

**SAI PRIMUS LIFE BIOTECH PRIVATE LIMITED**

CIN: U24304PY2017PTC008147

Regd. Office : No.4/3, Plot No.33, Kurumbapet,  
Pondicherry - 605 009.

**BALANCE SHEET AS AT 31st MARCH, 2021**

Sl. No.	PARTICULARS	Note	As at 31st March, 2021		As at 31st March, 2020	
			Rs.	Rs.	Rs.	Rs.
<b>A.</b>	<b>EQUITY AND LIABILITIES</b>					
1	<i>Shareholders' Funds</i>					
	a. Share Capital	1	30,00,000.00		30,00,000.00	
	b. Reserves and Surplus	2	(2,38,62,037.26)	(2,08,62,037.26)	(3,14,10,114.97)	(2,84,10,114.97)
2	<i>Non-current liabilities</i>					
	a. Long-term borrowings	3	15,40,83,818.00		14,69,85,019.00	
	b. Deferred tax liabilities (net)	4	(63,10,808.00)		(35,97,822.00)	
	c. Other long-term liabilities		-		-	
	d. Long-term provisions		-	14,77,73,010.00	-	14,33,87,197.00
3	<i>Current liabilities</i>					
	a. Short-term borrowings	5	2,48,28,698.22		3,15,02,625.10	
	b. Trade payables	6	9,29,23,008.63		3,47,41,367.63	
	c. Other current liabilities	7	1,81,09,782.00		64,84,631.00	
	d. Short-term provisions	8	8,93,690.00	13,67,55,178.85	-	7,27,28,623.73
	<b>Total</b>			<b>26,36,66,151.59</b>		<b>18,77,05,705.76</b>
<b>B.</b>	<b>ASSETS</b>					
1	<i>Non-current assets</i>					
	a. Property, Plant and Equipment	9				
	i. Tangible assets		16,06,82,575.78		14,57,90,558.50	
	ii. Intangible assets		-		-	
	iii. Capital work-in-progress		-		-	
	iv. Intangible assets under development		-		-	
	b. Non-current investments		-		-	
	c. Deferred tax assets (net)		-		-	
	d. Long-term loans and advances		-		-	
	e. Other non-current assets		-	16,06,82,575.78	-	14,57,90,558.50
2	<i>Current assets</i>					
	a. Current Investments		-		-	
	b. Inventories	10	2,88,99,304.37		81,30,946.58	
	c. Trade receivables	11	4,63,21,724.31		1,21,18,672.89	
	d. Cash and cash equivalents	12	49,550.00		3,69,200.00	
	e. Short-term loans and advances	13	2,77,12,997.13		2,12,96,327.79	
	f. Other current assets		-	10,29,83,575.81	-	4,19,15,147.26
	<b>Total</b>			<b>26,36,66,151.59</b>		<b>18,77,05,705.76</b>

The accompanying notes 1 to 30 are an integral part of the Financial Statements

For and on behalf of the Board of Directors,

In terms my report attached,



( E. SRINIVASAN )  
Managing Director  
[ DIN: 03106171 ]

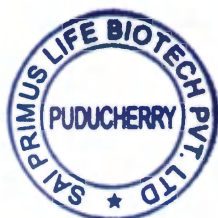


( AJAYBABU NARAYANAM )  
Director  
[ DIN: 02929155 ]



( V. RAMU )  
Chartered Accountant  
(M.No. 023122)  
(UDIN: 21023122AAAAGL9631 )

Date: 01.11.2021  
Place: Pondicherry



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Date: 01.11.2021  
Place: Pondicherry



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CIN: U24304PY2017PTC008147

Regd. Office : No.4/3, Plot No.33, Kurumbapet,  
Pondicherry - 605 009.

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2021**

		Note	for the year ended 31st March, 2021 Rs. P.	for the year ended 31st March, 2020 Rs. P.
<b>A.</b>	<b>CONTINUING OPERATIONS</b>			
1.	Revenue from operations (Gross)	14	26,14,39,702.58	2,61,80,832.45
	Less: Excise duty		-	-
	Revenue from operations (Net)		<b>26,14,39,702.58</b>	<b>2,61,80,832.45</b>
2.	Other Income	15	5,64,751.00	38,319.00
3.	<b>Total Revenue (1+2)</b>		<b>26,20,04,453.58</b>	<b>2,62,19,151.45</b>
4.	<b>Expenses</b>			
	(a) Cost of materials consumed	16	15,92,57,817.36	1,69,57,751.53
	(b) Purchases of stock-in-trade		-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	17	(11,10,556.68)	(7,60,729.00)
	(d) Employee benefits expense	18	5,49,27,207.47	1,95,61,786.00
	(e) Finance costs	19	1,14,79,329.00	66,09,882.00
	(f) Depreciation and amortisation expenses	9	85,69,203.21	44,17,081.00
	(g) Other expenses	20	2,31,52,671.51	95,35,100.48
	<b>Total Expenses</b>		<b>25,62,75,671.87</b>	<b>5,63,20,872.01</b>
5.	<b>Profit before tax</b>		<b>57,28,781.71</b>	<b>(3,01,01,720.56)</b>
6.	<b>Tax Expense:</b>			
	(a) Current tax		8,93,690.00	-
	(b) Deferred tax		(27,12,986.00)	(35,91,502.00)
	<b>Net tax expenses</b>		<b>(18,19,296.00)</b>	<b>(35,91,502.00)</b>
7.	<b>Profit for the year (5-6)</b>		<b>75,48,077.71</b>	<b>(2,65,10,218.56)</b>
8.	<b>Earnings per share, (Equity shares, Face value Rs. 10/- each)</b>	21		
	(a) Basic		25.16	(88.37)
	(b) Diluted		25.16	(88.37)


The accompanying notes 1 to 30 are an integral part of the financial statements

For and on behalf of the Board of Directors,

In terms my report attached,



( E. SRINIVASAN )  
Managing Director  
[DIN: 03106171]

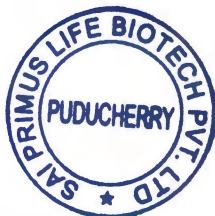


( AJAYBABU NARAYANAM )  
Director  
[DIN: 02929155]



( V. RAMU )  
Chartered Accountant  
(M.No. 023122)  
(UDIN: 21023122AAAAGL9631 )

Date: 01.11.2021  
Place: Pondicherry



Date: 01.11.2021  
Place: Pondicherry

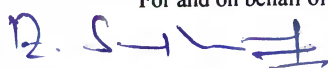


SAI PRIMUS LIFE BIOTECH PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Amount in Rs.		Amount in Rs.	
<b>A. Cash Flow From Operating Activities</b>				
<i>Profit/(Loss) before tax</i>		57,28,781.71		(3,01,01,720.56)
Add : Depreciation and Amortisation expenses	85,69,203.21		44,17,081.00	
Interest paid	1,14,79,329.00	2,00,48,532.21	66,09,882.00	1,10,26,963.00
		2,57,77,313.92		(1,90,74,757.56)
Less: Interest received		-		-
<b>Operating profit before working capital changes</b>		<b>2,57,77,313.92</b>		<b>(1,90,74,757.56)</b>
<b>Adjustments for (increase)/decrease in operating assets</b>				
Trade receivables	(3,42,03,051.42)		(1,20,70,672.89)	
Long term loans and advances	-			
Short term loans and advances	(64,16,669.34)		(71,27,915.63)	
Inventories	(2,07,68,357.79)		(81,30,946.58)	
Other non current assets	-		-	
Other current assets	-		-	
<b>Adjustments for (increase)/decrease in operating liabilities</b>				
Trade payables	5,81,81,641.00		44,68,799.63	
Short term provisions	8,93,690.00		-	
Other current liabilities	1,16,25,151.00	93,12,403.45	38,42,396.00	(1,90,18,339.47)
Cash generated from operations		3,50,89,717.37		3,80,93,097.03
Net Incometax paid		(8,93,690.00)		-
<b>Net cash flow from operating activities "A"</b>		<b>3,41,96,027.37</b>		<b>3,80,93,097.03</b>
<b>B. Cash Flow From Investing Activities</b>				
Purchase of fixed assets	(2,34,61,220.49)		(3,35,28,104.97)	
Sale/Transfer of fixed assets	-		-	
<b>Net cash flow from investing activities "B"</b>		<b>(2,34,61,220.49)</b>		<b>(3,35,28,104.97)</b>
<b>C. Cash Flow From Financing Activities</b>				
Increase/Decrease in Long term borrowings	70,98,799.00		4,54,79,537.00	
Increase/Decrease in Short term borrowings	(66,73,926.88)		3,15,02,625.10	
Interest paid	(1,14,79,329.00)		(66,09,882.00)	
<b>Net cash flow from financing activities "C"</b>		<b>(1,10,54,456.88)</b>		<b>7,03,72,280.10</b>
<b>D. Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>		<b>(3,19,650.00)</b>		<b>(12,48,921.90)</b>
<i>Reconciliation of Cash and Cash equivalents with the Balance Sheet</i>				
E. Cash and cash equivalents at the beginning of the year		3,69,200.00		16,18,121.90
F. Cash and cash equivalents at the end of the year		49,550.00		3,69,200.00

For and on behalf of the Board of Directors,



( E. SRINIVASAN )  
Managing Director  
[ DIN: 03106171 ]



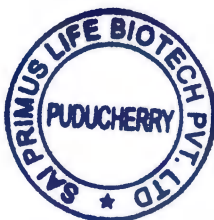
( AJAYBABU NARAYANAM )  
Director  
[ DIN: 02929155 ]

In terms my report attached,



( V. RAMU )  
Chartered Accountant  
(M.No. 023122)  
(UDIN: 21023122AAAAAGL9631 )

Date: 01.11.2021  
Place: Pondicherry

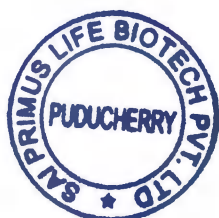


Date: 01.11.2021  
Place: Pondicherry



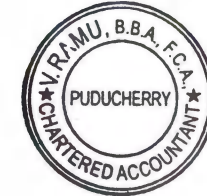
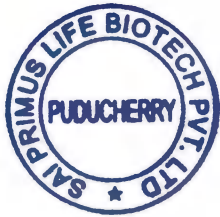
## Notes to Financial Statements

		As on 31.03.2021 Rs. P.	As on 31.03.2020 Rs. P.	
<b>1. Share Capital</b>				
<b>a. Authorised</b>				
20,00,000 Equity shares of Rs. 10/- each		2,00,00,000.00	2,00,00,000.00	
<b>b. Issued, subscribed and fully paid</b>				
3,00,000 Equity shares of Rs. 10/- each fully paid		30,00,000.00	30,00,000.00	
<b>c. Reconciliation of the number shares and amount outstanding</b>				
<b>Equity shares of Rs. 10/- each fully paid</b>				
<b>At the beginning of the year</b>		3,00,000.00	3,00,000.00	
Add: Issued during the year		-	-	
Less: Buy back		-	-	
<b>At the end of the year</b>		3,00,000.00	3,00,000.00	
<b>d. Shareholders holding more than 5% of equity shares in the Company</b>				
Name of the shareholder	As at 31 March, 2021		As at 31 March, 2020	
	No. of Shares held	%	No. of Shares held	%
1 E. Srinivasan	1,00,000.00	33.33	1,00,000.00	33.33
2 Ajaybabu Narayanan	50,000.00	16.67	50,000.00	16.67
3 Pasupunuri Swapna	50,000.00	16.67	50,000.00	16.67
4 Jonnalagada Sridevi	50,000.00	16.67	50,000.00	16.67
5 Srinivas Ramakrishna Gangashettywar	50,000.00	16.67	50,000.00	16.67
<b>2. Reserves &amp; Surplus</b>				
<i>Surplus in statement of Profit &amp; Loss</i>				
Opening balance		(3,14,10,114.97)	(48,99,896.41)	
Add: Profit for the year		75,48,077.71	(2,65,10,218.56)	
Closing balance		<b>(2,38,62,037.26)</b>	<b>(3,14,10,114.97)</b>	
<b>3. Long-term borrowings</b>				
<b>a. Term loan from bank</b>				
(i) Secured and considered good (repayable over a period of 10 years)		8,07,31,614.00	6,87,02,915.00	
<b>b. Loans and advances from related parties</b>				
(ii) Unsecured, From Directors (repayable over a period of 3 to 5 years)		7,33,52,204.00	7,82,82,104.00	
		<b>15,40,83,818.00</b>	<b>14,69,85,019.00</b>	
The scheduled maturity of the Long-term borrowings are summarised as under:				
<b>Borrowings repayable</b>				
In the first year		1,27,71,022.00	44,14,850.00	
<b>Current maturities of long-term debt</b>		<b>1,27,71,022.00</b>	<b>44,14,850.00</b>	
In the second year		1,40,18,357.00	49,72,298.00	
In the third to fifth year		2,62,11,330.00	1,89,93,117.00	
After five years		2,77,30,905.00	4,47,37,500.00	
<b>Long-term borrowings</b>		<b>6,79,60,592.00</b>	<b>6,87,02,915.00</b>	
<b>i. Indian Bank TL for Rs. 7,57,60,000/- for construction of building and purchase of machinery, repayable in 120 monthly installment inclusive of holiday period of 15 months and interest @ 11.90% p.a will be serviced as on when applied to loan account, secured by first charge over all movable and immovable properties of the company and personal guarantee of all the directors. As on date 100 monthly installments of each Rs 10,38,212/- are due.</b>				
<b>ii. Indian Bank Covid Loan for Rs.2,00,00,000/- to meet the additional working capital requirement under covid scenario, repayable in 36 monthly installment after holiday period of 12 months and interest @7.50% p.a will be serviced as on when applied to loan account, secured by first charge over all movable and immovable properties of the company and personal guarantee of all the directors. As on date 36 monthly installments of each Rs.6,22,150/- are due</b>				
<b>4. Deferred tax liabilities (Net)</b>				
<b>a. Deferred tax liabilities (Refer note 27)</b>				
On fiscal allowances on fixed assets		(63,10,808.00)	(35,97,822.00)	
		<b>(63,10,808.00)</b>	<b>(35,97,822.00)</b>	



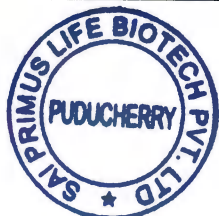
## 9. Property, Plant and Equipment

Sl. No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION AND AMORTISATION				NET BLOCK		
		Cost/Value as at 31st March 2020	Additions	Withdrawals and Adjustments	Total	As at 31st March 2020	for the year	Deductions	Total	Cost/Value as at 31st March 2021	Cost/Value as at 31st March 2020
	<b>Tangible Assets</b>										
1.	Land	88,45,197.00	-	-	88,45,197.00	-	-	-	-	88,45,197.00	88,45,197.00
2.	Building	3,78,21,547.12	18,09,625.50	-	3,96,31,172.62	6,38,430.00	12,22,886.00	-	18,61,316.00	3,77,69,856.62	3,71,83,117.12
3.	Furniture & Fixtures	8,00,375.10	3,58,501.42	-	11,58,876.52	59,792.00	90,421.00	-	1,50,213.00	10,08,663.52	7,40,583.10
4.	Office Equipment	6,98,828.50	9,09,774.90	-	16,08,603.40	1,25,604.00	2,07,747.82	-	3,33,351.82	12,75,251.58	5,73,224.50
5.	Plant & Equipment	10,20,92,782.78	1,99,80,780.67	-	12,20,73,563.45	36,44,346.00	70,03,413.00	-	1,06,47,759.00	11,14,25,804.45	9,84,48,436.78
6.	Vehicles	-	4,02,538.00	-	4,02,538.00	-	44,735.39	-	44,735.39	3,57,802.61	-
	<b>Total</b>	<b>15,02,58,730.50</b>	<b>2,34,61,220.49</b>	<b>-</b>	<b>17,37,19,950.99</b>	<b>44,68,172.00</b>	<b>85,69,203.21</b>	<b>-</b>	<b>1,30,37,375.21</b>	<b>16,06,82,575.78</b>	<b>14,57,90,558.50</b>
	<b>Previous year</b>	<b>91,81,037.98</b>	<b>14,10,77,692.52</b>	<b>-</b>	<b>15,02,58,730.50</b>	<b>51,091.00</b>	<b>44,17,081.00</b>	<b>-</b>	<b>44,68,172.00</b>	<b>14,57,90,558.50</b>	<b>91,29,946.98</b>



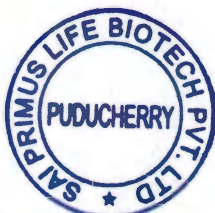
## Notes to Financial Statements

	As on 31.03.2021 Rs. P.	As on 31.03.2020 Rs. P.
<b>5. Short-term borrowings</b>		
<i>Loan repayable on demand</i>		
From Bank - Secured CC	2,48,28,698.22	3,15,02,625.10
	<b>2,48,28,698.22</b>	<b>3,15,02,625.10</b>
Working capital facilities from Indian Bank for Rs.3,00,00,000 are secured by hypothecation of inventories, book debts and further secured by first charge over the movable and immovable properties of the company and personally guaranteed by all the Directors.		
<b>6. Trade payables</b>		
a) Creditors for supply		
i. Total outstanding dues of micro enterprises and small enterprises	-	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	8,74,59,607.66	3,31,03,411.63
b) Creditors for service	38,19,670.00	13,83,314.00
c) Other payables	16,43,730.97	2,54,642.00
	<b>9,29,23,008.63</b>	<b>3,47,41,367.63</b>
<b>7: Other current liabilities</b>		
a) Current maturities of long-term debt	1,81,09,782.00	64,84,631.00
	<b>1,81,09,782.00</b>	<b>64,84,631.00</b>
<b>8. Short-term Provisions</b>		
Current taxation	8,93,690.00	-
	<b>8,93,690.00</b>	-
<b>10. Inventories</b>		
(At lower of cost and net realisable value)		
Raw materials	2,70,28,018.69	73,70,217.58
Work-in-progress	5,59,606.28	4,00,280.00
Finished goods	13,11,679.40	3,60,449.00
Stores and spares	-	-
	<b>2,88,99,304.37</b>	<b>81,30,946.58</b>
<b>11. Trade receivables</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment - Unsecured and considered good	28,53,690.00	-
Trade receivables outstanding for a period not exceeding six months from the date they were due for payment - Unsecured and considered good	4,34,68,034.31	1,21,18,672.89
	<b>4,63,21,724.31</b>	<b>1,21,18,672.89</b>
<b>12. Cash and cash equivalents</b>		
a) <i>Cash on hand</i>	31,395.00	3,51,045.00
b) <i>Balance with bank</i>		
i) In Current account	18,155.00	18,155.00
	<b>49,550.00</b>	<b>3,69,200.00</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is Rs. 49,550/- ( Previous year Rs. 3,69,200/-)		
<b>13. Short-term Loans and advances</b>		
<i>Unsecured and considered good</i>		
(i) Advances	2,62,516.00	2,19,341.00
(ii) Deposits	44,50,724.00	16,36,724.00
(iii) GST credit	2,15,90,948.69	1,93,05,292.79
(iv) TDS	12,50,506.66	1,34,970.00
(V) TCS	23,331.78	-
(VI) Refund due (19-20)	1,34,970.00	-
	<b>2,77,12,997.13</b>	<b>2,12,96,327.79</b>



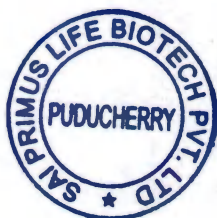
## Notes to Financial Statements Contd.,

	For the year ended 31.03.2021 Rs. P.	For the year ended 31.03.2020 Rs. P.
<b>14. Revenue from operations</b>		
Sales of products		
- Manufactured goods	26,14,39,702.58	2,61,80,832.45
Sale of services	-	-
<b>Revenue from operations (Gross)</b>	<b>26,14,39,702.58</b>	<b>2,61,80,832.45</b>
Less: Excise duty	-	-
<b>Revenue from operations (Net)</b>	<b>26,14,39,702.58</b>	<b>2,61,80,832.45</b>
<b>15. Other Income</b>		
Other Income	5,64,751.00	38,319.00
	<b>5,64,751.00</b>	<b>38,319.00</b>
<b>16. Cost of Materials Consumed</b>		
Opening stock	73,70,217.58	-
Add: Purchases	17,57,10,455.76	2,38,24,658.78
Freight charges	27,37,045.46	5,02,733.39
Loading and Unloading Expenses	4,67,329.00	
Insurance transit raw material	788.25	576.94
	<b>18,62,85,836.05</b>	<b>2,43,27,969.11</b>
Less: Closing stock	2,70,28,018.69	73,70,217.58
<b>Raw Materials Consumed</b>	<b>15,92,57,817.36</b>	<b>1,69,57,751.53</b>
<b>17. Changes in inventories of finished goods, work-in-progress and Stock-in-trade</b>		
Opening balance		-
Work-In-Progress	4,00,280.00	-
Finished Goods	3,60,449.00	-
<b>(A)</b>	<b>7,60,729.00</b>	<b>-</b>
Closing balance		
Work-In-Progress	5,59,606.28	4,00,280.00
Finished Goods	13,11,679.40	3,60,449.00
<b>(B)</b>	<b>18,71,285.68</b>	<b>7,60,729.00</b>
<b>Changes in inventories (A) - (B)</b>	<b>(11,10,556.68)</b>	<b>(7,60,729.00)</b>
<b>18. Employee Benefits Expense</b>		
Director's remuneration	64,00,000.00	12,00,000.00
Salary and wages, bonus	4,41,73,520.87	1,72,01,522.00
Staff welfare expenses	35,06,252.60	8,69,213.00
EPF Employer's contribution	5,54,691.00	2,01,140.00
ESI Employer's contribution	2,92,743.00	89,911.00
	<b>5,49,27,207.47</b>	<b>1,95,61,786.00</b>
<b>19. Finance costs</b>		
Interest expenses	1,14,79,329.00	66,09,882.00
	<b>1,14,79,329.00</b>	<b>66,09,882.00</b>



## Notes to Financial Statements Contd.,

	For the year ended 31.03.2021 Rs. P.	For the year ended 31.03.2020 Rs. P.
<b>20. Other expenses</b>		
Power and fuel	1,03,86,690.00	23,18,027.00
Rent	14,84,280.96	5,36,559.00
Rates and taxes	12,97,211.76	4,58,612.00
Repairs and maintenance	54,21,946.96	22,20,939.77
Communication cost	1,96,442.68	86,564.00
Legal and professional charges	16,70,199.00	16,83,364.00
Auditor remuneration (Refer note.25)	50,000.00	25,000.00
Printing and stationery	2,74,272.03	2,48,468.00
Insurance	6,18,137.00	2,11,846.00
Travelling expenses	1,76,945.00	5,40,189.00
Bank charges	2,74,080.00	3,22,537.00
Donation	31,000.00	1,10,200.00
Pooja expenses	1,92,487.00	1,00,923.00
Secutiry charges	6,84,597.00	6,17,028.00
Business promotion	-	9,000.00
Selling expenses	3,83,766.04	8,745.00
Bad debts	10,532.00	-
TDS late fee	-	4,530.00
GST late fee	-	5,060.00
Annual subscription paid	-	27,400.00
Rounding off difference	84.08	108.71
	<b>2,31,52,671.51</b>	<b>95,35,100.48</b>
<b>21. Earning per share</b>		
Earnings per share has been computed as below:		
(a) Profit for the year	75,48,077.71	(2,65,10,218.56)
(b) Number of shares used in computing EPS - For Basic	3,00,000	3,00,000
(c) Number of shares used in computing EPS - For Diluted	3,00,000	3,00,000
(d) Earnings per share on profit for the year (Face value Rs.10/- per share)		
- Basic [a/b]	25.16	(88.37)
- Diluted [a/c]	25.16	(88.37)



**22. Notes to the financial statements for the year ended March 31, 2021:****I. Company Overview:**

Sai Primus Lifebiotech Private Limited is a private company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the company is located at No.4/3, Plot No.33, Kurumbapet, Pondicherry – 605 009, Union Territory of Pondicherry. The company engaged in the business of manufacturing of Tablets & Capsules.

The financial statements of the Company for the year ended 31-03-2021 were approved and adopted by Board of Directors of the Company in their meeting dated 01-11-2021.

**II.a. Basis of preparation and presentation of financial statements:**

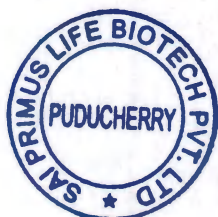
The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”), as amended time to time.

**b. Use of estimates and judgement:**

The preparation of the financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

**Summary of Significant accounting policies:****a. Property, Plant and Equipment – Tangible Assets:**

Property, Plant and Equipment except Capital work in progress is stated at cost, net of accumulated depreciation and impairment losses, if any. Capital work in progress is stated at cost less any recognised impairment loss. Cost comprises of purchase price and other directly attributable cost of bringing the assets to its working condition for the intended use. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other costs including repairs and maintenance costs are charged to the Statement of Profit and Loss as and when incurred. Gains or losses arising from de-recognition of Property, Plant and Equipment are measured as the difference between the net proceeds from disposal and carrying amount of the asset and are recognised in the Statement of Profit and loss.



**b. Depreciation on Property, Plant and Equipment:**

- i) Depreciable amount of Property, Plant and Equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
- ii) The depreciable amount of Property, Plant and Equipment is depreciated on the straight-line method as per the useful life prescribed in Schedule II of the Companies Act, 2013 or technical estimate made by the Company, whichever is lower. Freehold land is not depreciated.

<i>Class of asset</i>	<i>Years</i>
Buildings	30
Plant and Equipment	15
Furniture and Fixtures	10
Office Equipment	5
Computers	3-6
Vehicles	6-8

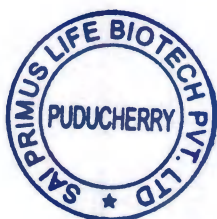
- iii) Depreciation on additions to assets is provided from the month of addition.
- iv) Individual assets whose cost does not exceed Rs.5000/- are fully depreciated in the month of addition.
- v) Expenditure on leasehold improvements in respect of premises taken on lease (included in furniture and fixtures) are capitalized and depreciated not exceeding five years.
- vi) The estimated useful life, residual value are reviewed at the end of each financial year.

**c. Intangible assets:**

- i) Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and impairment losses, if any.
- ii) Intangible assets are amortized on straight line basis over useful life prescribed in Schedule II to the Companies Act, 2013 or technical estimate made by the Company, whichever is lower. Following are the useful lives of intangible assets:

<i>Class of asset</i>	<i>Years</i>
Software	3

- iii) The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.
- iv) An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible



asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the statement of profit and loss when the asset is de-recognized.

- v) The intangible assets, that are not yet ready for their intended use are carried at cost and are reflected under Intangible assets under development.

**d. Impairment of Property, Plant and Equipment and Intangible assets:**

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount is determined for the asset or the Cash Generating Unit to which the asset belongs in case the assets do not generate independent cash flows.

Each Cash Generating Unit (CGU) represents the smallest group of assets that generates cash inflows and are largely independent of those from other assets. For the purpose of impairment testing, the recoverable amount is the higher of the fair value less cost to sell and the value-in-use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of the money and the risks specific to the asset or CGU.

If such asset or CGU are considered to be impaired, the impairment loss to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets or CGU exceeds the estimated recoverable amount. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

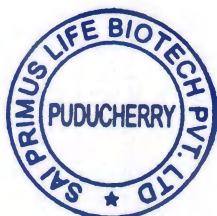
The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

**e. Inventories:**

Inventories are measured at the lower of cost and the net realizable value. Costs includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition, net of discounts and rebates and is determined on weighted average basis. Net realizable value represents the estimated selling price for inventories in the ordinary course of business, less the costs necessary to make the sale.

**f. Revenue recognition:**

- i) Revenue from sale of goods is recognized when the significant risks and rewards of ownership is transferred. The Company has considered the detailed criteria for the recognition of revenue



from the sale of goods and from rendering of services and in particular transfer of risks and rewards of ownership of the goods and flow of economic benefits associated with the transaction. Revenue from sales is stated net of discounts, rebates and taxes.

- ii) Service Income is recognized when services are rendered. Income from warranty and maintenance contracts is recognized as per the terms of contract.
- iii) Income from supplier schemes is accrued, based on fulfilment of terms of such programs.

**g. Other Income:**

Interest income is recognised using effective interest rate method. Interest income on overdue receivables is recognized only when there is a certainty of receipt.

**h. Foreign Currency Transactions:**

Income and expenditure in foreign currencies are recorded at the exchange rate prevailing at the date of transaction. Exchange gain/loss on settlement of foreign currency transactions are recognised in the statement of profit and loss.

All monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the end of the accounting period at the prevailing exchange rates as on the reporting date and the resulting exchange gain/loss is recognised in the Statement of Profit and Loss.

**i. Employee benefits:**

**a) Short-term employee benefits:**

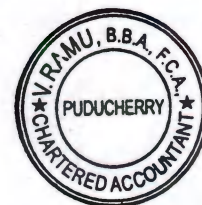
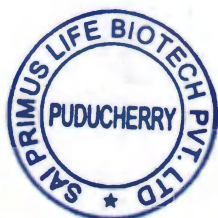
All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service.

**b) Gratuity Scheme:**

The Company operates a defined benefit gratuity plan for employees. The provision for retirement gratuity is provided as per the company's policy. The liability for gratuity has been computed on the assumption that such benefit is payable to all eligible employee at the end of the accounting year. As per AS-15, the recognition and measurement of the present value of defined benefit obligations must be based on actuarial valuation and the company has not comply with the same.

**c) Provident Fund:**

Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly



contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The Company has no further obligation to the plan beyond its monthly contributions.

d) *Compensated absences:*

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature.

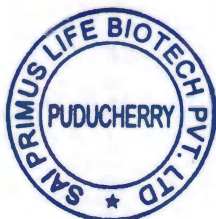
j. *Current and deferred tax:*

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit for the year except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

- i) Current tax comprises the expected tax payable on the taxable income for the year and any adjustment to the tax payable in respect of previous years. The amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates under the provisions of the Income Tax Act, 1961. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.
- ii) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.
- iii) Deferred tax is not recognised for temporary difference arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.
- iv) Deferred tax assets – unrecognised or recognised are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

k. *Provisions, contingent liabilities and contingent assets:*

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.



*Contingent liability is disclosed for all:*

Possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (or)

Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made.

In respect of contingent assets for which inflow of economic benefits are probable, the Company discloses a brief description of the nature of the contingent assets at the end of the year, and, where practicable, an estimate of their financial effect.

***l. Cash and cash equivalents:***

Cash comprises of cash on hand and demand deposits with bank. Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of change in rate.

***m. Cash flow statement:***

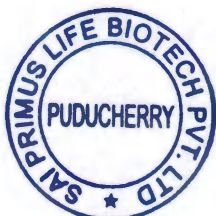
Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of operating cash receipts or payments and item of income or expenses associate with investing or financing cash flows. The cash flows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

***n. Earnings per Share***

- i) Earnings per Share is calculated by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of equity shares.
- ii) Where an item of income or expense which is otherwise required to be recognised in the Statement of Profit and Loss is debited or credited to Equity, the amount in respect thereof is suitably adjusted in Net profit for the purpose of computing Earnings per Share.
- iii) The Company does not have any potential equity shares.

***o. Dividend to shareholders:***

Final dividend distributed to Equity shareholders is recognized in the period in which it is approved by the members of the company in the Annual General Meeting. Interim dividend is recognized when approved by the Board of Directors at the Board Meeting. Both final dividend and interim dividend are recognized in the Statement of Changes in Equity.



**p. Borrowing Costs:**

- i) Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- ii) Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset is capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

23. There are no Micro, Small and medium Enterprises to whom the company owes dues, which are outstanding for more than 45 days as at the Balance Sheet date. This information as a required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

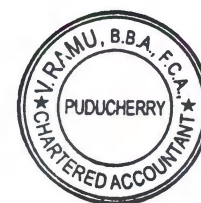
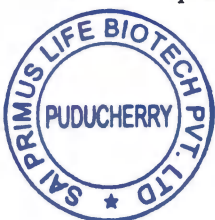
**24. Directors Remuneration:**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Salaries and allowances	64,00,000	12,00,000
Contribution to Provident and other funds	-	-
Other benefits	-	-
<b>Total</b>	<b>64,00,000</b>	<b>12,00,000</b>

**25. Auditors remuneration and expenses:**

	Particulars	As at 31st March, 2021	As at 31st March, 2020
i.	Audit fees	40,000	15,000
ii.	Fees for other services	10,000	10,000
	<b>Total</b>	<b>50,000</b>	<b>25,000</b>

26. MSME interest subsidy received through Indian Bank for Rs.15,00,000/- has been reduced in Term Loan interest paid



27. Deferred tax (Asset)/Liability:

Particulars	As at March 31, 2021	Movement during the year	As at March 31, 2020
<b>Tax effect of items constituting deferred tax liability</b>			
On difference between book balance and tax balance of fixed assets	(63,10,808)	(27,12,986)	(35,97,822)
<b>Net Deferred Tax (Asset)/Liability</b>	<b>(63,10,808)</b>	<b>(27,12,986)</b>	<b>(35,97,822)</b>

28. a) Details of Opening and Closing Stock of Finished Goods (manufactured) and Stock-in-Trade (goods purchased for resale)

Particulars	As at 31st March, 2021	As at 31st March, 2020
	in Rs.	in Rs.
<b>Opening Stock</b>		
Tablets & Capsules	3,60,449	Nil
<b>Closing stock</b>		
Tablets & Capsules	13,11,679	3,60,449

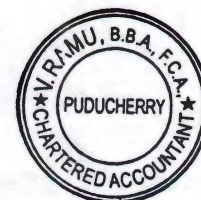
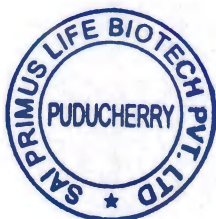
b) Details of Opening and Closing Stock of Work-in-progress

Particulars	As at 31st March, 2021	As at 31st March, 2020
	in Rs.	in Rs.
<b>Opening Stock</b>		
Tablets & Capsules	4,00,280	-
<b>Closing stock</b>		
Tablets & Capsules	5,59,606	4,00,280

c) Value of imports during the year (C.I.F. Basis)

Particulars	As at 31st March, 2021	As at 31st March, 2020
	in Rs.	in Rs.
Raw materials	-	-

e) There are no Earning or expenditure in Foreign Currency during the year



f) Value of Raw materials, Spare parts and Components consumed during the year

Particulars	Percentage		As at 31st March, 2021	As at 31st March, 2020
	2021	2020		
Raw materials, including packing materials				
Imported	-	-	-	-
Indigenous	100	100	15,92,57,817	1,69,57,752
Total	100	100	15,92,57,817	1,69,57,752
Spare parts and Components				
Imported	-	-	-	-
Indigenous	-	-	-	-
Total	-	-	-	-

29. Disclosure of Related Parties:

i) List of related parties and relationships:

a. Key Management Personnel:

E. Srinivasan, Managing Director  
Ajaybabu Narayanam, Director  
Pasupunuri Swapna, Director  
Jonnalagada Sridevi, Director  
Srinivas R. Gangashettywar, Director

ii) Transactions with related parties mentioned in (a) above:	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Remuneration to Directors	64,00,000	12,00,000

iii) Transactions with related parties mentioned in (a) above

Unsecured loans taken by the Company	Dr 49,29,900	Cr 3,70,65,000
(received Rs.10.70 lakhs and repaid Rs.60.00 lakhs)		

iv) Amount outstanding as at Balance Sheet date with related parties mentioned in (a) above:	7,33,52,204	7,82,82,104
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30. There are no contingent liabilities.


Signature to notes 1 to 30,

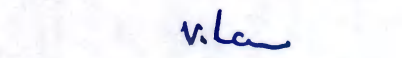
For and on behalf of the board,

As per my report annexed,

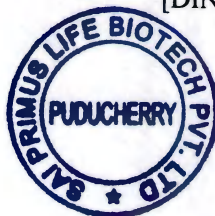


[E. SRINIVASAN]  
Managing Director  
[DIN: 03106171]

  
[AJAYBABU NARAYANAM]  
Director  
[DIN: 02929155]

  
[V. RAMU]  
Chartered Accountant  
[Mo. No. 023122]  
[UDIN: 21023122AAAAGL9631]

Date: 01-11-2021  
Place: Pondicherry



Date: 01-11-2021  
Place: Pondicherry

