Walker Chandiok & Co LLP
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Independent Auditor's Report

To the Members of Akumentis Healthcare Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Akumentis Healthcare Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (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 is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Independent Auditor's Report to the members of Akumentis Healthcare Limited on the financial statements for the year ended 31 March 2021 (cont'd)

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.

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 is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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, 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;

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Independent Auditor's Report to the members of Akumentis Healthcare Limited on the financial statements for the year ended 31 March 2021 (cont'd)

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

- 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.

Other Matter

11. The financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, Deloitte Haskins & Sells LLP, who have expressed an unmodified opinion on those financial statements vide their audit report dated 9 September 2020.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

13. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

14. Further to our comments in Annexure I, 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 2021 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 14 September 2021 as per Annexure II expressed unmodified opinion; and

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Independent Auditor's Report to the members of Akumentis Healthcare Limited on the financial statements for the year ended 31 March 2021 (cont'd)

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, as detailed in note 30 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;

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 2021;

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 2021; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Tarun Gupta
Partner
Membership No.: 507892

UDIN: 21507892AAAAGX9676

Place: New Delhi
Date: 16 September 2021

Annexure I to the Independent Auditor's Report of even date to the members of Akumentis Healthcare Limited, on the financial statements for the year ended 31 March 2021

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) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising property, plant and equipment, right-of-use assets and intangible assets.

(b) The fixed assets comprising property, plant and equipment and right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets comprising property, plant and equipment and right-of-use assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. No material discrepancies were noticed on the aforesaid verification.

(iii) The Company has granted unsecured loans to firms covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest.

(b) the schedule of repayment of principal and payment of interest has been stipulated and the receipts of the principal amount and the interest are regular;

(c) there is no overdue amount in respect of loans granted to such firm.

(iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(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) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii)(a) 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 generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Annexure I to the Independent Auditor's Report of even date to the members of Akumentis Healthcare Limited, on the financial statements for the year ended 31 March 2021 (cont'd)

(b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authority on account of any dispute.

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) 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.

(xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(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) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(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.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Tarun Gupta
Partner
Membership No.: 507892

UDIN: 21507892AAAAGX9676

Place: New Delhi
Date: 16 September 2021

Annexure II to the Independent Auditor's Report of even date to the members of Akumentis Healthcare Limited on the financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the financial statements of Akumentis Healthcare Limited (the 'Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the '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 the Company's business, including adherence to the 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.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note 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.

4. 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 includes obtaining an understanding of such 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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

6. A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure II to the Independent Auditor's Report of even date to the members of Akumentis Healthcare Limited on the financial statements for the year ended 31 March 2021 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Tarun Gupta
Partner
Membership No.: 507892

UDIN: 21507892AAAAGX9676

Place: New Delhi
Date: 16 September 2021

AKUMENTIS HEALTHCARE LIMITED
CIN-U72900DL2010PLC206414

Balance sheet as at 31 March 2021

(All amounts in lakhs unless otherwise stated)

Particulars	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	76.76	106.08
(b) Right-of- use assets	40	92.70	216.27
(c) Intangible assets	2	12.94	22.40
(d) Financial assets			
(i) Investments	3	9.99	9.99
(ii) Loans	4	637.63	590.23
(iii) Others financial assets	5	7.64	6.34
(e) Deferred tax asset (net)	16	1,136.49	1,231.40
(f) Other non-current assets	6	2.99	4.89
Total non-current assets		1,977.14	2,187.60
(2) Current assets			
(a) Inventories	7	2,156.95	1,821.97
(b) Financial assets			
(i) Trade receivables	8	1,330.63	1,558.65
(ii) Cash and cash equivalents	9	214.79	1,149.90
(iii) Bank balances other than (ii) above	10	3,773.25	2,015.33
(iv) Other financial assets	11	169.04	176.57
(c) Other current assets	12	266.28	419.50
Total current assets		7,910.94	7,141.92
Total assets		**9,888.08**	**9,329.52**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	5.62	5.62
(b) Instruments entirely in the nature of equity	13	5.92	5.92
(c) Other equity	14	1,798.06	(214.26)
Total equity		1,809.60	(202.72)
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(ii) Lease liability	40	-	87.02
(b) Provisions	15	391.68	437.27
Total non-current liabilities		391.68	524.29
(2) Current liabilities			
(a) Financial liabilities			
(ii) Trade payables	17		
-Total outstanding dues to micro and small enterprises		87.95	79.91
-Total outstanding dues of creditors other than micro and small enterprises		1,797.08	2,825.40
(iii) Lease liability	40	96.41	126.45
(iv) Other financial liabilities	18	591.05	611.06
(b) Other current liabilities	19	457.99	551.31
(c) Provisions	20	3,846.26	4,444.76
(d) Current tax liabilites (net)	21	810.06	369.06
Total current liabilities		7,686.80	9,007.95
Total equity and liabilities		**9,888.08**	**9,329.52**
Summary of significant accounting policies and other explanatory information	1-42		

This is the balance sheet referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Tarun

Tarun Gupta
Partner
Membership No.507892

For and on behalf of Board of Directors of
Akumentis Healthcare Limited

Manmohan Singh
Director
DIN: 02994045

Arvind Kumar
Director
DIN: 07193322

Allen Dass
Director
DIN: 06403178

Renu Sharma

Renu Sharma
Director
DIN: 07599108

Sanjay C. Chalke
Director
DIN: 07679410

Place : New Delhi
Date : 16 September 2021

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

AKUMENTIS HEALTHCARE LTD. *

AKUMENTIS HEALTHCARE LIMITED
CIN-U72900DL2010PLC206414
Statement of profit and loss for the year ended 31 March 2021
(All amounts in lakhs unless otherwise stated)

Particulars	Note	Year ended 31 March 2021	Year ended 31 March 2020
INCOME			
I. Revenue from operations	22	23,335.36	25,566.72
II. Other income	23	369.41	213.93
III. **Total income (I+II)**		**23,704.77**	**25,780.65**
EXPENSES			
Purchase of stock-in-trade	24	7,751.64	6,454.38
Change in inventories of stock-in-trade	25	(334.98)	547.67
Employee benefits expense	26	7,615.84	9,170.23
Other expenses		5,412.38	8,224.77
IV. **Total expenses**		**20,444.88**	**24,397.05**
V. **Earnings before finance costs, depreciation and amortisation and tax (EBITDA) (III-IV)**		**3,259.89**	**1,383.60**
Finance costs	27	34.35	61.82
Depreciation and amortisation	2 and 40	165.51	161.84
VI. **Profit before tax**		**3,060.03**	**1,159.94**
VII. Tax expense:	36		
Current tax		846.53	468.16
Deferred tax charge		121.66	1,055.93
VIII. **Profit/ (loss) after tax (VI-VII)**		**2,091.84**	**(364.15)**
IX. **Other comprehensive income**			
Items that will not be reclassified to profit and loss			
Re-measurement gains/(losses) on defined benefit liability		(106.27)	98.72
Less: Tax effect on above		26.75	(24.85)
Other comprehensive income/ (loss), net of tax		**(79.52)**	**73.87**
X. **Total comprehensive loss (VIII+IX) (comprising loss for the year and other comprehensive income for the year)**		**2,012.32**	**(290.28)**
XI. Earnings per equity share (Face value ₹ 10 each) Basic and diluted	28	3,365.24	(647.47)

Summary of significant accounting policies other explanatory information — 1-42

This is the statement of profit and loss referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Tarun

Tarun Gupta
Partner
Membership No.507892

Place : New Delhi
Date : 16 September 2021

For and on behalf of Board of Directors of
Akumentis Healthcare Limited

Manmohan Singh
Director
DIN: 02994045

Arvind Kumar
Director
DIN: 07193322

Allen Dass
Director
DIN: 06403178

Renu Sharma
Director
DIN: 07599108

Sanjay C. Chalke
Director
DIN: 07679410

AKUMENTIS HEALTHCARE LTD. *

AKUMENTIS HEALTHCARE LIMITED
CIN-U72900DL2010PLC206414
Statement of cash flow for the year ended 31 March 2021
(All amounts in lakhs unless otherwise stated)

Particulars		Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flow from operating activities			
Profit before tax		**3,060.03**	**1,159.94**
Adjustments for:			
Depreciation and amortisation		165.51	161.84
Loss/ (gain) on sale of property, plant and equipment		(4.05)	(3.79)
Unrealized foreign exchange loss/(gain)		(0.02)	(0.10)
Allowance for expected credit loss/ (reversal)		0.85	4.79
Excess provision written back		(130.65)	
Loss from share of partnership		7.53	104.05
Finance costs		34.35	61.82
Interest income		(184.67)	(162.54)
Operating profit before working capital changes		**2,948.87**	**1,326.01**
Adjustments for movement in working capital changes			
Inventories		(334.97)	582.22
Trade receivables		228.04	(152.27)
Other financial assets		(3.01)	
Other assets		155.12	(241.20)
Trade payables		(890.62)	176.26
Other financial liabilities		(20.00)	(518.80)
Provisions		(750.42)	(850.85)
Other liabilities		(93.13)	(123.78)
Cash flow generated from operations (gross)		1,239.88	197.59
Less: Direct taxes (paid) (net)		(405.52)	(177.66)
Net cash flow generated from/ (used in) operating activities	**(A)**	834.36	**19.93**
B. Cash flow from investing activities			
Purchase of property, plant and equipment and intangible assets		(4.91)	(48.27)
Proceeds from disposal of property plant and equipment		5.80	6.04
Investment in deposits having original maturity of more than three months		(1,759.23)	(1,929.99)
Loan to subsidiary		(35.00)	(253.00)
Inerest received		175.28	154.10
Net cash (used in) investing activities	**(B)**	**(1,618.06)**	**(2,071.12)**
C. Cash Flow from financing activities			
Payment of lease liability		(133.16)	(133.16)
Interest paid		(18.25)	(16.15)
Net cash flow (used in)/ generated from financing activities	**(C)**	**(151.40)**	**(149.31)**
Net (decrease) / increase in cash and cash equivalents	**(A+B+C)**	(935.11)	**(2,200.50)**
Cash and cash equivalents as at the beginning of the year		1,149.90	3,350.39
Cash and cash equivalents as at end of year		**214.79**	**1,149.90**

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AKUMENTIS HEALTHCARE LIMITED
CIN-U72900DL2010PLC206414
Statement of cash flow for the year ended 31 March 2021
(All amounts in lakhs unless otherwise stated)

Components of cash and cash equivalents are as below:

	As at 31 March 2021	As at 31 March 2020
Balance with scheduled banks		
in current accounts	206.24	845.21
deposits with original maturity of less than three months	-	300.00
Cash on hand	8.55	4.69
	214.79	**1,149.90**

Note 1: The above cash flow statement has been prepared under the 'Indirect method' as set out in Ind AS 7, 'Statement of cash flows'.
Note 2: Disclosures as required in terms of Amendment to Ind AS 7 'Statement of cash flows' related to the change in financial liabilities arising from financing activity is as below

Particulars	Lease liabilities	Total
Net debt as on 1 April 2019	318.65	318.65
Cash flows		
Repayments	(133.16)	(133.16)
Non-cash changes		
Interest on lease liability	27.98	27.98
Balance as on 31 Mach 2020	213.47	213.47
Cash flows		
Repayments	(133.16)	(133.16)
Non-cash changes		
Interest on lease liability	16.10	16.10
Balance as on 31 Mach 2021	96.41	96.41

Summary of significant accounting policies and other explanatory information 1-42

This is the statement of changes in cash flow referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.007394N

Tarun

Tarun Gupta
Partner
Membership No.507892

Place : New Delhi
Date : 16 September 2021

For and on behalf of Board of Directors of
Akumentis Healthcare Limited

Manmohan Singh
Director
DIN: 02994045

Arvind Kumar
Director
DIN: 07193322

Allen Dass
Director
DIN: 06403178

Renusharma

Renu Sharma
Director
DIN: 07599108

Sanjay C. Chalke
Director
DIN: 07679410

AKUMENTIS HEALTHCARE LIMITED
CIN-U72900DL2010PLC206414
Statement of change in equity for the year ended 31 March 2021
(All amounts in lakhs unless otherwise stated)

a) Equity share capital

Particulars	**No. of shares**	**Amount**
As at 1 April 2019	**56,242**	**5.62**
Changes in equity share capital	-	-
As at 31 March 2020	**56,242**	**5.62**
Changes in equity share capital	-	-
As at 31 March 2021	**56,242**	**5.62**

b) Instruments entirely equity in nature

Particulars	**No. of shares**	**Amount**
As at 1 April 2019	**5,918**	**5.92**
Changes in equity share capital	-	-
As at 31 March 2020	**5,918**	**5.92**
Changes in equity share capital	-	-
As at 31 March 2021	**5,918**	**5.92**

c) Other equity

Particulars	**Other equity**			
	Securities premium	**Retained earnings**	**Stock option outstanding account (refer note 34)**	**Total**
As at 1 April 2019	**9,994.08**	**(11,090.01)**	**1,171.95**	**76.02**
Reversal of stock option outstanding account transferred to retained earnings		1,171.95	(1,171.95)	-
Profit for the year	-	(364.15)	-	(364.15)
Other comprehensive income for the year, net of tax - Remeasurement of defined benefit plans	-	73.87	-	73.87
As at 31 March 2020 / 1 April 2020	**9,994.08**	**(10,208.34)**	-	**(214.26)**
Profit for the year	-	2,091.84	-	2,091.84
Other comprehensive income for the year, net of tax - Remeasurement of defined benefit plans	-	(79.52)	-	(79.52)
As at 31 March 2021	**9,994.08**	**(8,196.02)**	-	**1,798.06**

Summary of significant accounting policies and other explanatory information 1-42

This is the statement of change in equity referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/ N500013

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1 Company overview and summary of significant accounting policies

1.1 Company overview

The Company is engaged in trading of the pharmaceutical formulation. The Company is a public limited Company incorporated and domiciled in India and has its registered office at Delhi, India. The Company is subsidiary of Akums Drugs and Pharmaceuticals Limited.
The financial statements for the year ended 31 March 2021 were authorized for issue in accordance with a resolution of the Board of Directors on 16 September 2021

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 under the historical cost convention basis except for certain financial assets and liabilities (including derivative instruments) which are measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The financial statements of the Company are presented in Indian Rupees (₹ or Rs.), which is also its functional currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs in two decimals as per the requirement of Schedule III to the Act, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. 'These accounting policies have been used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

Standards issued but not yet effective

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards. However, there are no such notifications which have been issued but are not yet effective or applicable from 1 April 2021.

1.3 Use of judgment, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, 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.

Judgements, estimates and assumptions

The Company based its judgements, 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 judgements 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 judgements, estimates and assumptions

a) **Recognition of deferred tax assets** - The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

b) **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

c) **Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of Company's plant and equipment.

d) **Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

e) **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

f) **Contingent liabilities** – The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

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1.4 Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight line method. The following useful life of assets has been taken by the Company:

Asset class	Useful Lives
Furniture and fittings	10 years
Vehicles	8 years
Office equipment	5 years
Computers (including servers)	3/6 years
Electrical installation	10 years

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'capital work-in-progress'. 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 recognized in net profit in the Statement of Profit and Loss when incurred.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

1.5 Intangible assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent measurement (amortisation)

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The cost thereof is amortised over a period of 5 years. The amortisation period and the amortisation method for intangible assets are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Revenue expenditure on research is recognised as expense in the year in which it is incurred and are included with the respective nature of account heads in the statement of profit and loss.

Capital expenditure on research is shown as addition to property, plant and equipments and depreciation is computed in a manner prescribed for property, plant and equipments.

De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

1.6 Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

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- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.
Non-derivative financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

(i) Financial assets at amortised cost – a financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

(ii) Financial assets at fair value

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Company also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Non-derivative financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

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

Derivative financial instruments

The Company uses derivative financial instruments principally to manage its exposure to fluctuations in exchange rates arising from financing activities. Derivative financial instruments are classified as current or non-current assets or liabilities based on their maturity dates. Embedded derivatives are separated from the host contract and accounted for separately if they are not closely related to the host contract. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.7 Fair value measurement

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

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

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

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

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

For the purpose of fair value disclosures, Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.8 Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written of when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

1.9 Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed which is the higher of fair value less costs of disposal and value-in-use and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

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1.10 Provisions and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

1.11 Operating expenses

Operating expenses are recognised in statement of profit or loss upon utilisation of the service or as incurred.

1.12 Foreign currency transactions and translations

i. Initial recognition

The Company's standalone financial statements are presented in Indian Rupee ('INR'), which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

ii. Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

iii. Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

1.13 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.14 Taxes

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. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method 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. 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 the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred tax assets are reviewed at each balance sheet date and derecognized to the extent it is no longer probable that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

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1.15 Employees benefits

The Company provides post-employment benefits through various defined contribution and defined benefit plans:

Defined contribution plans
The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

Defined benefit plans
The defined benefit plans sponsored by the Company define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Company.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits - compensated absences
Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Short-term employee benefits
All employee benefits payable wholly within twelve months of rendering services (such as, salaries, wages, short-term compensated absences, performance incentives, expected cost of bonus, ex-gratia, etc.) are classified as short-term employee benefits. Expense in respect of short-term employee benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Termination benefits
Termination benefits are recognised as an expense in the period in which they are incurred. The Company shall recognise a liability and expense for termination benefits at the earlier of the following dates:

- when the entity can no longer withdraw the offer of those
- when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

1.16 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.

1.17 Inventories
Inventories are valued at lower of cost or net realizable value. The basis of valuation of cost is FIFO method. Net Realisable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make the sale .The cost comprises of purchase cost, freight Inwards and taxes which are not eligible for set off. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet.
The Company as a trade practice makes provision for obsolete stocks which are primarily in the nature of expired or near expiry products. Provision is made for such obsolete stock estimated on the basis of historical experience, market conditions and specific contractual terms.

1.18 Revenue recognition
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 measured at the fair value of the consideration received or receivable. Revenue is net of returns and allowances, trade discounts, cash discounts and volume rebates

The Company recognises revenue when it transfers control of a product or service to a customer. The control of goods is transferred to the customer depending upon the incoterms or as agreed with customer or delivery basis. Control is considered to be transferred to the customer when the customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

Refund Liability
Refund liability is accounted for by recording a provision based on the Company's estimate of expected sales returns.

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1.19 Other income

Other income is comprised primarily of interest income, exchange gain/loss on translation of other assets and liabilities etc.

Interest income

Interest income is recognised as and when due on the time proportion basis by using effective interest method. Interest income is included under the head "other income" in the Statement of Profit and Loss.

1.20 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

Certain lease arrangements 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 amortisation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. 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.

Transition

In the previous year, effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

1.21 Investment in partnership firm (subsidiary company)

Investment in partnership firm is measured cost less share of loss.

1.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of production of pharmaceuticals and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under notes.

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

1.23 Measurement of EBITDA

Earnings before interest, tax, depreciation and amortisation (EBITDA)

The Company presents EBITDA in the statement of profit and loss; this is not specifically required by Ind AS 1. The term EBITDA are not defined in Ind AS. Ind AS compliant Schedule III allows companies to present Line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the Financial Statements when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Measurement of EBITDA

Accordingly, 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). In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

AKUMENTIS HEALTHCARE LTD. *

Akumentis Healthcare Limited
CIN-U72900DL2010PLC206414
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(All amounts in lakhs unless otherwise stated)

2. Property, plant and equipment

Particulars	Property, plant and equipment					Total	Intangible assets
	Furniture and fittings	Vehicles	Office equipments	Computers	Electrical installation		Software
Gross block							
As at 1 April 2019	188.26	6.99	18.76	109.08	10.35	333.44	68.79
Additions during the year	0.85	31.50	2.53	4.13	-	39.01	9.26
Disposals	-	-	0.50	39.51	-	40.01	-
Balance as at 31 March 2020/ 1 April 2020	189.11	38.49	20.79	73.71	10.35	332.44	78.05
Additions during the year	0.37	-	0.20	4.34	-	4.91	-
Disposals	0.37	-	3.89	14.67	-	18.93	-
Balance as at 31 March 2021	**189.11**	**38.49**	**17.10**	**63.38**	**10.35**	**318.42**	**78.05**
Depreciation and amortisation							
As at 1 April 2019	116.42	5.44	10.36	92.48	6.48	231.18	50.34
Charge for the year	19.29	3.32	2.81	6.39	1.13	32.94	5.31
On disposals	-	-	0.23	37.53	-	37.76	-
Balance as at 31 March 2020/ 1 April 2020	135.71	8.76	12.94	61.34	7.61	226.36	55.65
Charge for the year	19.34	4.06	2.47	5.50	1.10	32.48	9.46
On disposals	0.26	-	2.99	13.93	-	17.18	-
Balance as at 31 March 2021	**154.80**	**12.82**	**12.42**	**52.91**	**8.71**	**241.66**	**65.11**
Net block							
As at 31 March 2020	**53.40**	**29.73**	**7.85**	**12.38**	**2.74**	**106.08**	**22.40**
As at 31 March 2021	**34.31**	**25.67**	**4.68**	**10.47**	**1.64**	**76.76**	**12.94**

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Particulars	As at 31 March 2021	As at 31 March 2020
3. Investments		
Investments in partnership firm		
Investment in subsidiary, unquoted, trade (measured at cost)		
Cure Sure Pharma	9.99	9.99
Name of the partners and share of profit/ capital - Akumentis Healthcare limited (99.90%) and Mr. Shashi Puri (0.10%)		
Total capital of the firm - ` 10 lakhs		
	9.99	9.99
Aggregate amount of unquoted investments	9.99	9.99
4. Loans		
Unsecured, considered good		
Security deposits	102.13	89.73
Loan given to related party (refer note 33)	535.50	500.50
	637.63	590.23
Dues from related parties	535.50	500.50
The loan has been given for general business purposes.		
5. Other financial assets		
Unsecured, considered good		
Bank deposits with remaining maturity of more than 12 months	7.64	6.34
	7.64	6.34

Refer note 34 for disclosure of fair value in respect of financial assets measured at amortised cost and assessment of expected credit losses respectively.

Particulars	As at 31 March 2021	As at 31 March 2020
6. Other non-current assets		
Unsecured, considered good		
Prepaid expenses	2.99	4.89
	2.99	4.89
7. Inventories		
(refer note 1.17 in respect of mode of valuation of inventories)		
Stock-in-trade		
on hand	1,694.46	1,268.83
in transit	70.58	72.33
Right to recover products from customer (refer note 20 and 24)	391.91	480.81
	2,156.95	1,821.97

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Walker Chandiok & Co LLP Chartered Accountants
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Particulars	As at 31 March 2021	As at 31 March 2020
8. Trade receivables		
Considered good - unsecured	1,330.63	1,558.65
Credit impaired	72.40	108.89
Less : Allowance for expected credit losses	(72.40)	(108.89)
	1,330.63	1,558.65
Due from related party (refer note 33)	76.24	-

All amounts are short term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.
Refer note 35 for disclosure of fair value in respect of financial assets measured at amortised cost and assessment of expected credit losses respectively.

Particulars	As at 31 March 2021	As at 31 March 2020
9. Cash and cash equivalents		
Balance with banks		
in current accounts	206.24	845.21
deposits with original maturity of less than three months	-	300.00
Cash on hand	8.55	4.69
	214.79	1,149.90

Refer note 35 for disclosure of fair value in respect of financial assets measured at amortised cost and assessment of expected credit losses respectively.

Particulars	As at 31 March 2021	As at 31 March 2020
10. Other bank balances		
Bank deposits with original maturity of more than 3 months and remaining maturity of less than 12 months*	3,773.25	2,015.33
	3,773.25	2,015.33

*includes deposits of Rs. 5.85 lakhs (31 March 2020: Rs. 5.85 lakhs) pledged with statutory and other authorities
Refer note 35 for disclosure of fair value in respect of financial assets measured at amortised cost and assessment of expected credit losses respectively.

Particulars	As at 31 March 2021	As at 31 March 2020
11. Other financial assets		
Unsecured, considered good		
Dues from partnership firm (refer note 33)	169.04	176.57
	169.04	176.57
12. Other current assets		
Unsecured, considered good		
Advance to suppliers and others	161.60	258.59
Prepaid expenses	44.54	60.32
Balances with statutory authorities	7.88	33.56
Advances to staff	45.74	52.51
Others	6.52	14.52
	266.28	419.50
Unsecured, considered doubtful		
Advances to staff	196.45	273.23
Less: Credit loss allowance	(196.45)	(273.23)
	-	-
	266.28	419.50

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AKUMENTIS HEALTHCARE LTD. *

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Particulars	As at 31 March 2021	As at 31 March 2020
13. Equity share capital		
Authorised		
70,000 (31 March 2020: 70,000) equity shares of ₹10 (31 March 2020: ₹ 10) each	7.00	7.00
5,918 (previous year 5,918) cumulative compulsory convertible participating preference shares of ₹ 100 (31 March 2020: ₹ 100) each	5.92	5.92
Issued, subscribed and fully paid up		
56,242 (previous year 56,242) equity shares of ₹ 10 (31 March 2020: ₹ 10) each fully paid	5.62	5.62
Instruments entirely equity in nature		
5,918 (previous year 5,918) cumulative compulsory convertible participating preference shares (CCCPS) of ₹100 (31 March 2020: ₹ 100) each	5.92	5.92

13.1 There has been no change in the number of shares outstanding at the beginning and at the end of the reporting period.

13.2 Terms/rights attached to instruments issued

a) Terms/ rights attached to equity shares
The Company has only one class of equity shares having face value of ₹ 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.

b) Terms/ rights attached to CCCPS
The Company has one class of preference shares i.e. Series A 0.0001% Cumulative Compulsory Convertible Preference Shares ("CCCPS") of ₹ 100/- each. Each share of Series A CCCPS shall carry voting rights equal to number of equity shares issuable upon conversion of CCCPS.

Each Series A CCCPS may be converted into Equity Shares at any time at the option of the holder. The Series A CCCPS shall automatically be converted into Equity Shares upon the earlier of (i) 1 (One) day prior to the expiry of 20 (twenty) years from the Closing Date (i.e. 14.09.2015); or (ii) in connection with an Initial Public Offerings, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under Law.

Each Series A CCCPS has right to receive dividend at 0.0001%. Dividend on Series A CCCPS is cumulative and shall accrue from year to year whether or not paid and has preference over dividend to equity shares. In Addition, Series A CCCPS would be entitle to participate pari-pasuin any cash or non cash dividend on other class of shares including equity shares.

In the event of liquidation or winding-up of the Company before conversion of preference shares, the preference shareholders are eligible to receive the outstanding amount including dividend in proportion to their shareholding and will have priority over all other shareholders.

13.3 Details of shareholders holding more than 5% shares in the Company and shares held by Holding Company*

Name of shareholders	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% holding	No. of shares	% holding
Equity shares				
Akums Drugs and Pharmaceuticals Limited (Holding Company)	50,955	90.60%	47,995	85.34%
Rajaram Samant	-	0.00%	5,283	9.39%
Jotiram Govind Palkar	3,729	6.63%	-	0.00%
Sanjeev Jain	777	1.38%	777	1.38%
Sandeep Jain	777	1.38%	777	1.38%
CCCPS of ₹ 100 each				
Akums Drugs and Pharmaceuticals Limited (Holding Company)	5,918	100%	-	-
Sequoia Capital India Investment IV	-	-	5,918	100%

During the year, CCCPPS held by Sequoia Capital India Investment IV was purchased by Akums Drugs and Pharmaceuticals Limited.

**As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.*

13.4 No shares have been issued as bonus shares or issued for consideration other than cash or bought back during the period of five years immediately preceding the reporting date.

13.5 Refer note 34 for shares reserved for issue under stock options.

(All amounts in lakhs unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
14. Other equity		
Securities premium		
Balance at the beginning/ end of the year	9,994.08	9,994.08
Retained earnings		
Balance at the beginning of the year	(10,208.34)	(11,090.01)
Reversal of stock option outstanding	-	1,171.95
Profit for the year	2,091.84	(364.15)
Other comprehensive income		
- Remeasurement of defined benefit plans, net of tax.	(79.52)	73.87
Balance at the end of the year	**(8,196.02)**	**(10,208.34)**
Stock option outstanding account		
Balance at the beginning of the year	-	1,171.95
Less: Reversal of stock option outstanding account transferred to retained earnings	-	(1,171.95)
Balance at the end of the year	-	-
	1,798.06	**(214.26)**

Nature and purpose of reserves

Securities premium
Securities premium is used to record the premium on the issue of shares. These reserve is utilised in accordance with the provisions of the Companies Act, 2013

Retained earnings
The retained earnings represents the undistributed surplus of the Company earned from its business operations.

Stock option outstanding account
The fair value of the equity settled share based payment transaction is recognised to stock option outstanding

Other comprehensive income
Represents the actuarial gain/ loss arising on account of defined benefit plan

Particulars	As at 31 March 2021	As at 31 March 2020
15. Provisions		
Provision for employee benefits		
Gratuity (refer note 31)	183.65	164.21
Compensated absences (refer note 31)	208.03	273.06
	391.68	**437.27**

Particulars	As at 31 March 2021	As at 31 March 2020
16. Deferred tax (assets)/ liabilities (net)		
Deferred tax liabilities comprises:		
Right to recover products from customer	98.63	121.02
Lease liability	-	7.39
	98.63	128.41
Deferred tax assets comprises:		
Property, plant and equipment and intangible assets	9.92	6.65
Right of use asset	0.94	-
Refund liability	906.46	1,058.18
Provision for employee benefits	177.03	170.64
Provision against doubtful debts	140.77	124.34
	1,235.12	1,359.81
Deferred tax (assets) / liabilities (net)	**(1,136.49)**	**(1,231.40)**

Ranu sharma

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

AKUMENTIS HEALTHCARE LTD. *

(All amounts in lakhs unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
17. Trade payables		
Total outstanding dues of micro and small enterprises (refer note 39)	87.95	79.91
Total outstanding dues of creditors other than micro and small enterprises	1,797.08	2,825.40
	1,885.03	**2,905.31**
Due to related party (refer note 33)	181.01	1,112.35
18. Other financial liabilities		
Payable to employees	307.45	327.46
Security deposit received	283.60	283.60
	591.05	**611.06**
19. Other current liabilities		
Advance from customers	273.67	298.10
Other payables		
Statutory dues	184.32	253.21
	457.99	**551.31**
20. Provisions		
Provision for employee benefits		
Gratuity (refer note 31)	75.15	65.71
Compensated absences (refer note 31)	130.29	174.91
Other provisions		
Refund liability (refer note below)	3,640.82	4,204.14
	3,846.26	**4,444.76**

Note:

Refund liability is accounted for by recording a provision based on the Company's estimate of expected sales return. **Movement in the provision for refund liability is as below:**

Balance at the beginning of the year	4,204.14	4,959.80
Add: Provision made/ (written back) during the year (net)	(563.32)	(755.66)
Balance at the end of the year	**3,640.82**	**4,204.14**

21. Current tax liabilities

Provision for income-tax (net of advance tax)	810.06	369.06
	810.06	369.06

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Renu sharma

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Particulars		Year ended 31 March 2021	Year ended 31 March 2020
22. Revenue from operations			
Sale of goods		23,335.36	25,566.72
		23,335.36	25,566.72
Refer note 32 in terms of disclosures required under Ind AS 115			
23. Other income			
Interest income			
from banks on deposits		106.56	112.09
from loan given		68.73	41.99
unwinding of interest on security deposits		9.39	8.46
Gain on foreign exchange transactions and translations		0.02	0.10
Royalty received		49.53	-
Excess provision written back		130.65	47.49
Profit on disposal of property, plant and equipment		4.05	3.79
Miscellaneous		0.48	0.01
		369.41	213.93
24. Change in inventory of stock-in-trade			
Opening stock			
Stock-in-trade		1,341.16	1,923.37
	(A)	1,341.16	1,923.37
Less: Closing stock			
Stock-in-trade		1,765.04	1,341.16
	(B)	1,765.04	1,341.16
		(423.88)	582.22
Movement in Right to recover products from customer	(C)	88.90	(34.55)
Change in the inventory of stock-in-trade	(A-B+C)	(334.98)	547.67
25. Employee benefits expense			
Salaries, wages and bonus		7,128.76	8,524.69
Contributions to provident and other funds (refer note 31)		409.47	507.33
Staff welfare expenses		77.61	138.21
		7,615.84	9,170.23

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Particulars	Year ended 31 March 2021	Year ended 31 March 2020
26. Other expenses		
Power and fuel	16.59	19.96
Rent	9.79	7.60
Repairs and maintenance other	25.08	31.23
Insurance	8.29	9.26
Conveyance	0.76	1.96
Fees and subscription	2.67	0.50
Legal and professional expenses	51.79	78.45
Freight and cartage outward	91.78	144.33
Provision against advance to staff	-	52.28
Payment to auditors (refer note 29)	16.00	25.80
Travelling	1,275.18	2,131.88
Communication expense	53.23	62.21
Office expenses	27.49	31.57
Business promotion	2,666.96	4,078.99
Physician sample purchase	102.64	98.70
Commission expense	388.72	459.35
Selling and distribution	235.34	295.45
Duties and taxes	387.70	545.04
Loss from share of partnership firm	7.53	104.05
Miscellaneous	44.84	46.18
	5,412.38	**8,224.77**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
27. Finance costs		
Interest		
on short-term borrowings from banks	-	0.27
on lease liability	16.10	27.98
Other borrowing costs	18.25	33.57
	34.35	**61.82**

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Particulars	Year ended 31 March 2021	Year ended 31 March 2020
28. Earning per share		
Earnings per share (EPS) as per Ind AS-33 is calculated as under:		
Net profit for calculation of basic and diluted EPS(₹) (A)	2,091.84	(364.15)
Total number of equity shares outstanding at the end of the year (nos. in lakhs)	0.56	0.56
Add: No. of equity share to be issued upon conversion of CCCPS	0.06	0.06
Weighted average number of equity shares in calculating basic and diluted EPS (nos. in lakhs) (B)	0.62	0.62
Basic and diluted EPS (₹) (A/B)	3,365.24	(647.47)

29 Payment to auditors

	As at 31 March 2021	As at 31 March 2020
Payment to auditor as		
(a) auditor	15.00	25.00
(b) for reimbursement of expenses	1.00	0.80
	16.00	25.80

30. Contingent liabilities and litigations

	As at 31 March 2021	As at 31 March 2020
Other matters relating to employees	-	5.02
Product pricing matter DPCO*	442.56	442.56

* The Company is involved in a legal suit in respect of pricing on product with Drug Price Control Orders (u/s 3 of the Essential Commodities Act, 1955). The management basis discussion with legal counsel, believes that there is a fair chance of favourable decision in this matter and accordingly, no provision has been considered necessary at this stage.

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Renushree

Arinda.

AKUMENTIS HEALTHCARE LTD.

AKUMENTIS HEALTHCARE LIMITED
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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
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31. Employees benefits obligation

A. Defined contribution plan

Retirement benefits in the form of provident fund, superannuation fund and Employee State Insurance Scheme are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund. The Company's contribution to the defined plans is:

The amount recognised as expense towards contribution to defined contribution plans for the year is as below:	Year ended 31 March 2021	Year ended 31 March 2020
Company's contribution to Provident Fund	358.20	437.40
Company's contribution to Employees' State Insurance Scheme	51.27	69.93
Total	409.47	**507.33**

B. Defined benefit plan

The Company has defined benefit gratuity plan for its employees where gratuity is computed as 15 days last drawn salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement /termination /resignation. The benefit vests on the employee completing 5 years of service. The Company makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method. Summary for the same is as below:

(i) Present value of defined benefit obligation as at the end of the year

	Year ended 31 March 2021	Year ended 31 March 2020
Non-current	183.65	164.21
Current	75.15	65.71
	258.80	229.92

(ii) Movement in the present value of defined benefit obligation recognised in the balance sheet

	Year ended 31 March 2021	Year ended 31 March 2020
Present value of defined benefit obligation as at the beginning of the year	229.92	260.43
Current service costs	54.88	50.85
Interest costs	11.84	17.36
Benefits paid	(144.11)	-
Acturial loss/(gain) on obligation	106.27	(98.72)
Present value of defined benefit obligation as at the end of the year	258.80	229.92

(iii) Expense recognised in the statement of profit and loss consists of:

	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	54.88	50.85
Interest costs	11.84	17.36
Net impact on profit before tax	**66.72**	**68.21**
Actuarial loss/(gain) recognised during the year within other comprehensive income	106.27	(98.72)
Amount recognised in total comprehensive income	172.99	(30.51)

(iv) Breakup of acturial gain/(loss)

	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial (gain)/loss from change in demographic assumption	(0.07)	(0.01)
Actuarial (gain)/loss from change in financial assumption	3.96	10.37
Actuarial (gain)/loss from experience adjustment	102.38	(109.08)
Total actuarial	106.27	(98.72)

(v) Actuarial assumptions

	Year ended 31 March 2021	Year ended 31 March 2020
Discount rate	4.65%	5.15%
Rate of increase in compensation levels	6.00%	6.00%
Attrition rate	35%	35%
Retirement age	58	58
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

Notes:

(a) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.
(b) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

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(vi) Sensitivity analysis for gratuity liability

	Year ended 31 March 2021	Year ended 31 March 2020
a) Impact of the change in discount rate		
Present value of obligation at the end of the period	**258.80**	**229.92**
Impact due to increase of 0.50	(7.33)	(6.91)
Impact due to decrease of 0.50 %	8.09	7.63
b) Impact of the change in salary increase		
Present value of obligation at the end of the period	**258.80**	**229.92**
Impact due to increase of 0.50%	8.15	7.69
Impact due to decrease of 0.50 %	(7.44)	(7.03)

Note:

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

(vii) Maturity profile of defined benefit obligation (discounted)

Within next 12 months	75.15	65.71
Between 1-5 years	170.11	153.11
Beyond 5 to 10 years	49.01	46.93
Beyond 10 years	7.44	
	301.71	265.75

C. Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefits expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Remeasurement as a result of experience adjusments and changes in the actuarial assumption are recognised in the statement of profit and loss.

32. Revenue from contracts with customers

(i) Disaggregation of revenue

	Year ended 31 March 2021	Year ended 31 March 2020
Sale of products		
Revenue from sale of pharmaceutical goods	23,335.36	25,566.72

(ii) Assets and liabilities related to contracts with customers

	Year ended 31 March 2021		Year ended 31 March 2020	
	Non-current	Current	Non-current	Current
Contract liabilities related to sale of goods				
Advance from customers	-	273.67	-	298.10
Refund liability	-	3,640.82	-	4,204.14
Contract assets related to sale of goods				
Right to recover products from customer	-	391.91	-	480.81
Trade receivables	-	1,330.63	-	1,558.65

Receivable is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. The amounts receivable from customers become due after expiry of credit period which on an average is less than 30 days. There is no significant financing component in any transaction with the customers.

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(iii) Significant changes in the contract assets/ liabilities balances during the year are as follows:

The change in trade receivables is on account of amount charged from sale of goods and the amount outstanding at year end.

Particulars	As at 31 March 2021		As at 31 March 2020	
	Contract liabilities		Contract liabilities	
	Refund liabilty	Advances from customers	Refund liabilty	Advances from customers
Opening balance	4,204.14	298.10	4,959.80	11.65
Less: Provision made/ (written back) during the year (net)	(563.32)	(24.43)	(755.66)	286.45
Closing balance	**3,640.82**	**273.67**	**4,204.14**	**298.10**

Details of Right to recover products from customer

The Company recognises an asset i.e., Right to recover products from customer (included in other current assets) for the products expected to be returned. The Company initially measures this asset at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. Along with remeasuring the refund liability at the end of each reporting period, the Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Details of right to recover products from customer

	Contract assets	
	Right to recover products from customer	
	As at 31 March 2021	As at 31 March 2020
Opening balance	480.80	446.25
Less: Net movement during the year	(88.89)	34.55
Closing balance	391.91	480.80

33. Related party disclosures in accordance with Ind AS 24

I. Relationships

(a) Individuals exercising control over the Company/ Ultimate Holding company

(i) Mr. Sandeep Jain (Also a Key Managerial Person) - exercising control along with individual reffered in point no (a)(ii) below (tll 9 March 2020)

(ii) Mr. Sanjeev Jain (Also a Key Managerial Person of Holding Company) - exercising control along with individual reffered in point no (a)(i) above (tll 9 March 2020)

(iii) Akums Drugs and Pharmaceuticals Ltd. (w.e.f. 10 March 2020) - Ultimate Holding Company

(b) Entity where control exists

Cure Sure Pharma (Subsidiary)

c) Key management personnel (KMP) of the Company or its Holding company

Name	Designation
Mr. Manmohan Singh	Director
Mr. Allen Dass	Director
Mr. KanishkJain	Director
Mr. Arvind Kumar	Director
Mr. Sanjay Chalke	Director (w.e.f. 4 September 2020)
Ms. Renu Sharma	Director
Mr. Pradeep Patni	CEO
Mr. Ganesh Ramachanciran	CFO
Ms. Savita Ganesh	Relative of CFO
Mr. D.C. Jain	Relative of KMP
Mrs. Lata Jain	Relative of KMP of Holding Company
Mr. Kanish Jain	Relative of KMP

d) Fellow subsidiaries*

Maxcure Nutravedics Limited
Malik Lifesciences Private Limited
Pure and Cure Healthcare Private Limited
Delcure Lifesciences Limited
Upadhrish Reserchem LLP
Plenteous Pharmaceuticals Limited

* with whom the Company had transactions during the current year or previous year.
as per Companies Act, 2013

Renusharma
Allen
Anindh.

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II Summary of related party transactions-

	Particulars	Total	
		31 March 2021	31 March 2020
(a)	**Transactions during the year**		
	Loan given during the year:		
	Cure Sure Pharma	35.00	253.00
	Loss for the year		
	Cure Sure Pharma	(7.53)	(104.15)
	Interest income on loan given		
	Cure Sure Pharma	68.73	41.99
	Sales of goods		
	Delcure Lifesciences Limited	40.30	-
	Plenteous Pharmaceuticals Limited	2,082.64	-
	Purchase of goods		
	Akums Drugs and Pharmaceuticals Limited	3,061.65	1,713.47
	Maxcure Nutravedics Limited	116.94	178.04
	Malik Lifesciences Private Limited	338.44	324.16
	Pure and Cure Healthcare Private Limited	1,311.53	1,169.06
	Cure sure pharma	403.84	129.20
	Delcure Lifesciences Limited	411.13	-
	Expenses reimbursed		
	Akums Drugs and Pharmaceuticals Limited	38.70	10.43
	Maxcure Nutravedics Limited	-	1.51
	Pure and Cure Healthcare Private Limited	-	2.46
	Malik Lifesciences Private Limited	1.47	0.29
	Rent paid		
	Sanjeev Jain	66.58	66.57
	Sandeep Jain	66.58	66.58
	Lata Jain	1.40	2.40
	Professional charges paid		
	D.C. Jain	3.00	-
	Remuneration paid*		
	Rajaram Samant	-	201.75
	Ganesh Ramachanciran	51.25	53.23
	Sitting fees		
	Sandeep Jain	0.01	0.15
	Manmohan Singh	0.02	0.20
	Allen Dass	0.02	0.20
	Arvind Kumar	0.75	0.69
	Renu Sharma	0.75	0.69
(b)	**Balance outstanding at the year end**		
	Loan outstanding		
	Cure Sure Pharma	535.50	500.50
	Interest receivable		
	Cure Sure Pharma	109.71	46.14
	Trade receivables		
	Delcure Lifesciences Limited	20.00	-
	Plenteous Pharmaceuticals Limited	56.23	-
	Trade payables		
	Akums Drugs and Pharmaceuticals Limited	73.30	634.58
	Maxcure Nutravedics Limited	5.38	8.16
	Malik Lifesciences Private Limited	7.88	61.73
	Pure & Cure Healthcare Private Limited	4.07	293.72
	Cure sure pharma	90.38	114.16
	Upadhrish Reserchem LLP	1.25	-
	Security deposit		
	Sandeep Jain	50.00	50.00
	Sanjeev Jain	50.00	50.00

*excludes post employment benefits as it is computed for the Company on a whole.

Renu Sharma

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34. Employees Stock Option Scheme

The Company has a share option scheme, namely, Employees Stock Option Scheme, 2014 ('ESOP Scheme') for the eligible executives and senior employees ('Grantee') of the Company. In accordance with the terms of the plan, as approved the Board of Directors at its meeting held on 24 August 2014 followed by that approved by the shareholders at its meeting held on 30 April 2015, the Grantees with more than four years' service with the Company and/or attain performance parameters may be granted options to purchase equity shares.

Each Grantee's share option converts into one equity share of the Company on exercise and would be issued on payment of exercise price of Rs. 10 per option exercised. The options carry neither rights to dividends nor voting rights. Options may be exercised as stipulated in the ESOP Scheme at any time from the date of vesting to the date of their expiry.

The number of options granted is calculated in accordance with the performance-based formula as approved and based on the loyalty based criteria as set out under the ESOP Scheme.

The formula rewards the Grantees to the extent of the Company's and the individual's achievement judged against both qualitative and quantitative criteria which are based on the financial measures and loyalty.

The Board of Directors at meeting held on 20th March 2020 dissolved the Employees Stock Option Scheme 2014 due to unmet performance and employment conditions. Accordingly, 5115 outstanding options have been lapsed and vested to Akums Drugs & Pharmaceuticals Ltd as per the Scheme. Accordingly, corresponding balance 'Stock options outstanding' in Other equity has been transferred to Retained earnings.

The following share-based payment arrangements were in existence as at 31 March 2020 and 31 March 2019:

Year of vesting	Number of options as at year ended		Exercise Price
	31 March 2021	31 March 2020	
2018-19	-	-	10
2019-20	-	-	10
2020-21	-	-	10
Vested pending exercise	-	-	10
Total options outstanding	-	-	

Movements in share options during the year

Particulars	31 March 2021		31 March 2020	
	Stock options (numbers)	Exercise price	Stock options (numbers)	Exercise price
Outstanding at the commencement of the year	-	10	1,911	10
Exercised during the year	-	10		10
Lapsed during the year	-	10	(1,911)	10
Outstanding at the end of the year	-	10	-	10
Exercisable at the end of the year	-	10	-	10

The weighted average fair value of the share options granted was computed using Binomial model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Inputs provided for the model to determine fair value of options are given as below
Grant date fair value of equity share (determined based on the transactions price near to the grant date) Rs. 1.69 lakhs
Exercise Price per option (Rs) - 10
Expected volatility (%) - 1
Option Life (years) - 7
Dividend yield (%) - 0
Rate- free interest rate (%) - 7

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35 Financial Instruments

A Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at 31 March 2021	As at 31 March 2020
Financial assets measured at amortised cost:			
Loans	4	637.63	590.23
Other financial assets	5 & 11	176.68	182.91
Trade receivables	8	1,330.63	1,558.65
Cash and cash equivalents	9	214.79	1,149.90
Other bank balances	10	3,773.25	2,015.33
Total		**6,132.98**	**5,497.02**
Financial liabilities measured at amortised cost:			
Lease liability	40	96.41	213.47
Other financial liabilities	18	591.05	611.06
Trade payables	17	1,885.03	2,905.31
Total		**2,572.49**	**3,729.84**

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e., as prices) or indirectly (i.e., derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There is no financial assets measured at fair value in the statement of financial position

B.2 Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

As at 31 March 2021	Level	Carrying value	Fair value	Reference
Financial assets				
Loans	3	637.63	637.63	refer note 'a'
Other financial assets	3	176.68	176.68	refer note 'a'
Trade receivables	3	1,330.63	1,330.63	refer note 'a'
Cash and cash equivalents	3	214.79	214.79	refer note 'a'
Other bank balances	3	3,773.25	3,773.25	refer note 'a'
Financial liabilities				
Lease Liability	3	96.41	96.41	refer note 'b'
Other financial liabilities	3	591.05	591.05	refer note 'a'
Trade payables	3	1,885.03	1,885.03	refer note 'a'

As at 31 March 2020	Level	Carrying value	Fair value	Level
Financial assets				
Loans	3	590.23	590.23	refer note 'a'
Other financial assets	3	182.91	182.91	refer note 'a'
Trade receivables	3	1,558.65	1,558.65	refer note 'a'
Cash and cash equivalents	3	1,149.90	1,149.90	refer note 'a'
Financial liabilities				
Lease Liability	3	213.47	213.47	refer note 'b'
Other financial liabilities	3	611.06	611.06	refer note 'a'
Trade payables	3	2,905.31	2,905.31	refer note 'a'

(a) The carrying amount loans, trade receivables, other bank balances, cash and cash equivalents, trade payables and other financial liabilities which are short term in nature are considered to same as their fair values

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C Financial Risk Management

Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loans, Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	Bank deposits, diversification of asset base, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward foreign exchange contracts
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

C.1 Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables, loans and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

The Company provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, Cash and cash equivalents, financial assets measured at amortised cost	12 month expected credit loss
Moderate credit risk	Trade receivables	Trade receivables - Life time expected credit loss
High credit risk	Trade receivable	Trade receivables - Life time expected credit loss or specific provision whichever is higher

Financial assets that expose the entity to credit risk –

Particulars	At at 31 March 2021	At at 31 March 2020
Low credit risk		
Trade receivables	1,330.63	1,558.65
Cash and cash equivalents	214.79	1,149.90
Other bank balances	3,773.25	2,015.33
Loans	637.63	590.23
Other financial assets	176.68	182.91
High credit risk		
Trade receivables	72.40	108.89
Total	6,205.38	5,605.91

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored and a significant element of credit risk is covered by credit insurance. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Company. In respect of trade receivables, the Company recognises a provision for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company.

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(b) Expected credit losses for financial assets

(i) Financial assets (other than trade receivables)

Company provides for expected credit losses on loans other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

31 March 2021	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of loss allowance
Cash and cash equivalents	214.79	0.00%	-	214.79
Loans	637.63	0.00%	-	637.63
Other financial assets	176.68	0.00%	-	176.68

31 March 2020	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of loss allowance
Cash and cash equivalents	1,149.90	0.00%	-	1,149.90
Loans	590.23	0.00%	-	590.23
Other financial assets	182.91	0.00%	-	182.91

(ii) Expected credit loss for trade receivables under simplified approach

As at 31 March 2021 and 31 March 2020, the Company considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 12 months after the reporting date. In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

As at 31 March 2021	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Carrying amount net of loss allowance
Amount not yet due	1,136.46	0.00%	-	1,136.46
Between one to six month overdue	197.70	1.80%	3.55	194.15
Between six month to one year overdue	2.89	100.00%	2.89	-
Greater than one year overdue	65.96	100.00%	65.96	-
Total	1,403.01		72.40	1,330.61

As at 31 March 2020	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Carrying amount net of loss allowance
Amount not yet due	662.72	0.00%	-	662.72
Between one to six month overdue	936.80	4.36%	40.87	895.93
Between six month to one year overdue	19.14	100.00%	19.14	-
Greater than one year overdue	48.88	100.00%	48.88	-
Total	1,667.54		108.89	1,558.65

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Trade receivables
Loss allowance as at 1 April 2019	-
Charge in statement of profit and loss	108.89
Release to statement of profit and loss	-
Loss allowance as at 31 March 2020	108.89
Charge in statement of profit and loss	-
Release to statement of profit and loss	(36.49)
Loss allowance on 31 March 2021	72.40

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C.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company approach to managing liquidity is to ensure as far as possible, that it will have sufficient Management monitors rolling forecasts of the Company liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities
The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant:

31 March 2021	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowing (including current maturities of long term debt) along with estimated future interest obligation	-	-	-	-	-
Lease liabilities	96.41	-	-	-	96.41
Trade payables	1,885.03	-	-	-	1,885.03
Other financial liabilities	591.05	-	-	-	591.05
Total	2,572.49	-	-	-	2,572.49

31 March 2020	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowing (including current maturities of long term debt) along with estimated future interest obligation	-	-	-	-	-
Lease liabilities	126.45	87.02	-	-	213.47
Trade payables	2,905.31	-	-	-	2,905.31
Other financial liabilities	611.06	-	-	-	611.06
Total	3,642.82	87.02	-	-	3,729.84

C.3 Market risk

(a) Foreign Currency Risk
The Company is usually exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, recognised financial assets and liabilities (monetary terms). However, the Company presently transacts within India due to which there is no foreign currency risk applicable to the entity.

(b) Interest rate risk
The Company is not exposed to any interest rate risk.

(c) Price risk
(i) Exposure
The Company is not exposed to significant price risk.

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Renushorma

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36. Capital Management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Gearing ratio

Particulars	As at 31 March 2021	As at 31 March 2020
Total borrowings (including current maturities of long term debt)	-	-
Less: Cash and cash equivalents	214.79	1,149.90
Net debt	(214.79)	(1,149.90)
Total equity	1,809.60	(202.72)
Equity and net debt	1,594.81	(1,352.62)
Gearing ratio	-13.47%	85.01%

37. Tax expense

Tax expense in the statement of profit and loss comprises:

Particulars Tax expense	Year ended 31 March 2021	Year ended 31 March 2020
Recognised in statement of profit and loss		
Current tax	846.53	468.16
Deferred tax	121.66	1,055.93
Recognised in other comprehensive income (OCI)		
Deferred tax	(26.75)	24.85
Total tax expense	941.44	1,548.94

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:

	Year ended 31 March 2021	Year ended 31 March 2020
Profit before tax	3,060.03	1,159.94
Income tax using the Company's domestic tax rate (refer note below)	25.17%	25.17%
Expected tax expense [A]	770.21	291.96
Tax effect of adjustment to reconcile expected income tax expense to reported		
Change in tax rate		446.92
Non deductible expenses	224.98	393.97
Write down of previously recognized deferred tax assets relating to stock option plan	-	391.24
Others	(26.99)	-
Total adjustments [B]	197.98	1,232.13
Add: Deferred tax recognised in other comprehensive income	(26.75)	24.85
Actual tax expense [C=A+B]	941.44	1,548.94

* Domestic tax rate applicable to the Company has been computed as follows		
Base tax rate	22.00%	22.00%
Surcharge (% of tax)	10%	10%
Cess (% of tax)	4.00%	4.00%
Applicable rate of tax	25.17%	25.17%

Note:
The Taxation Laws (Amendment) Ordinance, 2019 (2019 Tax Ordinance) 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 during 2019-20 reviewed the implications of 2019 Tax Ordinance on its tax liability for the year and has decided to continue with the old tax regime and taxed as per the old tax rates from last year.

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b) Changes in deferred tax assets and liabilities for the year ended 31 March 2021 :-

Particulars	As at 31 March 2020	Recognised in other comprehensive income (OCI)	Recognised in profit and loss	As at 31 March 2021
Deferred tax liability consists of:				
Right to recover products from customer	(121.02)	-	22.39	(98.63)
Right-of-use assets	(7.39)	-	7.39	-
Deferred tax assets consists of:				
Property, plant and equipment and intangible assets	6.65	-	3.27	9.92
Right-of-use assets	-	-	0.94	0.94
Refund liability	1,058.18	-	(151.72)	906.46
Provision for employee benefits	170.63	26.75	(20.35)	177.03
Provision against doubtful debts and obsolete stock	124.35	-	16.42	140.77
Net deferred tax asset / (liability)	1,231.40	26.75	(121.66)	1,136.49

Changes in deferred tax assets and liabilities for the year ended 31 March 2020:-

Particulars	As at 31 March 2019	Recognised in OCI	Recognised in profit and loss	As at 31 March 2020
Deferred tax liabilities consists of:				
Right to recover products from customer	(148.98)	-	27.96	(121.02)
Right-of-use assets	(4.89)	-	(2.50)	(7.39)
Deferred tax assets consists of:				
Property, plant and equipment and intangible assets	7.36	-	(0.71)	6.65
Stock option outstanding account	391.24	-	(391.24)	-
Refund liability	1,655.80	-	(597.62)	1,058.18
Provision for employee benefits	246.59	(24.85)	(51.11)	170.63
Provision against doubtful debts and obsolete stock	165.06	-	(40.71)	124.35
Net deferred tax asset / (liability)	**2,312.18**	**(24.85)**	**(1,055.93)**	**1,231.40**

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38 Segment reporting

The Company is primarily engaged in the trading of "pharmaceuticals". Hence as per, chief operating decision maker, the sale of pharmaceuticals formulations has been considered as a single operating segment per Ind AS 108 'Operating Segments' and accordingly disclosures have been limited to single operating segment. The revenues of the Company are entirely domestic, hence revenues from customers are only in one geographical area i.e. with in India. In current year, none (previous year - none) of the customer accounted for more than 10% of the Company's revenue.

39. Disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 due to micro enterprises and small enterprises

Particulars	As at 31 March 2021	As at 31 March 2020
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due	87.95	79.91
- Interest amount due		
(ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

40. Lease

a) The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the Right of Use assets at its carrying amount, but discounted at the lesses's incremental borrowing rate at the date of initial application. In the previous year, Effective from 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing as on 1 April 2019 using the modified retrospective method along with the transition option to recognise right of use (ROU) assets at an amount equal to the lease liabilities, opening ROU assets of Rs. 339.87 lakhs recognised and lease liabilities of Rs. 318.65 Lakhs recognised as on 1 April 2019.

b) The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 10.75% p.a.

c.) Since, there was no change made in original lease contract in the current financial year, no reassessment or revaluation done for the Right-of-use assets created originally.

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Renu sharma

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(All amounts in lakhs unless otherwise stated)

d) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

As on 31 March 2021

Right-of-use assets	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term (years)
Building	1	0.75	0.75

As on 31 March 2020

Right-of-use assets	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term (years)
Building	1	1.75	1.75

There are no leases entered by the Company which have any extention, termination or purchase option and the payment of lease rentals is not based on variable payments which are linked to an index

e) Amount recognised in balance sheet and statement of profit and loss:

Particulars	Category of Right-of-use assets	
	Building	Total
Balance as at 1 April 2019 (on account of application of Ind AS 116)*	**339.87**	339.87
Less: Amortisation charged on the right-of-use assets	123.60	123.60
Balance as at 31 March 2020/ 1 April 2020	**216.27**	**216.27**
Less: Amortisation charged on the right-of-use assets	123.57	123.57
Balance as at 31 March 2021	**92.70**	**92.70**

f) Lease payment not recognised as lease liability

	Year ended 31 March 2021	Year ended 31 March 2020
Expenses relating to short term leases(included in other expenses)	9.79	7.60
	9.79	**7.60**

g) Future minimum lease payments as on 31 March 2021 are as follows:

Minimum Lease payments due	As at 31 March 2021		
	Lease payment	Finance charges	Net present value
Within one year	99.88	3.47	96.41
	99.88	**3.47**	**96.41**

Minimum Lease payments due	As at 31 March 2020		
	Lease payment	Finance charges	Net present value
Within one year	142.55	16.10	126.45
1 - 2 years	90.49	3.47	87.02
	233.04	**19.57**	**213.47**

41. The outbreak of the Novel Corona Virus (COVID-19), declared as pandemic by World Health Organization (WHO) is continuing to spread across the world and in India and has caused disruption in the social, economic and financial system of the world. Since March 2020, the Indian Government had announced periods of nationwide lockdown which was extended in multiple tranches and has now allowed resumption of economic activities with strict compliance of social distancing norms etc. in selected geographies. Subsequently, the second wave of COVID -19 has emerged in India, due to which, various state governments have also imposed lockdowns in their respective states. The management has evaluated the possible effects on the carrying value of the financial assets including trade receivables and inventory, other assets and expects to duly recover the same and believes that there is no significant impact of COVID-19 on financial position as at 31 March 2021. However, the impact of the aforementioned global health pandemic may be different from that estimated as at the date of approval of these financial statements and the management will continue to closely monitor any material changes to future economic conditions including its corresponding impact on the Company.

42. Figures have been recasted/restated wherever necessary to conform to the current year's presentation.

As per our report of even date attached

For Walker Chandlok & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Tarun

Tarun Gupta
Partner
Membership No.507892

For and on behalf of Board of Directors of
Akumentis Healthcare Limited

Manmohan Singh
Director
DIN: 02994045

Arvind Kumar
Director
DIN: 07193322

Allen Dass
Director
DIN: 06403178

Renu Sharma

Renu Sharma
Director
DIN: 07599108

Sanjay C. Chalke
Director
DIN: 07679410

Place: New Delhi
Date: 16 September 2021

AKUMENTIS HEALTHCARE LTD.