

T A M S & C O L L P

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AKUMS HEALTHCARE LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of Akums Healthcare Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

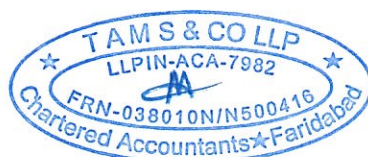
Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SA" s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report but does not include the Standalone Financial Statements and our auditor's report thereon.

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



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G T K & CO (a partnership firm) converted into T A M S & C O L L P (a Limited Liability Partnership) with LLP identity no: LLPIN - ACA-7982 with effect from April 26, 2023. Post its conversion to T A M S & C O L L P, its ICAI Registration number is 038010N/N500416 (ICAI Registration number before conversion was 038010N).

To the Members of Akums Healthcare Limited Report on the Audit of the Financials Statements

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.



To the Members of Akums Healthcare Limited Report on the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant



To the Members of Akums Healthcare Limited Report on the Audit of the Financials Statements

deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Financial Statements of the Company as at March 31, 2023 and for the year then ended were audited by another firm of Chartered Accountants under the Act who vide their report dated May 11, 2023 expressed an unmodified opinion on these financial statements.

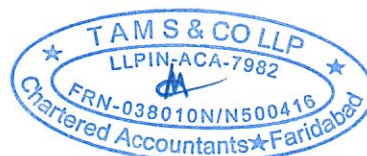
Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.



**To the Members of Akums Healthcare Limited
Report on the Audit of the Financials Statements**

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company didn't have any pending litigations as at March 31, 2024 which would impact its financial position.
 - ii. The Company did not have any long - term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund during the year ended March 31, 2024.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of the rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has neither declared nor paid any dividend during the year, accordingly, reporting under sub clause (f) of the Rule 11 is not applicable to the



**To the Members of Akums Healthcare Limited
Report on the Audit of the Financials Statements**

- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 01 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail features was not enabled at database level for accounting software to log any direct data changes, as described in Note 43 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail features being tampered with, in respect of the accounting software where such feature is enabled.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For T A M S & CO LLP

Chartered Accountants

Firm Registration Number: 038010N/N500416

Mohan Soni

Partner

Membership Number: 095882

UDIN: 24095882 BKAVDA 3995



Place: Haridwar

Date: May 28, 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Akums Healthcare Limited of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to Standalone Financial Statements of Akums Healthcare Limited (the “Company”) as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Annexure "A" To the Independent Auditor's Report of Akums Healthcare Limited

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For T A M S & CO LLP

Chartered Accountants

Firm Registration Number: 038010N/N500416

Mohan Soni

Mohan Soni

Partner

Membership Number: 095882

UDIN: 24095882 BKAVDA3995

Place: Haridwar

Date: May 28, 2024



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Akums Healthcare Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
 - a)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
 - b. The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has physically verified Property, Plant and Equipment as per its program of physical Verification that covers all items of Property, Plant and Equipment during the year, which in our opinion is reasonable having regard to the size of the company and the nature of its Property, Plant and Equipment. Based on information and records provided, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the of the title deeds provided to us, we report that, the title deeds of the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in Note 2 of the financial statements included in property, plant and equipment, investment property and non-current assets held for sale are held in the name of the Company as at the balance sheet date.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
 - e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
 - a) As per the physical verification program, the inventory (except for stocks lying with the third parties and in transit which have been verified based on confirmations) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventories when compared with books of account.



Annexure "B" To the Independent Auditor's Report of Akums Healthcare Limited

- b) According to the information and explanations given to us and as per the records verified, the Company has been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate, at points of time during the year, from banks or financial institutions during the year on the basis of security of current assets of the Company. (Refer Note 32 in the financials). There is some difference between the statements of stock and book debts filed with the bank and stock and book debts as per books of accounts, but the difference is not material keeping in view of size of the Company and total inventory /debts held by the Company.
- iii. The company has not made any investment in, provided any guarantee or security or granted any loan or advances in the nature of loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- iv. According to the information and explanation provided to us, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Companies Act, 2013. Therefore, the reporting under Clause 3(iv) of the said Order is not applicable to the Company.
- v. According to the information and explanation provided to us, the Company has not accepted any deposit or deemed deposits from the public within the meaning of provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. According to the information and explanation provided to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any Tribunal against the Company in this regard. Therefore, the provision of Clause 3(v) of the said Order are not applicable to the Company.
- vi. As per information & explanation given by the management, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues to the appropriate authorities.
- There were no undisputed statutory dues payable in respect of Goods and Service tax, Provident Fund, Employee' State Insurance , Income-tax, Sales Tax, Service Tax, duty of custom, duty of excise, value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six month from the date they become payable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of disputes.



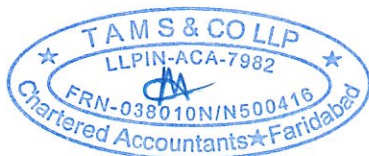
Annexure "B" To the Independent Auditor's Report of Akums Healthcare Limited

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix.
- a) In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not been declared a willful defaulter by any bank or financial institution or other lender.
 - c) According to the information and explanations given to us and on examination of the books of the company, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.
 - e) In our opinion and according to the information and explanations given to us by the management, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, Clause 3(ix)(e) of the Order is not applicable.
 - f) In our opinion and according to the information and explanations given to us by the management, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies. Accordingly, Clause 3(ix)(f) of the Order is not applicable.
- x.
- a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Clause 3(x)(a) of the Order is not applicable.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year. Accordingly, Clause 3(x)(b) of the Order is not applicable.
- xi.
- a) Based on the examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company has been noticed or reported during the course of audit.
 - b) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the Company.



Annexure "B" To the Independent Auditor's Report of Akums Healthcare Limited

- xii. The Company is not a Nidhi Company. Accordingly, Clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv.
- a) In our opinion and based on our examination, the Company does not require to have an internal audit system. Accordingly, Clause 3(xiv)(a) of the Order is not applicable.
- b) Based on information and explanations provided to us, no internal audit had been conducted of the Company. Accordingly, Clause 3(xiv)(b) of the Order is not applicable.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In our opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, Clause 3(xvi)(a), (b), (c) and (d) of the Order are not applicable.
- xvii. Based on our examination, the Company has incurred cash losses of Rs. 179.85 million in the financial year and Rs. 163.32 million in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Based on our examination, the provision of section 135 is not applicable on the Company. Accordingly, Clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.



Annexure "B" To the Independent Auditor's Report of Akums Healthcare Limited

xxi. The Company is not required to prepare Consolidated financial statement hence this clause is not applicable.

For T A M S & CO LLP

Chartered Accountants

Firm Registration Number: 038010N/N500416

Mohan Soni

Mohan Soni

Partner

Membership Number: 095882

UDIN: 24095882BKAYDFB995

Place: Haridwar

Date: May 28, 2024



Akums Healthcare Limited
CIN - U24304DL2020PLC375098
Balance Sheet as at 31 March 2024
(All amounts in ₹ million unless otherwise stated)

Particulars	Notes	As at	
		31 March 2024	31 March 2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2a	312.13	240.16
(b) Right-of-use assets	41	168.28	170.08
(c) Capital work-in-progress	2b	1,282.87	197.27
(d) Intangible assets	3a	0.23	0.31
(e) Intangible assets under development	3b	0.50	-
(f) Financial assets			
(i) Others financial assets	4	4.89	4.62
(g) Non-current tax assets (net)	5	0.42	5.07
(h) Other non-current assets	6	42.35	113.90
Total non-current assets		1,811.67	731.41
(2) Current assets			
(a) Inventories	7	61.30	11.61
(b) Financial assets			
(i) Trade receivables	8	39.78	27.72
(ii) Cash and cash equivalents	9	1.51	10.85
(c) Other current assets	10	228.06	45.47
Total current assets		330.65	95.65
Total assets		2,142.32	827.06
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11a	1.00	1.00
(b) Instrument entirely in nature of equity	11b	6.23	6.23
(c) Other equity	12	350.60	558.79
Total equity		357.83	566.02
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	1,540.43	190.95
(ii) Other financial liabilities	14	46.22	0.28
(b) Provisions	15	3.59	4.21
Total non-current liabilities		1,590.24	195.44
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16a	20.89	-
(ii) Trade payables			
Total outstanding dues to micro and small enterprises; and	16b	10.96	8.59
Total outstanding dues of creditors other than micro and small enterprises		77.92	23.91
(iii) Other financial liabilities	17	77.34	31.18
(b) Other current liabilities	18	6.43	1.76
(c) Provisions	19	0.71	0.16
Total current liabilities		194.25	65.60
Total equity and liabilities		2,142.32	827.06

Summary of material accounting policies and other explanatory information

1-44

This is the Balance Sheet referred to in our report of even date

For **T A M S & CO LLP**
Chartered Accountants
Firm Registration No.038010N/N500416

Mohan Soni

Mohan Soni
Partner
Membership No.095882



Place : Haridwar
Date : 28 May 2024

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

Basant Kumar Singh
Basant Kumar Singh
Director
DIN: 09523959

Samandar Singh Dhakad
Samandar Singh Dhakad
Director
DIN: 06726622

Akums Healthcare Limited
CIN - U24304DL2020PLC375098
Statement of profit and loss for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

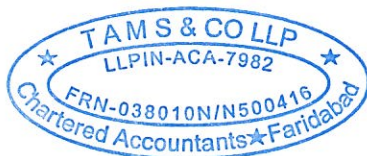
Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
INCOME			
Revenue from operations	20	185.02	101.01
Other income	21	2.11	22.07
Total Income		187.13	123.08
EXPENSES			
Cost of materials consumed		155.12	81.85
Change in inventories of finished goods and work-in-progress	22	(10.17)	0.61
Employee benefits expense	23	84.44	67.91
Other expenses	24	71.40	83.09
Finance costs	25	69.75	48.53
Depreciation and amortization	26	25.72	18.93
Total expenses		396.26	300.92
Loss before tax		(209.13)	(177.84)
Tax expenses:			
Income Tax			
Current year		-	-
Deferred tax		-	-
Total tax expense		-	-
Loss for the year		(209.13)	(177.84)
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Re-measurement gains/(losses) on defined benefit plans		0.94	(2.20)
Tax effect relating to these items		-	-
Total other comprehensive income/ (loss), net of tax		0.94	(2.20)
Total comprehensive income [comprising of (loss) for the year and other comprehensive (loss) for the year]		(208.19)	(180.04)
Earnings per equity share of ₹ 10 (31 March 2024: ₹ 10) each			
Basic and diluted	27	(2,091.32)	(1,778.61)

Summary of material accounting policies and other explanatory information 1-44

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

For T A M S & CO LLP
Chartered Accountants
Firm Registration No.038010N/N500416

Mohan Soni
Mohan Soni
Partner
Membership No.095882



Place : Haridwar
Date : 28 May 2024

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

Basant Kumar Singh
Basant Kumar Singh
Director
DIN: 09523959

Samandar Singh Dhakad
Samandar Singh Dhakad
Director
DIN: 06726622

Akums Healthcare Limited
CIN - U24304DL2020PLC375098

Statement of changes in equity for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

a. Equity share capital

Particulars	No. of shares	Amount
As at 31 March 2023 / 1 April 2023	1,00,000	1.00
Changes in equity share capital	-	-
As at 31 March 2024	1,00,000	1.00

b. Instruments entirely in nature of equity

Particulars	No. of shares	Amount
As at 31 March 2023 / 1 April 2023	6,22,568	6.23
Changes in OCRPS	-	-
As at 31 March 2024	6,22,568	6.23

c. Other equity

Particulars	Other equity		Total
	Security Premium	Retained earnings	
Balance as at 31 March 2023 / 1 April 2023	793.77	(234.98)	558.79
Add: Loss for the period	-	(209.13)	(209.13)
Add: Other comprehensive income for the period, net of tax			
- Remeasurement of defined benefit plans	-	0.94	0.94
Balance as at 31 March 2024	793.77	(443.17)	350.60

Summary of material accounting policies and other explanatory information

1-44

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

For T A M S & CO LLP

Chartered Accountants

Firm Registration No.038010N/N500416



Mohan Soni

Partner

Membership No.095882

Place : Haridwar

Date : 28 May 2024



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



Basant Kumar Singh

Director

DIN: 09523959



Samandar Singh Dhakad

Director

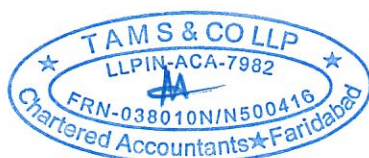
DIN: 06726622

Akums Healthcare Limited
CIN - U24304DL2020PLC375098
Statement of cash flow for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities		
Net loss before tax	(209.13)	(177.84)
Adjustments for:		
Depreciation and amortization	25.72	18.93
(Profit)/ Loss on sale of property, plant and equipment	0.02	-
Interest expense	69.75	48.53
Interest income on security deposit	(0.23)	(0.13)
Interest income on Income tax refund	(0.20)	-
Rental income	-	(21.67)
Operating profit before working capital changes	(114.07)	(132.18)
Adjustments for movement in working capital changes:		
Inventories	(49.69)	13.04
Trade receivables	(12.06)	(21.06)
Other financial assets	(0.27)	(1.26)
Other assets - current and non current	(183.39)	(22.17)
Trade payables	56.38	6.63
Other financial liabilities	50.86	4.28
Provisions	0.86	1.46
Other liabilities	4.67	(0.38)
Cash flow generated from operations (gross)	(246.71)	(151.64)
Less: taxes paid (net)	4.85	(4.87)
Net cash flow (used in) operating activities (A)	(241.86)	(156.51)
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress, capital advances and payable towards property, plant and equipment)	(1,070.15)	(279.69)
Proceeds from sale of property plant and equipment	1.82	271.15
Interest received	0.23	0.13
Rent received	-	21.67
Net cash flow (used in) investing activities (B)	(1,068.10)	13.26
C. Cash flow from financing activities		
Proceeds from issue of shares/OCRPS	-	800.00
Proceed from borrowings	1,566.13	588.11
(Repayment of) borrowings	(195.76)	(1,125.00)
Payment of lease liabilities	-	(63.85)
Interest paid	(69.75)	(48.53)
Net cash flow generated from financing activities (C)	1,300.62	150.73
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(9.34)	7.48
Cash and cash equivalents at the beginning of the period	10.85	3.37
Cash and cash equivalents at the end of the period	1.51	10.85

Components of cash and cash equivalents are as below: (refer note 9)

	Year ended 31 March 2024	Year ended 31 March 2023
Balance with scheduled banks		
in current accounts	1.49	10.85
in deposit accounts with original maturity of less than 3 months	-	-
Cash on hand	0.02	-
	1.51	10.85



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Akums Healthcare Limited
CIN - U24304DL2020PLC375098
Statement of cash flow for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

Disclosures as required in terms of Amendment to Ind AS 7 'Statement of cash flows' related to the change in financial liabilities arising from financing activity is as below

Particulars	Total Borrowings	Total
Balance as on 1 April 2022	727.84	727.84
Cash flows:		
Repayments	587.16	587.16
Proceeds from issue of financial instrument	(1,125.00)	(1,125.00)
Non cash changes:		
Interest Accrued but not due	0.95	0.95
Balance as on 31 March 2023	190.95	190.95
Balance as on 1 April 2023	190.95	190.95
Cash flows:		
Proceeds	1,566.13	1,566.13
Repayments	(196.37)	(196.37)
Non cash changes:		
Interest Accrued but not due	0.61	0.61
Balance as on 31 March 2024	1,561.32	1,561.32

Summary of material accounting policies and other explanatory information

1-44

This is the Statement of cash flows referred to in our report of even date.

For T A M S & CO LLP
Chartered Accountants
Firm Registration No.038010N/N500416


Mohan Soni
Partner
Membership No.095882
Place : Haridwar
Date : 28 May 2024



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


Basant Kumar Singh
Director
DIN: 09523959


Samandar Singh Dhakad
Director
DIN: 06726622

Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

1 Company overview and summary of material accounting policies

1.1 Company overview

Akums Healthcare Limited (the 'Company') is a public limited Company domiciled in India and incorporated on 29 December 2020 under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Delhi.

The Company is engaged in contract manufacturing which involves manufacturing of pharmaceutical formulations and specializes in developing new formulations, undertaking bio equivalence studies, clinical trials, obtaining Drug Controller General of India's (DCGI) approval for manufacturing and marketing new Fixed Dose Combinations (FDCs) & molecules and thereby offering new formulations with Company's own technology to its customers under their brand names.

The financial statement are approved for issue by the Company's Board of Directors on 28 May 2024.

1.2 Basis of preparation

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

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

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

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

The financial statements of the Company for the year ended 31 March 2024 were approved and authorised for issue by Board of Directors in their meeting held on 28 May 2024. The Board of Directors can permit revisions to these financial statements after obtaining necessary approvals or at the instance of regulatory authorities, as per provisions of the Act.

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

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the financial statements is required to be disclosed.

New and amended Ind AS that are effective for the current period

During the year ended 31 March 2024, there were no amendments which have been issued but are not yet effective.

1.3 Use of judgment, estimates and assumptions

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

Judgements, estimates and assumptions

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

Significant management judgement in applying accounting policies and estimation uncertainty

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



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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

- b) **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- c) **Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of Company's plant and equipment.
- d) **Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- e) **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- f) **Contingent liabilities** – The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

1.4 Property, plant and equipment

Recognition and initial measurement

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

In case an item of property, plant and equipment is acquired on deferred payment basis if any, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

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

Asset class	Useful life
Buildings	30 years
Plant and equipments	15 years
Furniture and fittings	10 years
Vehicles	8/10 years
Office equipment	5 years
Computers	3/6 years
Research and development equipments	10 years
Electrical installation	10 years
Pollution control equipments	15 years

The residual values, useful life and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

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

De-recognition

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



1.5 Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortisation)

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

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

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

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

De-recognition

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

The Company classifies asset as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale, if the Management expects to complete the sale within one year from the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell.

1.6 Financial instruments

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

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

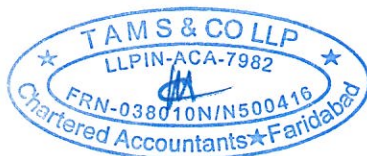
- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognizes that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Classification and subsequent measurement

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



Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

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

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

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

(ii) **Financial assets at fair value**

Investments in equity instruments other than above – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

De-recognition of financial assets

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

Financial liabilities

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

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



1.7 Fair value measurement

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

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

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

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

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

1.8 Impairment of financial assets

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

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

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

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

Trade receivables

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss, the calculation of which is based on historical data, on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

The Company writes off trade receivables after it is established beyond doubt that the account is uncollectible. Financial assets that are written-off are still subject to enforcement activity by the Company.

Other financial assets

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

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



Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

1.9 Impairment of non-financial assets

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

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

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

1.10 Provisions and contingent liabilities

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

Contingent liability is disclosed for:

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

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

1.11 Operating expenses

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

1.12 Foreign currency transactions and translations

i. Initial recognition

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

ii. Measurement at the balance sheet date

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

iii. Treatment of exchange difference

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

1.13 Earnings per share

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

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.

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1.14 Taxes

Current income-tax

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred tax assets are reviewed at each balance sheet date and derecognized to the extent it is no longer probable that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

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

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

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of profit and loss and presented as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not probable that the Company will pay normal income tax during the specified period.

1.15 Employee benefits

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

Defined contribution plans

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

Defined benefit plans

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

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

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

Other long-term employee benefits

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

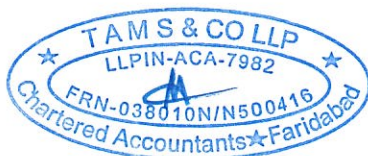
Short-term employee benefits

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

Termination benefits

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

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



1.16 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and on hand and bank deposit with banks where original maturity is three months or less.

1.17 Inventories

Inventories include raw material, stores and spares, finished goods, work in progress and packing material.

Inventories are stated at lower of cost or net realisable value. The cost in respect of the various items of inventory is computed as under:

(i) Raw materials and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. The cost includes direct expenses and is determined on the basis of weighted average method. Cost of raw materials and packing materials is computed on weighted average basis.

(ii) Stores and spares - at cost or net realisable value, whichever is less. Cost is computed on weighted average basis.

(iii) Work in progress - includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition.

(iv) Finished goods - includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for expired stock and slow moving inventory, if required is made based on management's best estimates of net realisable value of such inventories.

1.18 Revenue recognition

The five step model of Ind AS 115 - 'Revenue from Contracts from Customers' is used to determine whether revenue should be recognised at a point in time or over time, and at what amount is as below:

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

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

- Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer (usually on dispatch of the goods from the factory) which coincides with the performance obligation under the contract with the customer.

- Revenue from services is recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred.

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

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

1.19 Other income

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

Interest

Interest income is recognised as and when due on the time proportion basis by using effective interest method. Interest income is included under the head "other income" in the standalone statement of profit and loss.

1.20 Borrowings costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



1.21 Leases

The Company as a lessee

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

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

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

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

The Company as a lessee

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

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

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

The Company as a lessor

Leases for which the Company 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.

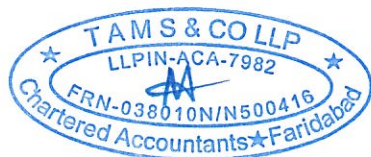
For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

1.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of production of pharmaceuticals and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 36.

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

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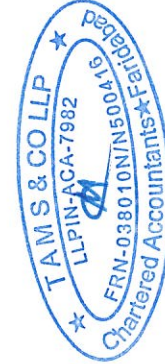
2a. Property, plant and equipment

Particulars	Property, plant and equipment										Total	
	Buildings	Plant and equipments	Furniture and fittings	Vehicles	Office equipment	Computers	Research and development equipments	Electrical installation	Pollution control equipments			
Gross Block												
Opening Balance as at 1 April 2022	114.09	41.56	1.54	0.23	8.49	2.72	0.04	5.45	0.01		174.14	
Additions	13.28	64.42	1.42	0.04	3.60	2.15	6.83	11.34	0.06		103.14	
Disposals/ adjustments	-	(7.04)	(0.02)	(0.09)	(7.17)	-	(0.02)	(0.28)	-		(14.62)	
Balance as at 31 March 2023	127.37	98.94	2.94	0.18	4.92	4.87	6.85	16.51	0.07		262.66	
Additions	30.16	54.24	1.68	-	3.18	2.27	1.69	4.44	-		97.64	
Disposals/ adjustments	-	(0.49)	-	-	(0.05)	(0.01)	(1.57)	-	-		(2.11)	
Balance as at 31 March 2024	157.52	152.69	4.62	0.18	8.05	7.13	6.98	20.95	0.07		358.19	
Accumulated depreciation												
Opening Balance as at 1 April 2022	4.01	0.48	0.43	-	0.21	0.16	0.00	0.15	0.00		5.44	
Charge for the Period	4.73	7.08	0.53	-	0.81	0.83	0.51	2.61	0.01		17.11	
Reversal of disposal	-	-	-	-	-	-	-	(0.05)	-		(0.05)	
Balance as at 31 March 2023	8.75	7.55	0.96	-	1.02	0.99	0.51	2.71	0.01		22.50	
Opening Balance as at 31 March 2023 / 1 April 2023	8.75	7.55	0.96	-	1.02	0.99	0.51	2.71	0.01		22.50	
Charge for the Period	5.07	11.17	0.66	-	1.92	1.33	0.66	3.00	0.02		23.83	
Reversal of disposal	-	(0.08)	-	-	(0.00)	(0.01)	(0.18)	-	-		(0.27)	
Balance as at 31 March 2024	13.82	18.64	1.62	-	2.94	2.31	0.99	5.71	0.03		46.06	
Net block												
As at 31 March 2023	118.62	91.39	1.98	0.18	3.90	3.88	6.34	13.80	0.06		240.16	
As at 31 March 2024	143.71	134.05	3.00	0.18	5.12	4.82	5.99	15.24	0.04		312.13	

Notes:

- Refer note 29 for disclosures of contractual commitments for the acquisition of property, plant and equipment.
- Post implementation of Ind AS 116, Leasehold land is being grouped under Rou while the comparative for last year continued to be shown under Property, plant & Equipment.
- Refer note 42 for the information on property, plant and equipment pledged as security by the Company.

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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

2b. Capital work-in-progress

Particulars	Amount
As at 1 April 2022	93.16
Add: Additions during the year	197.27
Less: Capitalised during the year	(93.16)
As at 31 March 2023/ 1 April 2023	197.27
Add: Additions during the year	1,128.02
Less: Capitalised during the year	(42.42)
As at 31 March 2024	1,282.87

2c. Ageing of capital work-in-progress

The table below analyse the capital work-in-progress ageing:

31 March 2024

Particulars	Ageing				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Building	15.42	274.80	33.13	-	323.35
Plant and equipments	653.46	192.19	82.62	-	928.27
Other	31.25				31.25
	700.13	466.99	115.75	-	1,282.87

31 March 2023

Particulars	Ageing				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Building	132.23	-	-	-	132.23
Plant and equipments	34.99	30.05	-	-	65.04
	167.22	30.05	-	-	197.27

Note : There are no such project under capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024 and 31 March 2023

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Akums Healthcare Limited
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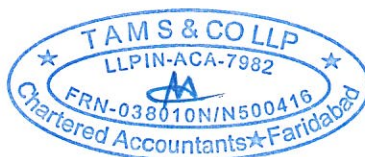
Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

3a. Intangible assets

Particulars	Software	Total
Gross carrying value		
Balance as at 1 April 2022	0.43	0.43
Additions during the period	-	-
Balance as at 31 March 2023	0.43	0.43
Balance as at 31 March 2023 / 1 April 2023	0.43	0.43
Additions during the period	-	-
Balance as at 31 March 2024	0.43	0.43
Amortisation		
Accumulated as at 1 April 2022	0.03	0.03
Charge for the period	0.09	0.09
Balance as at 31 March 2023	0.12	0.12
Accumulated as at 31 March 2023 / 1 April 2023	0.12	0.12
Charge for the period	0.09	0.09
Balance as at 31 March 2024	0.21	0.20
Net carrying value		
As at 31 March 2023	0.31	0.31
As at 31 March 2024	0.22	0.23

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Akums Healthcare Limited

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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

3b. Intangible assets under development

Particulars	Amount
As at 1 April 2023	-
Add: Additions during the year	0.50
Less: Capitalised during the year	-
As at 31 March 2024	0.50

31 March 2024

Particulars	Ageing				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Software	0.50	-	-	-	0.50
	0.50	-	-	-	0.50

Note : There are no such project in intangible under development whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024 and 31 March 2023.

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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
4. Other financial assets		
Security deposits	4.89	4.62
	4.89	4.62
5. Non-current tax assets		
Advance income-tax (net of provision)	0.42	5.07
	0.42	5.07
6. Other non-current assets		
Unsecured, considered good		
Capital advances	41.55	113.90
Prepaid expenses	0.80	-
	42.35	113.90
7. Inventories		
(Refer note 1.17 on inventories)		
Raw materials		
on hand	28.48	2.15
in transit	-	-
Packing materials		
on hand	11.72	3.31
in transit	0.30	0.01
Work in progress	3.49	0.25
Finished goods	7.06	0.13
Stores and spares		
on hand	10.22	5.44
in transit	0.03	0.32
Stock in Trade	-	-
	61.30	11.61

Refer note 42 for the information on property, plant and equipment pledged as security by the Company.

Refer note 32 for the quarterly stock statement submitted to Banks/Financial Institution.

8. Trade receivables

Trade receivables-considered good (unsecured)	39.78	27.72
Trade receivables-which have significant increase in credit risk	-	-
	39.78	27.72
Less: Allowance for expected credit losses	-	-
	39.78	27.72

8.1 Dues from related party (refer note 33)

1.95

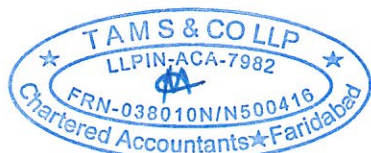
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8.2 Refer note 35 for disclosure of fair value in respect of financial assets measured at amortised cost and assessment of expected credit losses respectively.

8.3 Refer note 35 for disclosure in respect of ageing of above receivables.

8.4 Refer note 42 for the information on property, plant and equipment pledged as security by the Company.

8.5 Refer note 32 for the quarterly stock statement submitted to Banks/Financial Institution.



Akums Healthcare Limited
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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
9. Cash and cash equivalents		
Balance with scheduled banks		
in current accounts	1.49	10.85
in deposit accounts with original maturity of less than 3 months	-	-
Cash on hand	0.02	-
	<u>1.51</u>	<u>10.85</u>

Refer Note 42 for assets pledged as security by the Company

10. Other current assets

Unsecured, considered good

Advance to suppliers and others	1.73	0.33
Prepaid expenses	2.23	1.11
Balance with statutory authorities	224.10	44.03
	<u>228.06</u>	<u>45.47</u>

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Akums Healthcare Limited
CIN - U24304DL2020PLC375098
Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

Particulars	As at	As at
	31 March 2024	31 March 2023
11. (a) Equity share capital		
Authorized		
100,000 (31 March 2023: 100,000) equity shares of ₹ 10 (31 March 2023: ₹ 10) each	1.00	1.00
Issued, subscribed and fully paid up		
100,000 (31 March 2023: 100,000) equity shares of ₹ 10 (31 March 2023: ₹ 10) each	1.00	1.00
	1.00	1.00

11. (b) Instruments entirely in nature of equity

Authorized		
650,000 (31 March 2023: 650,000) optionally convertible redeemable preference shares of ₹ 10 each	6.50	6.50
Issued, subscribed and fully paid up		
622,568 (31 March 2023: 622,568) optionally convertible redeemable preference shares of ₹ 10 each	6.23	6.23
	6.23	6.23

11.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the period	1,00,000	1.00	1,00,000	1.00
Add: Issued during the period	-	-	-	-
At the end of the period	1,00,000	1.00	1,00,000	1.00

11.2 Reconciliation of instruments entirely in nature of equity outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the period	6,22,568	6.23	-	-
Add: Issued during the period	-	-	6,22,568	6.23
At the end of the period	6,22,568	6.23	6,22,568	6.23

11.3 Terms/rights attached to equity shares

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

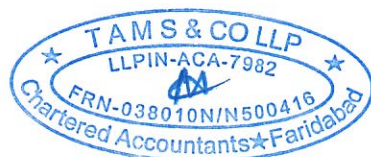
In the event of winding up of the Company, the equity shareholders will be entitled to be repaid remaining assets of the Company, after distribution of all preferential amounts, in the ratio of the amount of capital paid on such equity shares.

11.4 Terms/rights attached to OCRPS

The Company has only one class of preference shares (Optionally convertible redeemable preference share) having face value of ₹ 10 per share. preference share will carry preferential right via-a-via equity share of the company with respect to payment of dividend and repayment in case of winding up or repayment of capital of the company. Dividend should be paid to these share holders on a non cumulative basis @ 0.0001% or such other rate as prescribed by the board.

Each OCRPS shall either be redeemed @ ₹ 10 per share or converted into (One) equity share of ₹ 10 each. These OCRPS hold voting rights as per the provisions of the Companies Act, 2013

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Akums Healthcare Limited
CIN - U24304DL2020PLC375098

Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

11.5 Details of shareholders holding more than 5% shares in the Company*

Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% Holding	No. of shares	% Holding
Equity Shares				
Akums Drugs and Pharmaceuticals Ltd and its nominees#	1,00,000	100.00%	1,00,000	100.00%
Optionally Convertible Redeemable preference Share				
Pure & Cure Healthcare Limited	6,22,568	100.00%	6,22,568	100.00%

promoters of the Company. There has been no change during the year in the number of shares held by them from the preceding period.

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

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

11.7 No shares have been reserved for issue under options.

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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
12. Other equity		
(a) Retained earnings		
Balance in the beginning of the period	(234.98)	(54.94)
Add: Loss for the period	(209.13)	(177.84)
Add: Other comprehensive income for the period		
- Remeasurement of defined benefit plans	0.94	(2.20)
Balance as at end of the period	<u>(443.17)</u>	<u>(234.98)</u>
(b) Security Premium		
Balance in the beginning of the period	793.77	-
Add: Security Premium on issue of OCRPS	-	793.77
Balance as at end of the period	<u>793.77</u>	<u>793.77</u>
Total	<u><u>350.60</u></u>	<u><u>558.79</u></u>

Nature of reserves

The description of nature and purpose of each of the above reserve within equity is as under:

1.Retained earnings

Retained earnings are the profits that the Company has earned till date and not distributed. Retained earnings is a free reserve available to the Company.

2.Security Premium

Securities premium account is used to record premium received on issue of instruments entirely in nature of equity. The account is utilised in accordance with the provisions of the Companies Act, 2013.

13. Borrowings

Term Loan

Secured

Term loan from bank (refer note 13.1) 85.11 -

Unsecured

Loan from related party (refer note 13.2) 1,476.21 190.95

1,561.32 190.95

Less: Current maturities of long term borrowings (refer note 16a) (20.89) -

1,540.43 190.95

Note:

13.1 The term loan from bank carries an interest rate of 8.28% to 8.40% p.a., linked with 3 months T-Bill, are secured by way of mortgage/ hypothecation on immovable assets of Haridwar unit and movable assets of the Company, both present and future. The loan is repayable in Monthly installments of Rs 1.69 million each till May, 2028; (starting from June, 2023).

13.2 Refer note 32 for the quarterly stock statement submitted to Banks/Financial Institution.

13.3 The loan from related party include the unsecured loan taken from holding company carrying an interest rate of 8.00% p.a. (effective 1 October 2022 and 7% from 1 April 2022 to 30 September 2022) (31 March 2023 to 30th June 2023: 7.5% p.a.) and is repayable after 2025.

a) Refer note 41 for assets pledged as security

b) The above loans have been utilised as per the purpose of the loan sanctioned i.e. Capex re-imburement.

c) The property on which mortgaged or any charged created during the period has been duly registered with Registrar of companies.

d) The Company has not defaulted in repayment of interest during the current period. Further, there have been no default in repayment of loan during the period.

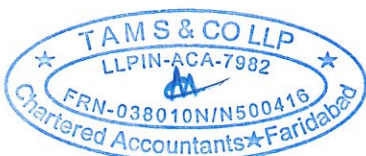
14. Other financial liabilities

Security deposit received

from customers 0.51 0.28

from others 45.71 -

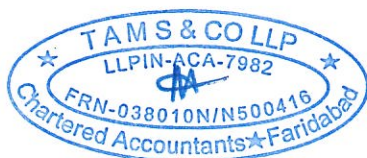
46.22 0.28



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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
15. Provisions		
Provision for employee benefits		
Gratuity (refer note 31)	2.16	3.16
Compensated absences	1.43	1.05
	3.59	4.21
16a. Borrowings		
Secured		
Working capital loan from banks (refer notes below)	-	-
Current maturities of long term borrowings (refer note 13)	20.89	-
	20.89	-
16.1 The term loan from bank carries an interest rate of 8.40% p.a., linked with 3 months T-Bill, are secured by way of mortgage/ hypothecation on immovable assets of Haridwar unit and movable assets of the Company, both present and future. The loan is repayable in Monthly installments of Rs 1.69 million each till May, 2028; (starting from June, 2023).		
16.2 Refer note 32 for the quarterly stock statement submitted to Banks/Financial Institution.		
16b. Trade payables		
Total outstanding dues of micro and small enterprises (refer note 40): and	10.96	8.59
Total outstanding dues of creditors other than micro and small enterprises	77.92	23.91
	88.88	32.50
Dues to related parties (refer to note 33)	16.99	10.07
Refer note 35 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of the maturity profile		
Refer note 35 for disclosure in respect of ageing of the above payables.		
17. Other financial liabilities		
Employee payables	11.43	6.51
Payable for property, plant and equipment*	65.91	24.67
Interest accrued but not due on borrowings	-	-
	77.34	31.18
* includes dues to micro and small enterprises of ₹ 34.76 million (31 March 2023: ₹ 11.76 million)		
18. Other current liabilities		
Advance from customers	3.16	0.15
Statutory dues payable	3.27	1.61
	6.43	1.76
19. Provisions		
Provision for employee benefits		
Gratuity (refer note 31)	0.33	0.05
Compensated absences	0.38	0.11
	0.71	0.16






Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
20. Revenue from operations		
Sale of finished products	125.87	70.86
Domestic	125.87	70.86
Exports (incl. indirect exports)	-	-
Sale of other products	48.36	25.40
	174.23	96.26
Other operating revenues		
Testing charges and others	2.40	0.13
Sale of scraps	8.39	4.62
	185.02	101.01

Refer Note 34 in terms of disclosures required under Ind AS 115

21. Other income

Interest income:		
On security deposits	0.23	-
On Income tax refund	0.20	-
Gain on foreign exchange difference	1.68	-
Profit on sale of current investments	-	-
Rental income	-	21.67
Miscellaneous income	-	0.40
	2.11	22.07

22. Change in inventory of finished goods

Opening stock		
Finished goods	0.13	0.99
Work-in-progress	0.25	-
	(A) 0.38	0.99
Less: Closing stock		
Finished goods	7.06	0.13
Work in progress	3.49	0.25
SIT	-	-
	(B) 10.55	0.38
Change in inventory of finished goods (A-B)	(10.17)	0.61

23. Employee benefits expense

Salaries, wages and bonus	77.78	62.05
Contributions to provident and other funds*	3.12	2.72
Staff welfare expense	3.54	3.14
	84.44	67.91

* includes PF & ESIC contribution of 3.12 millions (Previous period ₹ 2.72 millions). Refer note 31 for details.

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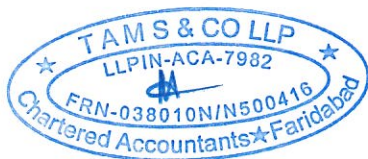


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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
24. Other expenses		
Consumption of stores and spare parts	8.56	8.89
Power and fuel	29.74	29.76
Rent	3.96	1.85
Repairs and maintenance		
Buildings	3.57	8.67
Plant & Machinery	4.90	9.91
Others	7.82	9.05
Printing and stationery	1.09	0.71
Allowance for expected credit losses	-	-
Travelling expense	0.28	0.15
Vehicle running expense	0.51	0.66
Fees and subscription	2.07	0.73
Profit/(Loss) on sale of property, plant and equipment	0.02	-
Legal and professional expenses	1.18	0.63
Security expenses	4.54	5.42
Payment to auditors (refer note 30)	0.04	0.03
Duties & Taxes	0.07	-
Insurance Expenses	0.62	0.21
Miscellaneous expenses	2.43	6.42
	71.40	83.09
25. Finance costs		
Interest on loan taken from related party	61.82	48.52
Interest on short term borrowings from banks	6.98	-
Other borrowing costs	0.95	-
Interest on income-tax	-	0.01
	69.75	48.53
26. Depreciation and amortisation expense		
Depreciation on property, plant and equipment (refer note 2a)	23.83	17.11
Amortization of right-of-use assets (refer note 41)	1.80	1.73
Amortization of intangible assets (refer note 3a)	0.09	0.09
	25.72	18.93

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Akums Healthcare Limited

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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

34 Disclosure required under Ind AS 115 - Revenue from contract with customers

A Disaggregation of revenue:

Sale of products

Revenue from sale of goods - manufactured

Revenue from sale of goods - others

Other operating revenue

Testing charges

Sale of scrap

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from sale of goods - manufactured	125.87	70.86
Revenue from sale of goods - others	48.36	25.40
Testing charges	2.40	0.13
Sale of scrap	8.39	4.62
	185.02	101.01

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Contract liabilities

Advance received from customers

Total contract liabilities

	As at 31 March 2024	As at 31 March 2023
Advance received from customers	3.16	0.15
Total contract liabilities	3.16	0.15

Receivables

Trade receivables

Total receivables

Trade receivables	39.78	27.72
Total receivables	39.78	27.72

Receivable is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

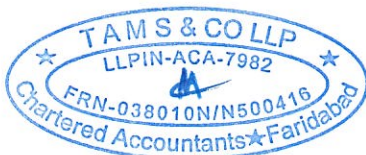
C Significant changes in the contract liabilities balances during the period are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
	Contract liabilities	Contract liabilities
	Advances from customers	Advances from customers
Opening balance	0.15	0.36
Addition during the period	3.16	0.15
Revenue recognised during the period	0.15	0.36
Closing balance	3.16	0.15

The amounts receivable from customers become due after expiry of credit period which on an average is less than 30 days. There is no significant financing component in any transaction with the customers.

The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

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27 Earning per equity share (EPS)

Loss attributable to equity shareholders (₹)	
Total number of equity shares outstanding at the end of the period	
Weighted average number of equity shares in calculating basic EPS	
Weighted average number of equity shares in calculating diluted EPS	
Nominal value per share (₹)	
Basic and diluted EPS (₹)	

	Year ended 31 March 2024	Year ended 31 March 2023
	(209.13)	(177.84)
	1,00,000	1,00,000
	1,00,000	1,00,000
	6,22,568	6,22,568
	10	10
	(2,091.32)	(1,778.61)

Note :- OCRPS issued by the company are anti-dilutive in nature and hence diluted EPS is same as basic EPS

28 Contingent liabilities and litigations

There is no contingent liability or pending litigation as on date of balance sheet

29 Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

	As at 31 March 2024	As at 31 March 2023
	231.09	462.29
	231.09	462.29

30 Payment to auditor

- (a) as auditor
(b) for reimbursement of expenses

	Year ended 31 March 2024	Year ended 31 March 2023
	0.04	0.03
	-	0.00
	0.04	0.03

31 Employees benefits

A Defined contribution plan

The amount recognised as expense towards contribution to defined contribution plans for the period is as below:

Company's contribution to Provident Fund	
Company's contribution to Employees' State Insurance Scheme	

	Year ended 31 March 2024	Year ended 31 March 2023
	2.96	2.57
	0.17	0.15
	3.13	2.72

B Defined benefit plan - Gratuity

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

Non-current	
Current	

	As at 31 March 2024	As at 31 March 2023
	2.16	3.16
	0.33	0.05
	2.49	3.21

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

Present value of the obligation as at the beginning of the year	
Service cost	
Interest cost	
Benefits paid	
Actuarial (gain)/ loss recognised during the year in other comprehensive income	
Present value of the obligation as at end of the period	

	As at 31 March 2024	As at 31 March 2023
	3.21	0.13
	0.65	0.87
	0.24	0.01
	(0.67)	-
	(0.94)	2.20
	2.49	3.21

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

Service cost	
Interest cost	
Net impact on profit before tax	
Actuarial (gain)/ loss recognised during the year in other comprehensive income	
Amount recognised in total comprehensive income	

	Year ended 31 March 2024	Year ended 31 March 2023
	0.65	0.87
	0.24	0.01
	0.89	0.88
	(0.94)	2.20
	(0.05)	3.08



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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

(iii) Breakup of Actuarial (gain)/ loss

Actuarial (gain)/ loss from change in demographic assumption	(0.34)	-
Actuarial (gain)/ loss from change in financial assumption	0.20	(0.04)
Actuarial (gain)/ loss from experience adjustment	(0.81)	2.24
Total actuarial (gain)/ loss	(0.95)	2.20

	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial (gain)/ loss from change in demographic assumption	(0.34)	-
Actuarial (gain)/ loss from change in financial assumption	0.20	(0.04)
Actuarial (gain)/ loss from experience adjustment	(0.81)	2.24
Total actuarial (gain)/ loss	(0.95)	2.20

(iv) Change in fair value of plan assets

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

(v) Actuarial assumptions

Discount rate (per annum)	7.22%	7.36%
Future salary increase (per annum)	6.00%	5.50%
Withdrawal rate		
Up to 30 Years	21.00%	3.00%
From 31 to 44 years	21.00%	2.00%
Above 44 years	21.00%	1.00%
Retirement age	58 years	58 years
Mortality rate	100% of IALM (2012-14)	100% of IALM (2012-14)

Notes:

- The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.

- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(vi) Sensitivity analysis for gratuity liability

Impact of change in discount rate

	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the end of the period	2.49	3.21
- Impact due to increase of 0.5 %	(0.05)	(0.12)
- Impact due to decrease of 0.5 %	0.06	0.13

Impact of change in salary increase

	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the end of the period	2.49	3.21
- Impact due to increase of 0.5 %	0.06	0.13
- Impact due to decrease of 0.5 %	(0.05)	(0.12)

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

Maturity profile of defined benefit obligation (discounted)

	As at 31 March 2024	As at 31 March 2023
Within next 12 months	0.33	0.05
Between 1-5 years	1.10	1.54
Beyond 5 years	1.06	1.62
	2.49	3.21

(vii) Expected contribution

The expected future employer contributions for defined benefit plan ₹ 1.28 Million as at 31 March 2024. (31 March 2023: ₹1.38 Million)

(viii) Other long-term employee benefits

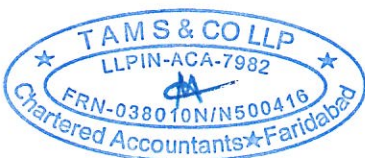
An amount of ₹ 0.92 millions as at 31 March 2024 [31 March 2023 : ₹ 0.65 millions] pertains to expense towards compensated absences.

32 Reporting to banks/ financial institutions

The Company is regular in submission of monthly stock statements with banks for the borrowings sanctioned against hypothecation of current assets.

Month	Name of Bank	Particulars of securities provided	Amount as per books of accounts	Amount reported in statement	Difference	Reason for material discrepancies
Jun-23	HDFC Bank	Stock	23.23	16.41	6.82	Due to GIT impact & Stores & Spares Impact Debtors showing in bank less than 90 days only.
		Debtors(Net)	41.50	8.15	33.35	
Sep-23	HDFC Bank	Stock	33.50	24.71	8.80	Due to GIT impact & Stores & Spares Impact Debtors showing in bank less than 90 days only.
		Debtors(Net)	55.65	22.60	33.05	
Dec-23	HDFC Bank	Stock	39.35	32.10	7.24	Due to GIT impact & Stores & Spares Impact Debtors showing in bank less than 90 days only.
		Debtors(Net)	70.41	30.38	40.04	
Mar-24	HDFC Bank	Stock	61.30	49.66	11.64	Due to GIT impact & Stores & Spares Impact Debtors showing in bank less than 90 days only.
		Debtors(Net)	39.78	21.08	18.70	

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Akums Healthcare Limited

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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

33 Related party disclosures

In accordance with Ind AS-24 on related party disclosures where control exist and where transactions in ordinary course of business have taken place and description of the relationships as identified and certified by the management are as follows:

I. Relationships

Name of entity

(a) Holding company

Akums Drugs and Pharmaceuticals Limited

(b) Key management personnel (KMP)

Name	Designation
Mr. Dharamvir Malik	Director till 27-Mar-2024
Mr. Rama Shanker	Non Executive Director
Mr. Samandar Singh Dhakad	Non Executive Director (Joined w.e.f. 26.08.2021)
Mr. Basant Kumar Singh	Additional Director

c) Fellow subsidiaries and Associates*

Maxcure Nutravedics Limited
Sarvagunaushdhi Private Limited
Malik Lifesciences Private Limited
Pure and Cure Healthcare Private Limited
Akome Lifecare Private Limited
Akumentis Healthcare Limited
Burroughs Welcome Pharmacia Private Limited
Upadhrish Reserchem LLP
Plenteous Pharmaceuticals Limited
Nicholas Healthcare limited
Medibox Pharma Pvt. Ltd.
Unosource Pharma Ltd.
Qualymed Pharma Private limited

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Akums Healthcare Limited**Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024***(All amounts in ₹ million unless otherwise stated)***ii Summary of related party transactions-**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Transactions during the period		
Inter-corporate loan taken:		
Akums Drugs and Pharmaceuticals Limited	1,466.50	590.96
Inter-corporate loan repaid		
Akums Drugs and Pharmaceuticals Limited	189.00	1,125.00
Interest expense		
Akums Drugs and Pharmaceuticals Limited	61.82	48.52
OCRPS issued		
Pure and Cure Healthcare Private Limited	-	800.00
Sales of goods and others		
Akome Lifecare Private Limited	-	0.04
Akumentis Healthcare Limited	11.63	2.90
Akums Drugs and Pharmaceuticals Limited	28.40	12.61
Burroughs Welcome Pharmacia Private Limited	-	0.62
Pure and Cure Healthcare Private Limited	16.17	10.23
Upadhrish Reserchem LLP	0.01	0.02
Malik Lifesciences Private Limited	1.76	2.35
Maxcure Nutravedics Limited	2.03	0.30
Qualymed Pharma Private limited	0.05	-
Unosource Pharma Ltd.	-	-
Nicholas Healthcare limited	3.25	-
Rent Received		
Akums Drugs and Pharmaceuticals Limited	-	8.43
Malik Lifesciences Private Limited	-	4.08
Maxcure Nutravedics Limited	-	0.60
Plenteous Pharmaceuticals Limited	-	-
Pure and Cure Healthcare Private Limited	-	8.55
Sale of Asset		
Upadhrish Reserchem LLP	0.37	-
Akome Lifecare Private Limited	-	271.00
Pure and Cure Healthcare Private Limited	3.64	0.15
Maxcure Nutravedics Limited	0.35	-
Akums Drugs and Pharmaceuticals Limited	1.31	-
Expense paid for group companies		
Upadhrish Reserchem LLP	0.02	-
Akums Drugs and Pharmaceuticals Limited	3.02	1.54
Malik Lifesciences Private Limited	1.05	0.41
Akome Lifecare Private Limited	1.37	0.48
Qualymed Pharma Private limited	0.02	-
Maxcure Nutravedics Limited	0.37	0.56
Pure and Cure Healthcare Private Limited	2.13	1.59
Unosource Pharma Ltd.	1.98	-
Purchase of goods and others		
Akums Drugs and Pharmaceuticals Limited	44.74	30.16
Maxcure Nutravedics Limited	0.80	0.19
Akome Lifecare Private Limited	0.01	-
Sarvagunaushdhi Private Limited	-	0.00
Malik Lifesciences Private Limited	0.17	0.13
Pure and Cure Healthcare Private Limited	1.14	0.28
Upadhrish Reserchem LLP	0.23	0.05
Purchase of Assets		
Akums Drugs and Pharmaceuticals Limited	2.57	5.36
Pure and Cure Healthcare Private Limited	1.65	9.19
Sarvagunaushdhi Private Limited	-	0.00
Upadhrish Reserchem LLP	0.01	-

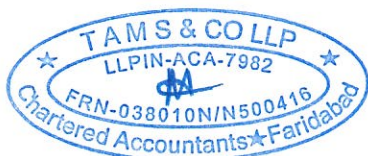


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Akums Healthcare Limited**Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024***(All amounts in ₹ million unless otherwise stated)*

Expense incurred by group companies			
Akums Drugs and Pharmaceuticals Limited		2.60	3.95
Upadhrish Reserchem LLP		0.01	0.37
Pure and Cure Healthcare Private Limited		0.16	-
Akome Lifecare Private Limited		0.48	-
Expenses paid:			
Akums Drugs and Pharmaceuticals Limited		0.02	0.26
Maxcure Nutravedics Limited		-	0.23
Upadhrish Reserchem LLP		14.78	2.86
Pure and Cure Healthcare Private Limited		0.01	0.10
Sarvagunaushdhi Private Limited		-	0.06
Rent Paid			
Akome Lifecare Private Limited		3.35	1.67
Guarantee Commision			
Akums Drugs and Pharmaceuticals Limited		0.95	-
Director Sitting Fee*			
Mr. Rama Shanker		0.01	0.01
Mr. Dharamvir Malik		0.01	0.01
Samandar Singh Dhakad		-	0.00

(b) Balance outstanding at the period end	As at 31 March 2024	As at 31 March 2023
Inter-corporate loan taken		
Akums Drugs and Pharmaceuticals Limited	1,467.50	190.00
Interest Payable		
Akums Drugs and Pharmaceuticals Limited	8.71	0.95
OCRPS		
Pure and Cure Healthcare Private Limited	6.23	6.23
Trade receivables		
Akums Drugs and Pharmaceuticals Limited	0.27	1.98
Akome Lifecare Private Limited	-	0.61
Malik Lifesciences Private Limited	0.00	0.63
Maxcure Nutravedics Limited	0.41	0.09
Pure and Cure Healthcare Private Limited	0.06	1.65
Burroughs Welcome Pharmacia Pvt Ltd	-	0.03
Akumentis Healthcare Limited	1.13	-
Qualymed Pharma Private limited	0.07	-
Trade payable		
Akums Drugs and Pharmaceuticals Limited	4.31	1.21
Upadhrish Reserchem LLP	12.44	0.98
Sarvagunaushdhi Private Limited	-	0.00
Pure and Cure Healthcare Private Limited	0.21	7.51
Malik Lifesciences Private Limited	0.04	0.06
Maxcure Nutravedics Limited	-	0.32

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35 Financial instruments

A Financial instruments by category

The carrying value of financial instruments by categories were as follows:

Particulars	Amortised cost	
	As at 31 March 2024	As at 31 March 2023
Financial assets carried at amortised cost		
Trade receivables	39.78	27.72
Cash and cash equivalents	1.51	10.85
Other Financial Assets	4.89	4.62
Total financial assets	46.18	43.19
Financial liabilities carried at amortised cost		
Trade payables	88.88	32.50
Other financial liabilities	123.56	31.46
Borrowings	1,561.32	190.95
Total financial liabilities	1,773.76	254.92

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalent are considered to be the same as their fair values, due to short-term in nature.

The carrying value of the amortised financial assets and liabilities approximate to the fair value on the respective reporting dates.

B. Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the standalone financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

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

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

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

B.1 There are no financial assets/ liabilities which have been measured at fair value

Financial risk management

Financial risk management objectives and policies

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

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

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

Financial risk factors

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

- Market risk
- Credit risk
- Liquidity risk

The primary market risk to the Company is foreign exchange risk. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Liquidity risk is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

(a) Market risk

(i) Foreign currency risk

The entity has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The company does not use forward contracts and swaps for managing risks associated with foreign currency nor used for speculative purposes. There are no foreign exposure to the Company as at period end

(ii) Interest rate risk

a) Financial liabilities

The entity's policy is to minimise interest rate cash flow risk exposures on long-term financing. As on 31 March 2024, the entity is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

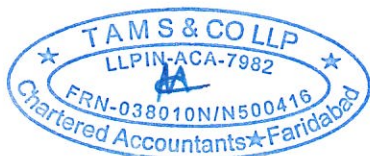
Below is the overall exposure of the entity to interest rate risk:

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowing	-	-
Fixed rate borrowing	1,561.32	190.95
Total borrowings	1,561.32	190.95

Sensitivity analysis - There is only fixed rate borrowing taken from holding company and hence the Company is not exposed to the variability in the interest rates

b) Financial assets

The Company's deposits with banks are carried at amortised cost and are fixed rate instruments. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.



Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

(b) Credit risk

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

(i) Credit risk management

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

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

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

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

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

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

Basis of categorization	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, Cash and cash equivalents, financial assets measured at amortised cost	12 month expected credit loss
Moderate credit risk	Trade receivables	Trade receivables - Life time expected credit loss

Financial assets that expose the entity to credit risk –

31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Low credit risk			
Cash and cash equivalents	1.51	-	1.51
Other financial assets	4.89	-	4.89
Moderate credit risk			
Trade receivables	39.78	-	39.78
Total	46.18	-	46.18

31 March 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Low credit risk			
Cash and cash equivalents	10.85	-	10.85
Other financial assets	4.62	-	4.62
Moderate credit risk			
Trade receivables	27.72	-	27.72
Total	43.19	-	43.19

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

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

All of the entity's financial assets (other than trade receivables) measured at amortised cost, are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management consider 'low credit risk' for cash and cash equivalents and other bank balances being maintained with scheduled banks. Other instruments are considered to have low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 180 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses. Subsequent recoveries of amounts previously written off are credited against the same line item.

The carrying amounts of financial assets above represents the maximum exposure to credit risk.

The Company assumes increase in credit risk since initial recognition when financial assets are more than 30 days past due.



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

As at 31 March 2024 and 31 March 2023, the Company considered the individual probabilities of default of its financial assets (other than trade receivables) and determined that in respect of counterparties with low credit risk, no default events are considered to be possible within the 12 months after the reporting date. In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

As at 31 March 2024	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Carrying amount net of loss allowance
Not Due	18.01	-	-	18.01
Less than 6 months	8.62	-	-	8.62
6 months - 1 years	0.27	-	-	0.27
More than 1 years	12.88	-	-	12.88
Total	39.78	-	-	39.78

31 March 2023	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Carrying amount net of loss allowance
Less than 6 months	27.72	-	-	27.72
6 months - 1 years	-	-	-	-
More than 1 years	-	-	-	-
Total	27.72	-	-	27.72

Trade receivables ageing

The table below analyse the outstanding trade receivables:

As at 31 March 2024	Outstanding for the following periods from due date of payment					Total
	Less than 6 Months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- considered good	25.94	0.76	13.08	-	-	39.78
	25.94	0.76	13.08	-	-	39.78

*includes not due amount of ₹ 18.01 million.

31 March 2023	Outstanding for the following periods from due date of payment					Total
	Less than 6 Months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- considered good	27.72	-	-	-	-	27.72
	27.72	-	-	-	-	27.72

*includes not due amount of ₹ 12.73 million.

(c) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity'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.

Management monitors rolling forecasts of the entity's liquidity position and cash and cash equivalents on the basis of expected cash flows. The entity takes into account the liquidity of the market in which the entity operates.

Financing arrangements - The Company had taken one loan from holding company and would continue to support the business.

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

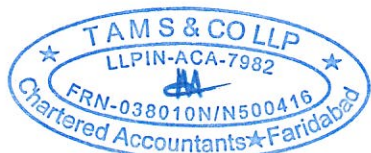
	31 March 2024	31 March 2023
Working capital facility	60.60	50.00

Maturities of financial liabilities

The tables below analyse the entity's financial liabilities into relevant maturity entitling's based on their contractual maturities.

31 March 2024	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	20.89	1,540.43	-	1,561.32
Trade payable	88.88	-	-	88.88
Other financial liabilities	77.34	46.22	-	123.56
Total	187.11	1,586.65	-	1,773.76

31 March 2023	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	-	190.95	-	190.95
Trade payable	32.50	-	-	32.50
Other financial liabilities	31.18	0.28	-	31.46
Total	63.68	191.23	-	254.92



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Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ million unless otherwise stated)

Trade payables ageing

The table below analyse the outstanding trade payables:

31 March 2024

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	10.96	-	-	-	10.96
Others	72.82	0.10	0.03	-	72.95
Unbilled dues	4.97	-	-	-	4.97
	88.74	0.10	0.03	-	88.87

Note: There are no undue payables, hence same is not disclosed in the ageing schedule.

31 March 2023

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	8.58	0.00	-	-	8.58
Others	23.89	0.03	-	-	23.92
Unbilled dues	-	-	-	-	-
	32.47	0.03	-	-	32.50

Note: There are no undue payables, hence same is not disclosed in the ageing schedule.

36 Taxes

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current taxes		
-on profit and loss	-	-
-tax for earlier years	-	-
Total	-	-
Deferred taxes	-	-
Tax expense	-	-

(a) Current tax

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit before income taxes	(209.13)	(177.84)
Income tax using the Company's domestic tax rate *	0%	26%
Expected tax expense [A]	-	-
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Deferred tax not recognised on current year losses	-	-
Total adjustments [B]	-	-
Actual tax expense [C=A+B]	-	-

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

Base tax rate	25%	25%
Cess (% of tax)	4%	4%
Applicable rate of tax	26%	26%

Due to timing difference and unused tax losses for above items, deferred tax assets (net) has been worked out to Rs. ₹ 96.88 millions (₹ 53.58 millions) . As deferred tax asset shall be recognised for the timing differences and carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they can be utilized. As a matter of prudence, during the year deferred tax assets (net) is not being recognized in the books of accounts in respect of timing differences and unused tax losses.

Note:

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



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b) Changes in deferred tax assets and liabilities for the year ended 31 March 2024:-

Deferred taxes

The tax effects of significant temporary differences and unused tax losses that resulted in deferred tax assets and liabilities are as follows:

Particulars	31 March 2024	31 March 2023
Deferred tax assets/(liabilities)		
-Property, plant & equipment and Intangible assets	75.58	(1.80)
-Disallowance under Income Tax Act	0.59	0.40
-Others-unused tax losses	42.14	54.98
Total	118.31	53.58

Due to temporary difference and unused tax losses for above items, deferred tax assets (net) has been worked out to ₹ 96.88 millions (₹ 53.58 millions). Deferred tax asset is recognised for the temporary differences and carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they can be utilized. Accordingly, as a matter of prudence, management has decided not to recognise deferred tax assets in the books of accounts.

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

Particulars	2023-24			2022-23		
	depreciation	Business losses	Expiry date	depreciation	Business losses	Expiry date
Unused tax losses*						
A.Y. 2021-22	4.73	1.69	31-Mar-29	4.73	1.69	31-Mar-29
A.Y. 2022-23	15.69	46.45	31-Mar-30	15.69	46.45	31-Mar-30
A.Y. 2023-24	29.41	163.34	31-Mar-31	29.41	163.34	31-Mar-31
A.Y. 2024-25	20.62	(1.25)	31-Mar-32	-	-	
	70.45	210.24		49.83	211.49	

37 Segment reporting

The Company is primarily engaged in the manufacturing of "pharmaceuticals formulations". Hence as per, chief operating decision maker, the sale of pharmaceuticals formulations has been considered as a single operating segment per Ind AS 108 'Operating Segments' and accordingly disclosures have been limited to single operating segment. The revenues of the Company are majority domestic, hence revenues from customers are only in one geographical area i.e. with in India.

There is no revenue from any customer which accounts for more than 10% of the total revenue of the Company during the current and the previous period.

38 Capital management

For the purpose of the Company's capital management, equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less current investments and cash and cash equivalents. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Gearing ratio

Particulars	As at 31 March 2024	As at 31 March 2023
Total debt (Including current maturities of long term debt)	1,561.32	-
Less:		
Cash and cash equivalents	1.51	10.85
Net debt (A)	1,559.81	(10.85)
Total equity* (B)	357.83	566.02
Gearing ratio (A/B)	81.34%	-1.95%

*Equity includes capital and all reserves of the Company that are managed as capital.

In order to achieve this overall objective, the entity's capital management, amongst other things, aims to ensure that it meets financial covenants and attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023



39 Ratio Disclosures

Particulars	Numerator	Denominator	Current year	Previous year	% Variance	Reason for Variance
(a) Current ratio	330.65	194.25	1.70	1.46	17%	
(b) Debt - Equity ratio	1,561.32	357.83	4.36	0.34	1178%	Refer note 1
(c) Debt service coverage ratio	(113.66)	1,631.07	(0.07)	(0.46)	-85%	Refer note 1
(d) Return on equity ratio	(209.13)	357.83	(0.58)	(0.31)	89%	Refer note 1
(e) Inventory turnover ratio	144.95	36.46	3.98	4.55	-13%	
(f) Trade receivables turnover ratio	185.02	33.75	5.48	5.88	-7%	
(g) Trade payables turnover ratio	216.35	60.69	3.56	6.65	-46%	Refer note 1
(h) Net capital turnover ratio	185.02	136.40	1.36	3.36	-60%	Refer note 1
(i) Net profit ratio	(208.19)	185.02	(1.13)	(1.78)	-37%	Refer note 1
(j) Return on capital employed	(113.66)	1,919.15	(0.06)	(0.15)	-61%	Refer note 1
(k) Return on investment	(208.19)	1,919.15	(0.11)	(0.24)	-55%	Refer note 1

Note

1. The Company is in the process of setting up of operations where in major capital expenditure is been incurred, for which the Company has taken loan from the holding company. The Company has incurred finance cost on the loan taken resulting in losses during the current year. This has impacted the ratios mentioned above.

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

Particulars	As at 31 March 2024	As at 31 March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due*	45.72	20.35
- Interest amount due	0.02	-
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.02	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	0.02	-

*includes capital creditors of ₹ 34.76 million (31 March 2023: ₹ 11.76 million)

The information disclosed above are per the information available with the company.

41 Lease

(a) The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the Right of Use assets at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

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

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

As at 31 March 2024			
Right-of-use assets	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term (years)
Land, Haridwar	1	95.00	95.00
Land, Kotdwar	1	87.00	87.00

As at 31 March 2023			
Right-of-use assets	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term (years)
Land, Haridwar	1	96.00	96.00
Land, Kotdwar	1	88.00	88.00

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

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

Particulars	Land
Balance as at 1 April 2022	107.96
Add: Additions during the period	63.85
Less: Amortization charged on the right-of-use assets	1.73
Balance as at 31 March 2023	170.08
Balance as at 31 March 2023 / 1 April 2023	170.08
Add: Additions during the period	-
Less: Amortization charged on the right-of-use assets	1.79
Balance as at 31 March 2024	168.28

There is no lease liability corresponding to the above right of use asset as the entire amount has been paid in advance.

c) Lease payment not recognised as lease liability

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expenses relating to short term leases (included in other expenses)	3.96	1.85
	3.96	1.85



(Handwritten signatures)

Summary of Material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ million unless otherwise stated)

42 Assets pledged as security (refer notes 13)

	As at 31 March 2024	As at 31 March 2023
Current		
Inventories	61.30	-
Trade receivables	39.78	-
Cash and cash equivalents (Including other bank balances)	1.51	-
Other current assets	228.06	-
Total current assets pledged as security	330.65	-
Non-current		
Property, plant and equipment and buildings	312.13	-
Total non-current assets pledged as security	312.13	-
	642.78	-

*Property on which mortgaged or any charged created during the period has been duly registered with Registrar of companies.

43 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023.

The Company uses certain accounting software and payroll software for maintaining its books of account. During the current financial year, the audit trail (edit log) feature for any direct changes made at the database level were not enabled for the above mentioned software used for maintenance of all the accounting records by the Company. However, the audit trails (edit log) at the applications level (entered from the frontend by users) for the accounting software were operating for all relevant transactions recorded in the software.

Further, the Company, has used payroll software used at plant which is operated by a third-party software service provider. The Company has obtained the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information). However, the service auditor has not specifically covered the existence of audit trail for any direct changes at database level in line with the requirements by MCA.

44 Other statutory information

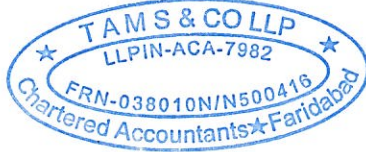
- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company do not have any transactions with companies struck off.
- The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous periods.

As per our report of even date attached

For T A M S & CO LLP
Chartered Accountants
Firm Registration No.038010N/N500416



Mohan Soni
Partner
Membership No.095882



Place : Haridwar
Date : 28 May 2024

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


Basant Kumar Singh
Director
DIN: 09523959


Simanda Singh Dhakad
Director
DIN: 06726622