kumar | - | 71,98,438 |
| Director sitting fee Arushi Jain | - | 50,000 |
| Dharamvir Malik | - | 50,000 |
| Balances outstanding as at the year end | | |
| Trade receivables Pure & Cure Healthcare Pvt Ltd | - | 2,73,55,000 |
| | - | 2,73,55,000 |

22. Impairment of Assets
 In the opinion of the management there is no reduction in value of any assets, hence no provision is required in terms of Ind AS-36 "Impairment of Assets".

23. Financial Instruments
Financial instruments by category
 The carrying value of financial instruments by categories were as follows:
 a) Financial instruments measured at amortised cost:

| Particulars | (Amount in Rs.) | |
|--------------------------------------|----------------------------|----------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Assets: | | |
| -Trade receivables | - | 2,74,93,000 |
| -Cash and cash equivalents | 4,68,430 | 3,67,871 |
| Total | 4,68,430 | 2,78,60,871 |
| Liabilities: | | |
| -Lease liability | - | - |
| -Other financial liabilities-Current | - | - |
| -Borrowings | - | - |
| Total | - | - |



Arushi Jain

b) Financial instruments measured at fair value through profit and loss:
 *There are no financial assets & liabilities which has been valued at fair Value

Financial risk management

Financial risk management objectives and policies

The Company's principal financial liabilities comprise expenses payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents, other bank balances and other investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks and also ensure that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Financial risk factors

The Company's activities expose it to a variety of financial risks:

- a) Market risk
- b) Credit risk
- c) Liquidity risk

The primary market risk to the Company is foreign exchange risk. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

a) Market risk

The Company operates domestically and the business is transacted in Indian rupees only. Consequently, the Company is not exposed to currency exchange risk.

b)Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured. Credit risk has always been managed by the Company by establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as Company's historical experience for customers.

The details in respect of percentage of revenues generated from top customer and top five customers:

| Particulars | (In %) | |
|---------------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Revenue from top customer | - | 73.42% |
| Revenue from top five customers | - | 97.01% |

| Particulars | (Amount in Rs.) | |
|---|------------------------|------------------------|
| | As at March 31,2023 | As at March 31,2022 |
| Trade Receivable ageing (more than six month) | - | 1,38,000 |
| Trade Receivable ageing (others) | - | - |
| Total | - | 1,38,000 |

Credit risk exposure

There is no credit risk exposure at year end.

c)Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents & the cash flow that is generated from operations and proceeds from issue of share capital. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Arun Singh

Anshu



The Company had a working capital including cash and cash equivalents :

| Particulars | (Amount in Rs.) | |
|---|------------------------|------------------------|
| | As at March 31,2023 | As at March 31,2022 |
| Cash and cash equivalents | 4,68,430 | 3,67,871 |
| Working capital(including cash and cash equivalent) | 4,63,430 | 2,78,55,871 |

The details regarding the contractual maturities of significant financial liabilities as under:

| Particulars | (Amount in Rs.) | |
|-----------------------|------------------------|------------------------|
| | As at March 31,2023 | As at March 31,2022 |
| Financial liabilities | Less than 1 year | Less than 1 year |

24. Segment reporting

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ("CODM"). Board of Directors reviews the operating results at Company level, accordingly there is only one Reportable Segment for the Company which is "revenue from services in Information Technology and related activities", hence no specific disclosures have been made as per Ind AS 108.

Entity wide disclosures

a. Information about revenue

The Company drive it revenue mainly from providing of services.

b. Information about geographical areas

Non-current assets (property, plant and equipment, Intangible assets and other non-current assets) are in India.

c. Information about major customers (from external customers):

| Particulars | (Amount in Rs.) | |
|---|------------------------|------------------------|
| | As at March 31,2023 | As at March 31,2022 |
| Revenue- Domestic | - | 68,09,873 |
| Revenue from one customer amounting to 10% or more of Company's total revenue | - | 50,00,000 |

25. The company plansto engage in trading of pharmaceutical formulations and accordingly necessary formalities/licences have been initiated. Accordingly, the financial statements has been prepared on a going concern basis.

26. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

| Particulars | (Amount in Rs) | |
|--|------------------------|------------------------|
| | As at March 31,2023 | As at March 31,2022 |
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year(more than 45 days) | - | - |
| The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.



Arunima Jain

Arushi

Medibox Pharma Private Limited (formerly known as Medibox Digital Solutions Pvt. Ltd.)
CIN- U72900DL2016PTC399490
201, Mohan Place, LSC, C-Block, Saraswati Vihar, North West, Delhi-110034
Notes to the financial statements

27. Figures have been recasted/restated wherever necessary.

As per our report of even date attached

For Vibhor Gupta & Associates
Chartered Accountants

Registration No. 022402N



CA Vibhor Gupta

Proprietor

Membership No. 512093

Place : Delhi

Date : April 21, 2023

For and on behalf of the Board of Directors of
Medibox Pharma Private Limited

(formerly known as Medibox Digital Solutions Pvt. Ltd.)

Arushi Jain

Director

DIN:08012943

Dharamvir Malik

Director

DIN:06758188

UDIN: 23512698 BG XNMI8166