

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
L 41, Connaught Circus,
Outer Circle,
New Delhi – 110 001
India
T +91 11 45002219
F +91 11 42787071

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Akums Drugs and Pharmaceuticals Limited
Plot No 131 to 133
Block-C, Mangolpuri Ind. Area Phase I
Delhi – 110083, India

Dear Sirs,

1. We have examined the attached **Restated Consolidated Financial Information** of Akums Drugs and Pharmaceuticals Limited (the "**Company**" or "**Holding Company**"), its subsidiaries (the Company and its subsidiaries together referred to as the "**Group**") and its associate, comprising the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2024, 31 March 2023 and 31 March 2022, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, and notes to the restated consolidated financial information, including a summary of the material accounting policies and other explanatory information (collectively, the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on 31 May 2024 for the purpose of inclusion in the Red Herring Prospectus and Prospectus (collectively "**Offer Documents**") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**IPO**") prepared in terms of the requirements of:
 - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**");
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**"); and
 - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "Guidance Note").



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Walker Chandiook & Co LLP

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION OF AKUMS DRUGS AND PHARMACEUTICALS LIMITED (CONT'D)

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India (SEBI), National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) ("Stock Exchanges") and Registrar of Companies, Delhi ("ROC") in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 1.2 to the Restated Consolidated Financial Information. The responsibility of respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 1 November 2023 along with addendum to Engagement Letter dated 25 May 2024 in connection with the proposed IPO of equity shares of the Company;
 - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.
4. These Restated Consolidated Financial Information have been compiled by the management from the Audited Consolidated Financial Statements of the Company as at and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 31 May 2024, 30 June 2023 and 17 June 2022 respectively.
5. For the purpose of our examination, we have relied on auditors' reports issued by us dated 31 May 2024, 30 June 2023 and 17 June on the Audited Consolidated Financial Statements of the Company as at and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 respectively as referred in Paragraph 4 above.
6. The audit reports on the consolidated financial statements issued by us referred in paragraph 5 included following matters which did not require any adjustment in the Restated Consolidated Financial Information:



Walker Chandiook & Co LLP

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION OF AKUMS DRUGS AND PHARMACEUTICALS LIMITED (CONT'D)

Other Matter paragraphs with respect to our reports on internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, covered under the Act, issued by us referred in paragraph 5:

For the year ended 31 March 2024

The adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to nine subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For the year ended 31 March 2023

The adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to ten subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For the year ended 31 March 2022

The adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to thirteen subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Further, there are observations included in the audit reports of the entities included in the Group, for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 with reference to qualifications in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act and reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), which do not require any adjustments in the Restated Consolidated Financial Information, have been disclosed in note 58 Part C of the Restated Consolidated Financial Information.

7. As indicated in our audit reports referred above in paragraph 5:

We did not audit the financial statements of subsidiaries and an associate as mentioned in Annexure 1, whose share of total assets, total revenues, net cash inflows / (outflows) and share of profit/ (loss) in its associate included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors as mentioned in Annexure 1 and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(INR in million)

Particulars	As at/ for the year ended		
	31 March 2024	31 March 2023	31 March 2022
Total assets	4,954.24	4,227.66	3,849.92
Total revenues	2,621.51	3,202.73	5,727.61
Net cash inflow/ (outflows)	44.35	785.87	1.05
Share of profit/ (loss) in its associate	Not applicable	(2.03)	2.03



Walker ChandioK & Co LLP

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION OF AKUMS DRUGS AND PHARMACEUTICALS LIMITED (CONT'D)

Our opinion on the Consolidated Financial Statements for the years as referred in paragraph 5, are not modified in respect of these matters.

The other auditors of the subsidiaries and an associate, as mentioned in Annexure 1, have examined the restated financial information and have confirmed that the restated financial information:

- (a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the years ended 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended 31 March 2024;
- (b) do not require any adjustments for the matters giving rise to matters mentioned in paragraph 6 above; and
- (c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

Further, we did not audit the financial statements of subsidiaries as mentioned in Annexure 1, whose share of total assets, total revenues and net cash inflows / (outflows) included in the consolidated financial statements, for the relevant years is tabulated below, which are unaudited and have been furnished to us by the management of the Company, and our opinion, insofar as it relates to the amounts included in respect of such subsidiaries are based solely on such unaudited financial statements. In our opinion and according to the information and explanation given to us by the management, these financial statements are not material to the Group:

(INR in million)

Particulars	As at/ for the year ended		
	31 March 2024	31 March 2023	31 March 2022
Total assets	Not applicable	0.00*	0.20
Total revenues	Not applicable	0.00*	Nil
Net cash inflow/ (outflows)	Not applicable	(0.00*)	(0.01)

*rounded off to Nil

Our opinion on the Consolidated Financial Statements for the years as referred in paragraph 5, are not modified in respect of these matters:

8. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the other auditors for the respective years, we report that the Restated Consolidated Financial Information:
 - a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the years ended 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended 31 March 2024;
 - b. do not require any adjustments for the matters giving rise to matters mentioned in paragraph 6 above; and

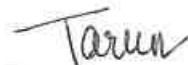


Walker ChandioK &Co LLP

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION OF AKUMS DRUGS AND PHARMACEUTICALS LIMITED (CONT'D)

- c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Audited Consolidated Financial Statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI, Stock Exchanges and ROC in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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



Tarun Gupta
Partner
Membership Number: 507892



UDIN: 24507892BKEITO8695

Place: New Delhi
Date: 31 May 2024

Walker ChandioK & Co LLP

Annexure 1 to the Examination Report

Details of the entities and related periods audited by the other auditors:

Name of entities	Audit period	Status (audited / unaudited)	If audited, auditor report's date	Name of Auditor
Subsidiaries/ Step down subsidiaries				
Sarvagunaushdhi Private Limited	FY 2023-2024	Audited	22-May-24	TAMS & Co LLP
	FY 2022-2023	Audited	10-May-23	V.P. Gupta & Co
	FY 2021-2022	Audited	08-Jun-22	V.P. Gupta & Co
Amazing Research Laboratories Limited	FY 2023-2024	Audited	21-May-24	TAMS & Co LLP
	FY 2022-2023	Audited	10-May-23	Anil Jain DD & Co
	FY 2021-2022	Audited	03-Jun-22	Anil Jain DD & Co
Plenteous Pharmaceuticals Limited	FY 2023-2024	Audited	23-May-24	TAMS & Co LLP
	FY 2022-2023	Audited	11-May-23	Anil Jain DD & Co
	FY 2021-2022	Audited	03-Jun-22	Anil Jain DD & Co
May and Baker Pharmaceuticals Limited	FY 2023-2024	Audited	23-May-24	TAMS & Co LLP
	FY 2022-2023	Audited	28-Apr-23	V.P. Gupta & Co
	FY 2021-2022	Audited	03-Jun-22	V.P. Gupta & Co
Upadhrish Reserchem LLP	FY 2023-2024	Audited	27-May-24	TAMS & Co LLP
	FY 2022-2023	Audited	15-May-23	V.P. Gupta & Co
	FY 2021-2022	Audited	07-Jun-22	V.P. Gupta & Co
Nicholas Healthcare Limited	FY 2023-2024	Audited	29-May-24	TAMS & Co LLP
	FY 2022-2023	Audited	28-Apr-23	V.P. Gupta & Co
	FY 2021-2022	Audited	13-Jun-22	V.P. Gupta & Co
Medibox Pharma Private Limited	FY 2023-2024	Audited	27-May-24	TAMS & Co LLP
	FY 2022-2023	Audited	21-Apr-23	Vibhor Gupta & Associates
	FY 2021-2022	Audited	11-Apr-22	Vibhor Gupta & Associates
Akums Healthcare Limited	FY 2023-2024	Audited	28-May-24	TAMS & Co LLP
	FY 2022-2023	Audited	10-May-23	V.P. Gupta & Co
	FY 2021-2022	Audited	06-Jun-22	V.P. Gupta & Co
Burrghs Welcome Pharmacia Limited (w.e.f. 30 September 2021)	FY 2023-2024	Audited	22-May-24	TAMS & Co LLP
	FY 2022-2023	Audited	28-Apr-23	V.P. Gupta & Co
	FY 2021-2022	Audited	27-May-22	V.P. Gupta & Co
Delcure Lifesciences Limited (till 18 January 2023)	FY 2023-2024	Not Applicable	Not Applicable	Not Applicable
	FY 2022-2023	Audited	11-Apr-23	V.P. Gupta & Co
	FY 2021-2022	Audited	22-Apr-22	V.P. Gupta & Co
Avha Lifesciences Private Limited (till 26 February 2023)	FY 2023-2024	Not Applicable	Not Applicable	Not Applicable
	FY 2022-2023	Audited	18-Apr-23	V.P. Gupta & Co
	FY 2021-2022	Audited	30-May-22	V.P. Gupta & Co
Akum Impex LLP (till 30 September 2022)	FY 2023-2024	Not Applicable	Not Applicable	Not Applicable
	FY 2022-2023	Unaudited	Unaudited	Unaudited
	FY 2021-2022	Unaudited	Unaudited	Unaudited
Abbot Pharma Limited (till 28 March 2022)	FY 2023-2024	Not Applicable	Not Applicable	Not Applicable
	FY 2022-2023	Not Applicable	Not Applicable	Not Applicable
	FY 2021-2022	Audited	12-Apr-22	V.P. Gupta & Co
Ziven Lifesciences Limited (till 17 March 2023)	FY 2023-2024	Not Applicable	Not Applicable	Not Applicable
	FY 2022-2023	Unaudited	Unaudited	Unaudited
	FY 2021-2022	Audited	12-Apr-22	Vibhor Gupta & Associates
Parabolic Research Labs Limited (till 17 March 2023)	FY 2023-2024	Not Applicable	Not Applicable	Not Applicable
	FY 2022-2023	Unaudited	Unaudited	Unaudited
	FY 2021-2022	Audited	12-Apr-22	Vibhor Gupta & Associates
Dhanwantri Vedaresearch LLP (till 30 September 2022)	FY 2023-2024	Not Applicable	Not Applicable	Not Applicable
	FY 2022-2023	Unaudited	Unaudited	Unaudited
	FY 2021-2022	Unaudited	Unaudited	Unaudited
Cure Sure Pharma (Dissolved on 31 March 2022)	FY 2023-2024	Not Applicable	Not Applicable	Not Applicable
	FY 2022-2023	Not Applicable	Not Applicable	Not Applicable
	FY 2021-2022	Audited	15-Apr-22	V.P. Gupta & Co
Qualymed Pharma Private Limited (w.e.f. 2 May 2023)	FY 2023-2024	Audited	27-May-24	TAMS & Co LLP
	FY 2022-2023	Not Applicable	Not Applicable	Not Applicable
	FY 2021-2022	Not Applicable	Not Applicable	Not Applicable
Associate				
AUSL Pharma (partnership firm) (till 31 December 2022)	FY 2023-2024	Not Applicable	Not Applicable	Not Applicable
	FY 2022-2023	Audited	02-Jan-24	TAMS & Co LLP
	FY 2021-2022	Audited	01-Jun-22	Vibhor Gupta & Associates

Note: TAMS & Co LLP which is a peer reviewed firm, has issued examination reports for all the entities mentioned above.

