Premedium Pharmaceuticals Private Limited

Consolidated Financial Statement for the year ended

31st March, 2021

Holding Company: Premedium Pharmaceuticals Private Limited
Subsidiary Company : Premedium Pharma Limited, Nigeria

Premedium Pharmaceuticals Private Limited
Consolidated Balance Sheet as at 31st March, 2021

Particulars	Note No.	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
Assets			
Non-current assets			
Property, plant and equipment	2.1	140.02	126.72
Right-of-use-Assets	2.2	102.69	295.74
Capital work-in-progress			11.50
Intangible assets	2.3	1.42	1.68
Financial assets			
i. Loans	3	27.38	20.97
Deferred Tax Assets (Net)	4	0.50	135.91
Non-current tax assets (Net)	5	2.25	0.65
Other non-current assets	6	220.51	1.22
Total non-current assets	**A**	**494.77**	**594.39**
Current assets			
Inventories	7	1,257.87	1,491.82
Financial assets			
i. Trade receivables	8	1,413.97	1,446.85
ii. Cash and cash equivalents	9	12.09	176.63
iii. Bank balances other than (ii) above	10	68.86	17.85
iv. Other financial assets	11	1.87	-
Other current assets	6	242.93	255.07
Total current assets	**B**	**2,997.59**	**3,388.22**
Total Assets	**C = A + B**	**3,492.36**	**3,982.61**
Equity			
Equity share capital	12	1,001.00	1,001.00
Other equity	13	(1,487.76)	(532.40)
Equity attributable to shareholders of the Company		(486.76)	468.60
Non-controlling Interests		0.00	0.00
Total equity	**D**	**(486.76)**	**468.60**
Liabilties			
Non-current liabilities			
Financial Liabilities			
i. Lease Liabilities		68.55	233.43
Provisions	14	9.08	22.19
Total non-current liabilities	**E**	**77.63**	**255.62**
Current liabilities			
Financial liabilities			
i. Borrowings	15	1,944.37	1,441.28
ii. Lease Liabilities		44.33	69.78
iii. Trade payables	16		
(A) Total Outstanding dues of Micro Enterprises and Small Enterprises		208.97	114.18
(B) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1,533.67	1,448.40
Other current liabilities	17	166.41	183.68
Provisions	14	3.74	1.07
Total current liabilities	**F**	**3,901.49**	**3,258.39**
Total liabilities	**G = E + F**	**3,979.12**	**3,514.01**
Total equity and liabilities	**H = D + G**	**3,492.36**	**3,982.61**

Significant accounting policies **1**
See accompanying Notes to Financial Statements **2 to 39**

As per our report of even date attached
For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Premedium Pharmaceuticals Private Limited

Dr. Dilip Birdi
[Director]
[DIN : 08134919]

Sanjiv Kumar Kothari
[Director]
[DIN : 00760651]

(Sunny Singh)
Partner
Membership No. 516834

Ritesh Kumar
[Company Secretary]
[M.No - A-51787]

Place : Noida
Dated: September 10, 2021

Premedium Pharmaceuticals Private Limited

Consolidated Statement of Profit & Loss for the year ended 31st March, 2021

Particulars	Note No.	For the year ended 31st March, 2021 Rs. in Lacs	For the year ended 31st March, 2020 Rs. in Lacs
Income			
Revenue from operations	**18**	5,518.54	5,531.83
Other income	**19**	24.51	9.20
Total income	**(I)**	**5,543.05**	**5,541.03**
Expenses			
Purchases of Stock in Trade	**20.1**	4,796.32	6,354.06
Changes in inventories of Stock in Trade	**20.2**	222.98	(1,438.71)
Employee benefits expense	**21**	595.60	674.71
Finance costs	**22**	181.69	96.21
Depreciation and amortization expense	**23**	93.38	67.22
Other expenses	**24**	479.53	341.93
Total expenses	**(II)**	**6,369.50**	**6,095.42**
Profit/(Loss) before Tax	**III = (I - II)**	**(826.45)**	**(554.39)**
Tax Expense	**25**		
Current Tax		-	-
Deferred tax		133.77	(135.87)
Total Tax Expense	**(IV)**	**133.77**	**(135.87)**
Profit/(Loss) for the year	**V = (III - IV)**	**(960.22)**	**(418.52)**
Other Comprehensive Income	**VI**	-	-
Items that will not be reclassified to profit or loss			
a) Remeasurement of defined benefit obligation (refer note 32)		6.50	0.37
b) Income tax relating to these items		(1.64)	(0.09)
Other Comprehensive Income for the year, net of tax		4.86	0.28
Total Comprehensive Income for the year (Comprising Profit/(Loss) and other comprehensive Income for the year)	**V + VI**	**(955.36)**	**(418.24)**
Profit / (Loss) for the year attributable to :			
Shareholders of the Company		(960.22)	(418.52)
Non-controlling interests		(0.00)	(0.00)
		(960.22)	(418.52)
Total comprehensive income for the year attributable to :			
Shareholders of the Company		(955.36)	(418.24)
Non-controlling interests		(0.00)	(0.00)
		(955.36)	(418.24)
Earning Per Equity Share (Face Value of Rs. 10/- each)			
- Basic	**30**	(9.59)	(4.18)
- Diluted		(9.59)	(4.18)
Significant accounting policies	**1**		
See accompanying Notes to Financial Statements	**2 to 39**		

As per our report of even date attached
For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Premedium Pharmaceuticals Private Limited

Dr. Dilip Birdi
[Director]
[DIN : 08134919]

Sanjiv Kumar Kothari
[Director]
[DIN : 00760651]

(Sunny Singh)
Partner
Membership No. 516834

Ritesh Kumar
[Company Secretary]
[M.No - A-51787]

Place : Noida
Dated: September 10, 2021

Premedium Pharmaceuticals Private Limited
Consolidated Cash Flow Statement for the year ended 31st March, 2021

		(Rs. in Lacs)
Particulars	**For the year ended As At 31st March, 2021**	**For the year ended As At 31st March, 2020**
Cash flow from operating activities		
Profit before tax	(826.45)	(554.39)
Adjustments:		
Depreciation	93.38	67.22
Interest Income	(3.91)	(9.20)
Allowance for doubtful receivables	15.63	1.06
Gain on derecognition of Right of use Asset	(16.72)	-
Remeasurement through OCI	6.50	0.37
Finance Cost	177.10	87.52
Operating cash flow before working capital changes	**(554.47)**	**(407.42)**
Movements in working capital :		
Changes in trade receivables	17.25	(1,398.26)
Changes in inventories	233.96	(1,451.46)
Changes in other assets & other current assets	(199.48)	(203.64)
Changes in trade payables	180.07	1,528.73
Provisions	(10.45)	20.93
Other current liabilities	(17.27)	126.12
Cash generated from opeations	**(350.39)**	**(1,785.00)**
Income tax paid/(refund)	(1.60)	0.37
Net cash generated from operating activites (A)	**(351.99)**	**(1,784.63)**
Cash flow from investing activity		
Purchase of Property, Plant & Equipment	(47.85)	(128.10)
Maturity/(Investments) of /in Fixed deposits having original maturity of more than 3 months	(51.01)	657.15
Interest received	3.91	9.20
Net cash (used in) investing activities (B)	**(94.95)**	**538.25**
Cash flow from financing activity		
Proceeds from short term borrowings	503.09	1,441.28
Payment of Lease Liabilities	(71.54)	(54.37)
Interest paid	(149.16)	(61.72)
Net cash generated from financing activites (C)	**282.39**	**1,325.19**
Net increase in cash & cash equivalents (A+B+C)	(164.55)	78.81
Cash & cash equivalents as the beginning of the year	176.63	97.82
Cash & cash equivalents as the end of the year	12.08	176.63
Components of cash and cash equivalents		
Cash on hand	0.41	0.28
Balances with Banks:		
On current accounts	11.68	176.35
	12.09	176.63

As per our report of even date attached
For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

(Sunny Singh)
Partner
Membership No. 516834

Place : Noida
Dated: September 10, 2021

For and on behalf of the Board of Directors
of Premedium Pharmaceuticals Private Limited

Dr. Dilip Birdi
[Director]
[DIN : 08134919]

Sanjiv Kumar Kothari
[Director]
[DIN : 00760651]

Ritesh Kumar
[Company Secretary]
[M.No - A-51787]

Premedium Pharmaceuticals Private Limited
Statement of changes in equity

I) Equity Share Capital

	Notes	Amount (Rs. in Lacs)
Balance as at April 1, 2019	**12**	**1,001.00**
Changes in equity share capital during the year		-
Balance as at March 31, 2020		**1,001.00**
Changes in Equity Shares Capital during the Year		-
Balance as at March 31, 2021		**1,001.00**

II) Other equity Rs. in Lacs

	Notes	Reserves and surplus	Items of OCI remeasurements of the net defined benefit obligation	Total	Non - controlling Interests (NCI)	Total
		Retained earnings				
Balance as at the April 1 , 2019		(114.16)	-	**(114.16)**		**(114.16)**
Profit/(loss) for the year	**13**	(418.52)		**(418.52)**	-	**(418.52)**
Other comprehensive income (net of tax)		-	0.28	**0.28**		**0.28**
Subscription of Equity Shares of Subsidiary by Non Controlling Interest		-	-	**-**	0.00 *	**0.00**
Balance as at March 31, 2020		**(532.68)**	**0.28**	**(532.40)**	**0.00**	**(532.40)**
Profit/(loss) for the year	13	(960.22)		**(960.22)**	(0.00) *	**(960.22)**
Other comprehensive income (net of tax)		-	4.86	**4.86**	-	**4.86**
Balance as at March 31, 2021		**(1,492.90)**	**5.14**	**(1,487.76)**	**0.00 ***	**(1,487.76)**

* figures are below rounding off norms applied by the Group.
(Loss for the year Re. 1/-, and balance of Rs.16/- as on 31st March, 2021)
(Previous year, loss for the year Rs. 2/-, Subscription of Equity shares of Rs.19/- and balance of Rs.17/-)

As per our report of even date attached
For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

(Sunny Singh)
Partner
Membership No. 516834

Place : Noida
Dated: September 10, 2021

For and on behalf of the Board of Directors
of Premedium Pharmaceuticals Private Limited

Dr. Dilip Birdi
[Director]
[DIN : 08134919]

Sanjiv Kumar Kothari
[Director]
[DIN : 00760651]

Ritesh Kumar
[Company Secretary]
[M.No - A-51787]

Premedium Pharmaceuticals Private Limited
Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No. 2.1

PROPERTY, PLANT AND EQUIPMENT — Rs. in Lacs

Particulars	Leasehold Improvement	Computers	Furniture & Fixtures	Office Equipments	Plant & Machinery	Vehicles	Total
At Cost							
As at 1st April, 2019	11.89	11.39	5.47	2.13	0.97	-	31.85
Additions during the year	23.58	20.59	17.45	34.47	15.70	4.30	116.09
Disposals / Discarded during the year	-	-	-	-	-	-	-
As at 31st March, 2020	35.47	31.98	22.92	36.60	16.67	4.30	147.94
Additions during the year	16.63	12.47	4.40	0.25	13.43	-	47.18
Disposals / Discarded during the year	-	-	-	-	-	-	-
As at 31st March, 2021	52.10	44.45	27.32	36.85	30.10	4.30	195.12
DEPRECIATION							
As at 1st April, 2019	0.14	0.57	0.02	0.07	0.01	-	0.81
Charge for the year	4.86	7.80	1.52	5.12	0.67	0.44	20.41
Disposals / Discarded during the year	-	-	-	-	-	-	-
As at 31st March, 2020	5.00	8.37	1.54	5.19	0.68	0.44	21.22
Charge for the year	8.54	13.73	2.52	6.96	1.62	0.51	33.88
Disposals / Discarded during the year	-	-	-	-	-	-	-
As at 31st March, 2021	13.54	22.10	4.06	12.15	2.30	0.95	55.10
NET BLOCK							
As at 31st March, 2020	30.47	23.61	21.38	31.41	15.99	3.86	126.72
As at 31st March, 2021	38.56	22.36	23.26	24.70	27.80	3.35	140.02

Premedium Pharmaceuticals Private Limited
Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No. 2.2

RIGHT-OF-USE ASSETS (Refer Note 29)

Particulars	Rs. in Lacs Right-of-use assets
As at 1st April, 2019	213.30
Additions during the year	128.59
Deletion during the year	-
Depreciation charge during the year	46.15
As at 31st March,2020	295.74
Additions during the year	-
Deletion during the year	134.49
Depreciation charge during the year	58.56
As at 31st March,2021	102.69

Note No. 2.3

INTANGIBLES ASSETS Rs. in Lacs

Particulars	Computer Software
At Cost	
As at 1st April, 2019	**1.88**
Additions during the year	0.51
Disposals / Discarded during the year	-
As at 31st March, 2020	**2.39**
Additions during the year	0.68
Disposals / Discarded during the year	-
As at 31st March, 2021	**3.07**
AMORTIZATION	
As at 1st April, 2019	**0.05**
Charge for the year	0.66
Disposals / Discarded during the year	-
As at 31st March, 2020	**0.71**
Change for the year	0.94
Disposals / Discarded during the year	-
As at 31st March, 2021	**1.65**
NET BLOCK	
As at 31st March, 2020	**1.68**
As at 31st March, 2021	**1.42**

Rs. in Lacs

Note No.	Deferred tax assets / (liabilities) in relation to :	As at 1st April 2019	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive Income	As at 31st March, 2020
4	**Deferred Tax Assets / (Liabilities) (Net)**				
	The following is the analysis of deferred tax assets / liabilities recognised in statement of profit and loss and other comprehensive income				
	Property, plant and equipment (including intangible assets)	(0.86)	(75.37)	-	(76.23)
	Employee benefits	0.68	5.27	(0.09)	5.86
	Unamortised preliminary expense	0.30	(0.10)		0.20
	Lease Liability	-	76.31		76.31
	Fair Value Adjustments	0.01	(0.22)		(0.21)
	Unabsorbed Loss	-	127.79		127.79
	Others	-	2.19	-	2.19
		0.13	**135.87**	**(0.09)**	**135.91**

Rs. in Lacs

Note No.	Deferred tax assets / (liabilities) in relation to :	As at 1st April, 2020	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive Income	As at 31st March, 2021
4	**Deferred Tax Assets / (Liabilities) (Net)**				
	The following is the analysis of deferred tax assets / liabilities recognised in statement of profit and loss and other comprehensive income				
	Property, plant and equipment (including intangible assets)	(76.23)	49.46	-	(26.77)
	Employee benefits	5.86	(1.00)	(1.64)	3.22
	Unamortised preliminary expense	0.20	(0.07)	-	0.13
	Lease Liability	76.31	(47.90)	-	28.41
	Fair Value Adjustments	(0.21)	(0.08)	-	(0.29)
	Unabsorbed Loss*	127.79	(127.79)	-	-
	Others	2.19	(6.39)	-	(4.20)
		135.91	**(133.77)**	**(1.64)**	**0.50**

* In the absence of virtual certainity of future available taxable profit to set off unabsorbed loss, deferred tax asset on account of unabsorbed loss avaialble as per Income Tax provisions has not been recognised.

Note: Deferred tax assets and deferred tax liabilities have been offset as they ae governed by the same taxation laws.

Premedium Pharmaceuticals Private Limited
Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
	Non Current Financial Assets		
3	**Loans**		
	(Unsecured, Considered good)		
	Security Deposits	27.38	20.97
	Total	**27.38**	**20.97**

Premedium Pharmaceuticals Private Limited

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
5	**Income tax assets**		
	Non Current		
	TDS Recoverable	2.25	0.65
	Total	**2.25**	**0.65**

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
6	**Other Assets**		
	Non-Current		
	(Unsecured, Considered good)		
	Capital Advances	220.30	-
	Prepaid Expenses	0.21	1.22
	Total	**220.51**	**1.22**
	Current		
	(Unsecured, Considered good)		
	Advances Recoverable*	40.65	36.15
	Balance with statutory/government authorities	196.84	213.01
	Prepaid Expenses	5.44	5.91
		242.93	**255.07**

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
7	**Inventories**		
	(Valued at lower of cost or net realisable value)		
	Stock in Trade(Drugs & Pharmaceutical items)	1,256.10	1,479.08
	Packing Material	1.77	12.74
	Total	**1,257.87**	**1,491.82**

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
8	**Trade Receivables (Unsecured)**		
	Considered good	1,413.97	1,446.85
	Considered Doubtful	16.69	1.06
	Less: Allowance for expected credit losses	(16.69)	(1.06)
	Total	**1,413.97**	**1,446.85**

In accordance with Ind As 109 , the Company applies Expected Credit Loss (ECL) model for the measurement and recognition of impairment loss towards expected risk in delays and default in collection.

Information about single largest customer
A single largest customer has total share in sales 68.67% (31st March, 2020 : 86.86%) and in receivables 68.30% (31st March, 2020: 75.27%)

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

The Company uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

The movement in allowance for expected credit loss in respect of trade receivables during the year was as follows:

Allowance for expected credit loss	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
Opening balance	1.06	-
Expected credit loss created /(reversed)	15.63	1.06
Closing balance	**16.69**	**1.06**

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
9	**Cash & Cash Equivalent**		
	Balance with Banks:		
	- In Current Accounts	11.68	176.35
	Cash on hand	0.41	0.28
	Total	**12.09**	**176.63**

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
10	**Other Bank Balances**		
	Fixed Deposit in banks having original maturity of more than 3 months and remaining maturity of less than 12 months	68.86	17.85
	Total	**68.86**	**17.85**

Note Note	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
	Other Financial Assets		
11	**Current**		
	Interest accrued on fixed deposits	1.87	-
		1.87	**-**

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
12	**Equity Share Capital:**		
	Authorised Shares (in nos.)	2,000.00	2,000.00
	2,00,00,000		
	Equity Shares of Rs.10/- Each		
	Issued, Subscribed & Paid Up Shares (in nos.)		
	1,00,10,000		
	Equity Shares of Rs.10/- each fully paid up	1,001.00	1,001.00
	Total issued, subscribed and fully paid up capital	**1,001.00**	**1,001.00**

a. Reconciliation of the equity shares at the beginning and at the end of the year

Reconciliation	As At 31st March, 2021		As At 31st March, 2020	
	Nos.	Rs. in Lacs	Nos.	Rs. in Lacs
Shares outstanding at the beginning of the year	1,00,10,000	1,001.00	1,00,10,000	1,001.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**1,00,10,000**	**1,001.00**	**1,00,10,000**	**1,001.00**

b. Terms/rights attached to Equity Shares
The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share, where voting is held by show of hands. In case of Poll each holder of equity share is entitled to Number of votes against Number of shares held.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity share holders.

c. Equity Shares held by holding company :

Name of the Shareholder	As At 31st March, 2021		As At 31st March, 2020	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
Classic Industries and Exports Limited *holding company* *(including nominee shares)*	1,00,10,000	1,001.00	1,00,10,000	1,001.00

d. Details of Shareholders holding more than 5% Equity Shares in the Company:

Name of the Shareholder	As At 31st March, 2021		As At 31st March, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Classic Industries and Exports Limited *holding company* *(including nominee shares)*	1,00,10,000	100%	1,00,10,000	100.00%

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
13	**Other Equity:**		
	Retained earnings		
	Balance as per last financial Statements	(532.40)	(114.16)
	Add : Profit / (Loss) for the year	(960.22)	(418.52)
	Add : Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax	4.86	0.28
	Balance at end of year	**(1,487.76)**	**(532.40)**
	Total Other Equity	**(1,487.76)**	**(532.40)**

Description of reserve

Retained Earnings

Retained earnings represents the profit/(loss) that the Company has earned/incurred.

Premedium Pharmaceuticals Private Limited
Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs		As At 31st March, 2020 Rs. in Lacs	
		Non-Current	Current	Non-Current	Current
14	**Provisions**				
	Provision for Employee Benefits				
	Gratuity	5.18	0.03	8.60	0.03
	Leave Benefits	3.90	3.71	13.59	1.04
	(Refer Note 32)				
	Total	**9.08**	**3.74**	**22.19**	**1.07**

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
15	**Borrowings**		
	Bank Overdraft (secured)*	1,944.37	1,441.28
	Total	**1,944.37**	**1,441.28**

*Bank Overdraft for routine working capital purpose / cash flow mismatch and the same is secured by the charge on stock and other moveable's including book debts & further secured by Corporate Guarantee of Holding Company

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
16	**Trade payables**		
	Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 31)	208.97	114.18
	Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,533.67	1,448.40
	Total	**1,742.64**	**1,562.58**

Note No.	Particulars	As At 31st March, 2021 Rs. in Lacs	As At 31st March, 2020 Rs. in Lacs
17	**Other Liabilities**		
	Current		
	Advance from Customers#	83.34	42.25
	Taxes payable*	61.60	92.48
	Security Deposits	8.41	28.52
	Other Payable * *	13.06	20.43
	Total	**166.41**	**183.68**

Advances from customers for which the Company is obliged to transfer goods or services to the customers.

* Taxes payable includes Withholding Tax,Goods & Services Tax.

* * Other payable includes payments due to employees, to subsidiary company on account of subsription of share capital, due on account of capital items, contribution to PF, ESI etc.

Premedium Pharmaceuticals Private Limited
Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No.	Particulars		For the year ended 31st March, 2021 Rs. in Lacs		For the year ended 31st March, 2020 Rs. in Lacs
18	**Revenue from Operations**				
	Sale of Goods				
	Sale of Drugs & Pharmaceutical Items- Traded Goods		5,518.54		5,531.83
	Total		**5,518.54**		**5,531.83**

Note No.	Particulars		For the year ended 31st March, 2021 Rs. in Lacs		For the year ended 31st March, 2020 Rs. in Lacs
19	**Other Income**				
	Interest Income		3.91		6.33
	- From Bank deposits	2.57		5.24	
	- From Others	-		0.05	
	- From Financial Assets carried at amortised cost	1.34		1.04	
	Gain on derecognition of Right-Of-Use Asset		16.72		
	Foreign Exchange Gain (net)		-		0.01
	Other Non Operating Income		3.88		2.86
	Total		**24.51**		**9.20**

Note No.	Particulars		For the year ended 31st March, 2021 Rs. in Lacs		For the year ended 31st March, 2020 Rs. in Lacs
20.1	**Purchases of Stock in Trade***		4,796.32		6,354.06
	Total		**4,796.32**		**6,354.06**

*Including goods manufactured under contract manufacturing

Note No.	Particulars		For the year ended 31st March, 2021 Rs. in Lacs		For the year ended 31st March, 2020 Rs. in Lacs
20.2	**(Increase) / Decrease in Inventories of Stock in Trade**				
	Inventories at the beginning of the year	1,479.08		40.37	
	Inventories at the end of the year	1,256.10	222.98	1,479.08	(1,438.71)
	Total		**222.98**		**(1,438.71)**

Premedium Pharmaceuticals Private Limited
Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No.	Particulars	For the year ended 31st March, 2021 Rs. in Lacs	For the year ended 31st March, 2020 Rs. in Lacs
21	**Employee Benefits Expense**		
	Salaries, Wages and Bonus	556.49	626.03
	Contribution to Provident and Other Funds	29.15	31.25
	Gratuity Expenses	3.08	8.07
	Staff Welfare Expenses	6.88	9.36
	Total	**595.60**	**674.71**

Note No.	Particulars	For the year ended 31st March, 2021 Rs. in Lacs	For the year ended 31st March, 2020 Rs. in Lacs
22	**Finance Costs**		
	Interest Expenses measured at amortised cost:		
	-On Lease Liability	27.94	25.80
	Interest on Bank Overdraft	149.03	51.93
	Other Interest Expenses	0.14	9.80
	Other Borrowing Cost	2.50	8.44
	Bank Charges	2.08	0.24
	Total	**181.69**	**96.21**

Note No.	Particulars	For the year ended 31st March, 2021 Rs. in Lacs	For the year ended 31st March, 2020 Rs. in Lacs
23	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment	33.88	20.41
	Depreciation of Right-of-use assets	58.56	46.15
	Amortization of intangible assets	0.94	0.66
	Total	**93.38**	**67.22**

Premedium Pharmaceuticals Private Limited
Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No.	Particulars	For the year ended 31st March, 2021 Rs. in Lacs	For the year ended 31st March, 2020 Rs. in Lacs
24	**Other expenses**		
	Consumption of Packing Material	44.37	8.21
	Lease Rent Expenses	2.59	0.78
	Equipment Hire Charges	3.57	2.42
	Rates & Taxes	0.05	5.08
	Legal & Professional Fees	131.93	40.29
	Printing & Stationery	6.87	7.57
	Outsourced Manpower	35.47	22.29
	Repair & Maintenance -office	14.20	10.22
	Selling & Distribution Expenses	6.85	14.48
	Freight & Forwarding	95.60	41.24
	Foreign Exchange Loss (Net)	0.09	-
	Power & Fuel	19.86	13.70
	Internet & Communication Expenses	13.96	11.12
	Travelling & Conveyance	54.56	95.31
	Miscellaneous Expenses	1.61	4.61
	Advertisement & Business Promotion	12.46	31.30
	Insurance	5.65	2.54
	Courier Expenses	8.72	15.96
	Conference & Seminars	0.90	9.53
	Vehicle Running Exp.	1.64	0.98
	Allowance for doubtful receivables	15.63	1.06
	Auditors Remuneration		
	Statutory Audit Fees	2.00	2.00
	Tax Audit Fees	0.75	0.75
	Other Services & certification	0.20	0.50
	Total	**479.53**	**341.93**

Premedium Pharmaceuticals Private Limited
Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note 25 **INCOME TAX**

Particulars	For the year ended 31st March, 2021 Rs. in Lacs	For the year ended 31st March, 2020 Rs. in Lacs
Amount recognised in Statement of Profit & Loss		
Current Tax		
(a) In respect of the current year	-	-
	-	-
Deferred Tax		
(a) In respect of the current year	133.77	(135.87)
Tax expense (credit) recognised through statement of profit and loss	**133.77**	**(135.87)**
Recognised in Other Comprehensive Income (OCI)		
Deferred tax		
In respect of the current year	(1.64)	(0.09)
Tax expense (credit) recognised through Other Comprehensive Income	(1.64)	(0.09)
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit/(loss) before tax	(826.45)	(554.39)
Enacted income tax rate in India	25.17%	25.17%
Income tax calculated	(208.00)	(139.53)
Effect of expenses not deductible in determing taxable profit	-	2.60
Others	341.77	1.06
Income tax expense (credit) recognised in statement of profit & loss	133.77	(135.87)

Premedium Pharmaceuticals Private Limited
Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No.

1.1 Nature of operations

Premedium Pharmaceuticals Private Limited ("the Holding Company"/"The group") is incorporated and domiciled in India, having it's registered office at New Delhi, India. The group together with its subsidiary hereinafter referred to as " the Group". The Group is in the business of manufacturing, developing and marketing and trading a wide range of branded and generic formulations and Active Pharmaceutical Ingredients (APIs).

1.2 Statement of Significant Accounting Policies

a) Statement of compliance

The financial statements have been prepared in accordance of Indian Accounting Standards (IndAS) notified under section 133 of the Companies Act, 2013 (the "Act") read together with (Indian Accounting Standards) Rule 2015 as amended

The financial statements were authenticated by The group's Board of Directors on 10th September, 2021. Details of the accounting policies are included in Note 1.

b) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical Cost is generally based on the fair value of the consideration given in exchange of goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, The group taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b) (ii) Basis for Consolidation

The consolidated financial statement includes the financial statement of Parent Company and its subsidiary. The parent Company has control over the subsidiary when :
a) It has power over the investee;
b) it is exposed, or has rights, to variable returns from its involvement with the investee; and
c) has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the parent obtains controls over the subsidiary and ceases when parent loses control of the subsidiary. Assets, liabilities , income and expenses of subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date parent gains control to the date it ceases to control the

Profit and loss and each component of other comprehensive income are attributed to the shareholders of the Parent Company to the non controlling interest. Total comprehensive income of subsidiary is attributed to owners of parent company and the non controlling interests even if this results in non controlling interest having a deficit balance.

Wherever necessary, adjustments are made to the financial statement of subsidiaries to bring their accounting policies in line with the groups accounting policies.
Financial statement of the Group Companies are consolidated on line by line basis. All intra group assets and liabilities, equity, income, expenses, cash flows relating to transactions between the members of the group are eliminated in full on consolidation. Non-controlling interest represents the part of net profit or loss and net assets of subsidiaries that are not directly
The following subsidiary was consolidated:

		% of Holding	% of Holding
Name of the subsidiary	Country of Incorporation	31st March 2021	31st March 2020
Premedium Pharma Limited	Nigeria	99.999%	99.999%

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

c) Property, Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the property, plant and equipment to its working condition for its the purchase price and any attributable cost of bringing the property, plant and equipment to its working condition for its to get ready for its intended use are also included to the extent they relate to the period till such property, plant and equipment are ready to be put to use.Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

The cost of an item of property, plant and equipment is the cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the difference between the cash price equivalent and the total payment is recognised as interest over the period of credit, unless such interest is capitalised as per borrowing cost.

The group identifies and determines separate useful life of each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset, as per Schedule II of Companies Act, 2013.

d) Depreciation on Property, Plant and Equipment

Depreciation on all of the property, plant and equipment on the cost of assets less their residual values on straight line method over the useful lives as indicated in Part C of Schedule II of the Companies Act, 2013. Depreciation Methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis

Leasehold Improvement have been depreciated as per the useful life ascertained or over the primary period of lease, whichever is shorter.

e) Intangible Assets

Recognition and initial measurement

Other intangibles

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding product development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Subsequent measurement (Amortisation and useful lives)

All finite-lived intangible assets, including internally developed intangible assets, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively. The following useful lives are applied:

Intangible assets			Amortisation period
Software			**3 Years**

f) Leases

Where The group is the lessee

The group's lease asset classes primarily consist of leases for buildings. The group 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 group assesses whether:(i) the contract involves the use of an identified asset (ii) The group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) The group has the right to direct the use of the asset.

At the date of commencement of the lease, The group 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 group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

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. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

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

Where The group is the lessor

Leases for which The group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Assets subject to operating leases are included in PPE. Rental income on operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for The group's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue benefits accrue.

Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognised on a straight line basis over the lease term

g) Inventories

Inventories consisting of stock-in-trade, stores and spares, finished goods & packing material are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the first in first out (FIFO).

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

h) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable, exclusive of any trade discounts, volume rebates and any
taxes or duties collected on behalf of the government which are levied on sales such as Good and Services Tax. The group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The group applies the revenue recognition criteria to each separately identifiable component of the Revenue transaction as set out
below:

Sale of goods

Revenue from the sale of product are recognised, at a point of time when the control of the goods has passed to the buyer i.e. at the point of sale/ delivery to the customer at an amount that reflects the consideration to which The group expects to be entitled in exchange for those goods. Sale is net of sales returns, discounts & Goods & Services Tax.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

i) Foreign currency transactions

In preparing the financial statements, transaction in currencies other than The group's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period
i) Monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date,

ii) Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

iii) Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the statement of profit and loss in the period in which they arise except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currecy borrowings.

j) Employees Benefits

Short term employee benefits
Employee benefits payable wholly within twelve months of receiving services are classified as short-term employee benefits. These benefits include salary and wages, bonus and exgratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by the employees.

Post employment beneifts

Defined contribution plans

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The group makes specified obligations towards employee provident fund and employee state insurance to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The group's contributions are recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The group's gratuity benefit scheme is a defined benefit plan. The group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Company's obligation under the plan is performed periodically by a qualified actuary using the projected unit credit method.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss.

Compensated absences

the employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. The group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

k) Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

i) *Current Tax*

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates.

ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow all or part of assets to be recovered.

Deffered tax is measured based on tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if legally enforceable right exists to set off current tax assets against current tax liabilities.

iii) Current and deferred tax for the year

Current tax is recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax is also recognized in other comprehensive income or directly in equity respectively.

l) Earnings Per share

Basic earnings per share is being calculated by dividing net profit or loss for the period (including prior period items, if any) attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit 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.

m) Operating Cycle

Based on the nature of products / activities of The group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, The group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

n) Investments in the nature of equity in subsidiary

The group has elected to recognise its investments in equity instruments in subsidiary at cost (net of impairment , if applicable)

o) Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of financial assets

Financial Assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

i) the assets is held within a business model whose objective is to hold assets in order to collect contractual cash flows ; and

ii) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

i) the assets is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

i) the assets is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for financial assets designated at fair value through other comprehensive income (FVTOCI). For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost.Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for financial assets through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when The group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated creditimpaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument 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.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss since there are no designated hedging instruments in a hedging relationship.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or then the continuing involvement approach applies, financial guarantee contracts issued by The group, and commitments issued by The group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by The group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

i) it has been incurred principally for the purpose of repurchasing it in the near term; or

ii) on initial recognition it is part of a portfolio of identified financial instruments that The group manages together and has a recent actual pattern of short-term profit-taking; or

iii) it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘Other income’ line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability’s credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by The group that are designated by The group as at fair value through profit or loss are recognised in the statement of profit and loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the ‘Finance costs’ line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

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

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS18.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in ‘Other income’.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit & loss.

p) Provisions & Contingencies

Provisions are recognised when The group has a present obligation (legal or constructive) as a result of a past event, it is probable that The group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

q) Contingent Liabilities

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

r) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement are comprise of cash at bank and cash in hand and short term investments with an original maturity of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financial activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

s) Critical Accounting Estimate

The impairment provisions for trade receivables is based on assumptions about risk of default and expected credit loss rates. The group uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on The group's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

26 Segmental Reporting

Operating segments

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).The CODM evaluates The group's performance and allocates resources on overall basis. The group's sole operating segment is therefore 'Sale of Pharmaceuticals Products'. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

27 Capital and Other Commitments

		Rs. in Lacs	
		As at 31st March, 2021	**As at 31st March, 2020**
a)	**Capital Commitments**		
	Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advances)	73.20	Nil

b) **Other Commitments**

i) For commitments relating to lease arrangement please refer to Note No. 29

ii) The group does not have any long term commitments or material non-cancellable contractual commitments/contracts, including derivative contracts for which there were any material foreseeable losses.

28 Related party transactions

a) Name of related party

Parties where control exists irrespective of whether transactions have occurred or not

Ultimate Holding Company	Sunray Properties and Investment Co. (P) Ltd
Holding Company	Classic Industries and Exports Limited

Names of other related parties with whom transactions have taken place during the year

Key Management Personnel	Dr. Devlina Chakravarty (Director) upto 14th August, 2019 Mr. Sanjiv Kumar Kothari (Director) Mr.Rakesh Haldia (CFO) (upto 31st January,2021) Dr. Dilip Birdi (WTD) (w.e.f. 2nd August,2019)
Relatives of Director & KMP	Dr Partha Das Gupta (upto 14th August, 2019)
Enterprises owned or significantly influenced by key management personnel or their relatives	Artemis Medicare Services Limited Artemis Cardiac Care Pvt. Ltd.

b) Transactions during the year

Rs. in Lacs

Particulars	Holding Company		Subsidiary Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	As at 31st March 2021	**As at 31st March 2020**	**As at 31st March 2021**	**As at 31st March 2020**	**As at 31st March 2021**	**As at 31st March 2020**	**As at 31st March 2021**	**As at 31st March 2020**
Sale of pharmaceuticals products								
Artemis Medicare Services Ltd.							3,789.93	4,804.95
Artemis Cardiac Care Pvt. Ltd.							3.56	2.74
Advance Received								
Artemis Medicare Services Ltd.							67.50	
Corporate Gurantee Received								
Classic Industries and Exports Limited	-	4,000.00						
Corporate Gurantee Fee								
Classic Industries and Exports Limited	3.50	2.44						
Professional Fees to relative of Key Managerial Personnel					-			
Dr. Partha Das Gupta					-	4.50		
Key Managerial Personnel-compensation								
Dr. Dilip Birdi					53.57	41.85		
Rakesh Haldia					18.40	17.00		
Defined Benefit Obligation								
Dr. Dilip Birdi					7.81	4.49		
Rakesh Haldia					-	0.87		

* Transactions are reported including taxes.

Rs. in Lacs

Balance Payable	**Name of Entity**	**As at 31st March, 2021**	**As at 31st March, 2020**
Holding Company	Classic Industries and Exports Limited	-	2.44

Balance Recoverable	**Name of Entity**	**As at 31st March, 2021**	**As at 31st March, 2020**
Enterprises owned or significantly influenced by key management personnel or their relatives	Artemis Medicare Services Ltd.	965.12	1,089.87 -

29 Leases

A Effective April 1, 2019, The group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April1, 2019 using the modified retrospective method, on the date of initial application. Consequently, The group 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 group's incremental borrowing rate at the date of initial application.

Movement of Lease Liabilities during the year ended March 31, 2021

(Rs in Lacs)

Particulars	**Year Ended 31st March 2021**	**Year Ended 31st March 2020**
Balance at the beginning of the year	303.21	203.19
Lease Liability added/Deleted during the year	(146.73)	128.59
Finance cost accrued during the period	27.94	25.80
Payment of Lease Liability	71.54	54.37
Balance at the end of the year	112.88	303.21

Impact on the statement of profit or loss (increase / (decrease))

(Rs in Lacs)

Particulars	**Year Ended 31st March 2021**	**Year Ended 31st March 2020**
Depreciation expense	58.56	46.15
Rent expense (included in Other expenses)	(71.54)	(54.37)
Finance Cost	27.94	25.80
Gain on derecognition of Right-Of-Use Asset	16.72	-
Loss (profit) for the year	**31.68**	**17.58**

B The group incurred Rs. 6.16 Lacs for the year ended March 31, 2021 (Previous Year Rs. 3.20 Lacs) towards expenses related to short term leases and leases of low value assets.

30 Earning Per Share (EPS)

Particulars	Rs. in Lacs Year Ended 31st March, 2021	Rs. in Lacs Period Ended 31st March 2020
Net profit after Tax		
Profit / (Loss) attributable to the Equity Shareholders	(960.22)	(418.52)
Basic / Weighted Average Number of Equity Shares Outstanding during the period	**1,00,10,000**	**1,00,10,000**
Earning Per Share (in Rupees)		
- Basic	(9.59)	(4.18)
- Diluted	(9.59)	(4.18)
Nominal value of Equity Shares	10.00	10.00

31 The Micro, Small and Medium Enterprises have been identified by The group from the available information, which has been relied upon by the auditors. According to such identification, the disclosures as per Section 22 of "The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006" are as follows:

Information in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Rs. in Lacs

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	As at 31st March, 2021	As at 31st March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	199.17	104.83
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	9.35
The amount of interest accrued and remaining unpaid at the end of the accounting year; and the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	9.80	9.80

The above information has been determined to the extent such parties have been identified on the basis of information available with The group.

32 Employee Benefits

Defined contribution plan

i) The group has recognized, in statement of Profit & Loss for year ended 31st March 2021 an amount of Rs 29.15 Lacs(Previous year Rs. 31.25 Lacs) under defined contribution plans.

		Year ended 31st March 2021	Year ended 31st March 2020
	Expense under defined contribution plans include:	Rs in Lacs	Rs in Lacs
a)	Employer's contribution to provident fund	28.37	30.46
b)	Employer's contribution to Employee State Insurance Corporation	0.15	0.42
c)	Employer's contribution to Labour Welfare Fund	0.63	0.37
		29.15	**31.25**

The expense is disclosed in the line item - contribution to provident fund and other funds in Note No.21

Defined benefit plan

i) The group has a defined benefit gratuity plan. Every employee who has completed five years or more of the service gets a gratuity on retirement / termination at 15 days salary (last drawn salary) for each completed year of service. The group has also provided for long-term compensated absences.

		Gratuity (unfunded)		Leaves (unfunded)	
		Year ended 31st March 2021	Year ended 31st March 2020	Year ended 31st March 2021	Year ended 31st March 2020
		Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
(i)	Reconciliation of opening and closing balances of obligations:				
a)	Obligation at the beginning	8.63	0.94	14.64	1.40
b)	Current Service Cost	2.49	8.00	3.74	13.68
c)	Interest Cost	0.59	0.07	1.00	0.11
d)	Past Service Cost			-	-
e)	Actuarial (Gain) / Loss	(6.50)	(0.37)	4.36	1.75
f)	Benefits paid			(16.13)	(2.30)
g)	Obligation at the year end	5.21	8.63	7.61	14.64
(ii)	Change in Plan Assets (Reconciliation of opening and closing balances):				
a)	Fair Value of Plan Assets at beginning	-	-	-	-
b)	Prior Period Adjustment	-	-	-	-
c)	Expected return on Plan Asset	-	-	-	-
d)	Contributions	-	-	-	-
e)	Benefits paid	-	-	-	-
f)	Actuarial Gain / (Loss) on Plan Assets	-	-	-	-
g)	Fair Value of Plan Assets at year end	-	-	-	-
(iii)	Reconciliation of fair value of assets and obligations:				
a)	Present value of obligation at year end	5.21	8.63	7.61	14.64
b)	Fair Value of Plan Assets at year end	-	-	-	-
c)	Asset / Liability recognized in the Balance Sheet	5.21	8.63	7.61	14.64
(iv)	Amount recognized in the income statement				
a)	Current Service Cost	2.49	8.00	3.74	13.68
b)	Past Service Cost	-			
c)	Interest Cost	0.59	0.07	1.00	0.11
d)	Curtailment Cost (Credit)				
e)	Expected return on Plan Assets				
f)	Actuarial (Gain) / Loss			4.36	1.75
g)	Expenses recognized during the year	3.08	8.07	9.10	15.54
(v)	Other Comprehensive Income (OCI)				
a)	Unrealised actuarial (Gain) / Loss	(6.50)	(0.37)		

(v)	Assumptions:	As at 31st March, 2021	As at 31st March, 2020
a)	Discounting Rate (per annum)	6.80%	6.80%
b)	Future Salary Increase	6.00%	6.00%
	Withdrawal / Employee Turnover Rate		
c)	Age upto 30 years	5.00%	5.00%
d)	Age from 31 to 44 years	3.00%	3.00%
e)	Age above 44 years	2.00%	2.00%
	Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

Significant actuarial assumption for the determination of the defined obligation are discounted rate, expected salary escalation rate and withdrawal rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The above information is certified by the actuarial valuer.

Enterprise best estimate of contribution during next year is Nil for Gratuitiy & Rs. 0.29 Lacs for Leave Encashment.

The discount rate is based on prevailing market yield of Govt. Bonds as at the date of valuation.

Rs. in Lacs

Particulars	As at 31st March 2021		As at 31st March 2020	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 0.50%	(0.39)	0.42	(0.51)	0.56
Change in Salary escalation rate by 0.50%	0.42	(0.39)	0.56	(0.51)

Sensitivity due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivity as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

33 **Financial Instruments**

i) **Capital Management**

The group's objective while managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide optimum returns to the shareholders and to other stakeholders. Further its objective is to maintain an optimal structure to reduce the cost of capital.

The capital structure of The group consists of net debt (borrowings as detailed in Note No.15 offset by cash and bank balances) and total equity of The group.

The group's Board reviews the capital structure of The group on need basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital. The gearing ratio at 31st March 2021 of -1371% (previous year 269%) (See below).

Gearing Ratio :

The gearing ratio at end of the reporting period was as follows : (Rs. in Lacs)

Particulars	As at 31st March 2021	As at 31st March 2020
Debt *	1,944.37	1,441.28
Less : Cash and Cash Equivalents (Refer Note 9)	12.09	176.63
Net Debt	1,932.27	**1,264.65**
Total Equity	(486.76)	468.60
Net Debt to Equity Ratio	**-397%**	**270%**

* Debt is defined as long-term and short-term borrowings.

ii) **Credit risk management**

Credit risk is the risk of financial loss to The group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from The group's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which The group grants credit terms in the normal course of business.

iii) **Categories of Financial Instruments**

(Rs. in Lacs)

Financial Assets	**As at 31st March 2021**	**As at 31st March 2020**
Measured at amortised cost		
Loans- Non Current	27.38	20.97
Trade receivables-Current	1,413.97	1,446.85
Other financial assets-Current	1.87	-
Cash and cash equivalents	12.09	176.63
Other Bank Balances-Current	68.86	17.85
Total	**1,524.17**	**1,662.30**

At the end of the reporting period, there are no significant concentrations of financial assets designated at FVTPL. The carrying amount reflected above represents The group's maximum exposure to credit risk for such financial assets.

(Rs. in Lacs)

Financial Liabilities	**As at 31st March 2021**	**As at 31st March 2020**
Mesured at amortised cost		
Trade payables - Current	1,742.64	1,562.58
Lease Liabilities-Non Current	68.55	233.43
Lease Liabilities-Current	44.33	69.78
Borrowings-Current	1,944.37	1,441.28
Total	**3,799.89**	**3,307.07**

iv) **Financial Risk Management Objectives**

The group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets including market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Board of Directors manages the financial risk of The group through internal risk reports which analyse exposure by magnitude of risk.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note given below sets out details of additional undrawn facilities that The group has at its disposal to further reduce liquidity risk.

Liquidity risk

Liquidity risk is the risk that The group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to The group's reputation.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2021

(Rs. in Lacs)

Particulars	**Within 1 year**	**1 - 2 years**	**More than 2 years**	**Total**	**Carrying Amount**
As at 31st March 2021					
Trade Payables	1,742.64	-	-	1,742.64	**1,742.64**
Lease Liability	44.33	23.82	44.73	112.88	**112.88**
Borrowings	1,944.37	-	-	1,944.37	**1,944.37**
Total	3,731.34	23.82	44.73	3,799.89	**3,799.89**

(Rs. in Lacs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount
As at 31st March 2020					
Trade Payables	1,562.58	-	-	1,562.58	**1,562.58**
Lease Liability	69.78	69.17	164.26	303.21	**303.21**
Borrowings	1,441.28	-	-	1,441.28	**1,441.28**
Total	3,073.64	69.17	164.26	3,307.07	**3,307.07**

v) **Foreign Currency risk management**

The group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

34 **Disclosure under IND AS 115 (Revenue from Contracts with Customers)** (Rs. In Lacs)

a. **Disaggregated revenue information**

	Year ended 31st March 2021	Year ended 31st March 2020
Type of Services or goods		
Sale of Products	5,518.54	5,531.83
Total	**5,518.54**	**5,531.83**
Revenue from Contracts with Customers		
Revenue from Customers based in India	5,384.50	5,531.83
Revenue from Customers based outside India	134.04	-
Total	**5,518.54**	**5,531.83**
Timing of Revenue Recognition		
Goods transferred at a point in time	5,518.54	5,531.83
Total	**5,518.54**	**5,531.83**

(Rs. In Lacs)

b. **Trade receivables and Contract Customers**	As at 31st March 2021	As at 31st March 2020
Trade Receivables (includes GST) (Net of ECL)	1,413.97	1,446.85
Total	**1,413.97**	**1,446.85**

Trade receivables are non-interest bearing and are generally on terms of 0- 45 days. Rs.15.63 Lacs (Rs. 1.06 as at 31st March 2020) was recognised as provision for expected credit losses on trade receivables.

Trade receivables are presented net of impairment in the Balance sheet.

c. **Performance obligation and remaining performance obligation**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when The group expects to recognize these amounts in revenue. As at 31st March 2021, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

35 **a. Interest in other entities**

Detail of subsidiaries which have been consolidated are as follows:

S. No.	Name of Company	Country of Incorporation	Ownership Interest held by the group		Ownership Interest held by the non-controlling interests		Reporting date used for consoilidation
			31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020	
1	Premedium Pharma Limited*	Nigeria	99.999%	99.999%	0.001%	0.001%	31st March, 2021

* Incorporated on 29th October, 2019

b) Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Current Year 2020-21

(Rs. in Lacs)

S. No.	Name of the Entity in the Group	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other Comprehen sive Income	Amount	As % of consolidated Total Comprehen sive Income	Amount
	Premedium Pharmaceuticals Pvt.	99.41%	(483.88)	99.93%	(959.51)	100.00%	4.86	99.93%	(954.65)
	Subsidiary								
1	Premedium Pharma Limited	0.57%	(2.80)	0.12%	(1.11)	0.00%	-	0.12%	(1.11)
	Non-controlling Interests in Subsidiary *	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
	Adjustments	0.02%	(0.09)	-0.04%	0.40	0.00%	-	-0.04%	0.40
	Total	100.00%	(486.76)	100.00%	(960.22)	100.00%	4.86	100.00%	(955.36)

* figures are below rounding off norms applied by the Group.
(Net Assets Rs. 16/-, Loss for the year Re. 1/- and Total Comprehensive loss for the year Rs. 1.11/-)

Previous Year 2019-20

(Rs. in Lacs)

S. No.	Name of the Entity in the Group	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other Comprehen sive Income	Amount	As % of consolidated Total Comprehen sive Income	Amount
	Premedium Pharmaceuticals Pvt.	100.46%	470.77	99.48%	(416.35)	100.00%	0.28	99.48%	(416.07)
	Subsidiary								
1	Premedium Pharma Limited	-0.36%	(1.69)	0.40%	(1.69)	0.00%	-	0.40%	(1.69)
	Non-controlling Interests in Subsidiary *	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
	Adjustments	-0.10%	(0.48)	0.11%	(0.48)	0.00%	-	0.11%	(0.48)
	Total	100.00%	468.60	100.00%	(418.52)	100.00%	0.28	100.00%	(418.24)

* figures are below rounding off norms applied by the Group.
(Net Assets Rs. 17/-, Loss for the year Rs. 2/- and Total Comprehensive loss for the year Rs. 2/-)

36 Due to COVID-19 situation, there have been several restrictions imposed by the various State Governments across the country on the travel, goods movement and transportation considering public health and safety measures, which had some impact on The group's supply chain during the year ending of March, 2021. However, The group is engaged in Pharmaceuticals business, being "essential services" there has been no suspension of operations and The group has taken steps for smooth functioning of its operations during the pandemic relating to COVID-19. The group is closely monitoring the impact of the pandemic on all aspects of its business, including the impact on its customers, employees, vendors etc. The management has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for inventories, based on the information available to date, both internal and external, while preparing The group's financial statements as of and for the year ended 31st March, 2021.Further, the Management believes that there may not be material impact of Covid-19 pandemic on the financial position and performance of The group, in the long-term. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements.

37 The group has incurred a net loss (before other comprensive income) of Rs. 960.22 Lacs during the current year and also reported accumulated losses of Rs. 1487.76 Lacs as at 31 March, 2021. However, the accompanying financial statements have been prepared on a going concern basis, as the management is confident on The group's ability to continue as a going concern for a foreseeable future in view of the export orders already booked by The group and additional funds infused by the Parent company of Premedium Pharmaceuticals Private Limited by way of loan in the month of April 2021.With this financial support, The group is now confident of meeting all its liabilities during next twelve months. Consequently these financial statements have been prepared on a going concern basis and accordingly no adjustments have been considered necessary to the carrying values of The group's assets and liabilities at the year end.

38 The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contributions by The group towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India however, the effective date has not yet been notified. The group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective, if any.

39 Previous year figures have been regrouped/reclassified, where necessary, to confirm to this year's classification.

As per our report of even date attached

For and on behalf of the Board of Directors
of Premedium Pharmaceuticals Private Limited

For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

(Sunny Singh)
Partner
Membership No. 516834
Place : Noida
Dated: September 10, 2021

Dr. Dilip Birdi
[Director]
[DIN : 08134919]

Sanjiv Kumar Kothari
[Director]
[DIN : 00760651]

Ritesh Kumar
[Company Secretary]
[M.No - A-51787]