



SUBODH DUBEY & CO.

Chartered Accountant

210, Radha Kunj-II, Nandgram, Ghaziabad – 201001

Email: casubodh.dubey@gmail.com, Mob: +91-7982596265

INDEPENDENT AUDITOR'S REPORT

To

The Members of Medibox Digital Solutions Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Medibox Digital Solutions Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



Information other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide the management 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - (g) In our opinion and according to information and explanations given to us, the managerial remuneration for the year ended March 31, 2021 has been paid by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act; and



(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, 2021 which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Subodh Dubey & Co.

Chartered Accountant

(Firm Registration No. 024954C)


CA Subodh Kumar Dubey

Proprietor

Membership No.: 410530

Place: Delhi

Date: 13-09-2021

UDIN: -21410530 AAAAAP6376





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Annexure A referred to in paragraph 1 of “Report on Other Legal and Regulatory Requirements” of Independent Auditor’s Report to the members of Medibox Digital Solutions Private Limited on its financial statements as of and for the year ended March 31, 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company did not held any immovable properties during the year.
- (ii) The Company is mainly in the business of providing information technology, IT platform for on-line marketing and related activity services. However, during the course of providing of these services, the Company has also sold some packing materials to its customers. During the year, the Company has kept the inventory of such items.
- We are informed that the inventory of the Company has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. Further, we are informed that the discrepancies noticed on physical verification of inventory as compared to books of accounts were not material and have been properly dealt with in the books of accounts.
- (iii) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In view of this, clause 3(iii) and its sub clauses of the Companies (Auditor’s Report) Order, 2016 are not applicable.



- (iv) According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to investments made during the year. No loans or security or guarantee has been given by the Company.
- (v) According to the information and explanations given to us, the Company has not accepted deposits as defined in Companies (Acceptance of Deposits) Rules, 2014. In view of this, clause 3(v) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- (vi) We are of the opinion that the Company is not required to maintain cost records under section 148 (1) of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing to the appropriate authorities undisputed statutory dues in respect of provident fund, employee' state insurance, income tax, goods and service tax and other material statutory dues applicable to it. According to the information and explanations given to us, no amounts in respect of above were in arrears as at 31.03.2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations give to us and the records of the Company examined by us, in our opinion, there are no dues of income tax, goods and service tax which have not been deposited on account of any dispute.
- (viii).According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has neither taken any loans or borrowings from any financial institution, bank or government during the year nor issued any debenture during the year. In view of this, clause 3(viii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- (ix).According to the information and explanations given to us, the Company has neither raised money by way of initial public offer or further public offer (including debt instruments) nor obtained any term loans during the year.
- (x).According to information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.



- (xi).According to information and explanation given to us, managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii).In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (xiii). According to information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the notes to the Financial Statements as required by the applicable accounting standards.
- (xiv). According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (xv). According to information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi). According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Subodh Dubey & Co.

Chartered Accountant

(Firm Registration No. 024954C)

CA Subodh Kumar Dubey

Proprietor

Membership No.: 410530

Place: Delhi

Date: 15-09-2021

UDIN:- 21410530 AAAAAP 6376





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Chartered Accountant

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Annexure “B” to the independent auditor’s report of even date on the financial statements of Medibox Digital Solutions Private Limited.

Report on the Internal Financial Controls under Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of “Report on Other Legal and Regulatory Requirements” section:

We have audited the internal financial controls with reference to financial statements of **Medibox Digital Solutions Private Limited** (“the Company”) as of March 31, 2021 in conjunction with our audit of the 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 based on the internal control with reference to financial statements 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 (“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.

Auditors’ Responsibility

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



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to 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 authorisations 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 financial statements

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



Medibox Digital Solutions Private Limited
65,Surasa Enclave, 1st Floor, Puttanna Road, Basavanagudi, Bangalore-560004
Balance Sheet as at March 31, 2021

(Amount in Rs.)

Particulars	Notes	As at March 31,2021	As at March 31,2020
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	1,286,902	2,404,714
(b) Intangible assets	2	1,551,641	5,491,854
(c) Right of use	2	1,560,033	3,640,078
(d) Financial assets			
(i) Others financial assets	3	1,402,444	2,330,418
Total non-current assets		5,801,020	13,867,064
(2) Current assets			
(a) Inventories	4	-	126,940
(b) Financial assets			
(i) Investments	5	-	58,437,882
(ii) Trade receivables	6	5,294,414	2,255,046
(iii) Cash and cash equivalents	7	7,820,020	10,395,424
(iv) Other bank balance	8	603,121	565,236
(c) Other current assets	9	13,381,166	8,284,213
(d) Current tax assets	10	304,319	1,243,006
Total current assets		27,403,040	81,307,747
Total assets		33,204,060	95,174,811
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	3,853,030	1,541,310
(b) Instruments entirely equity in nature	11	-	2,311,720
(c) Other equity	12	11,780,134	76,742,679
Total equity		15,633,164	80,595,709
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	9,500,000	-
(ii) Lease liability		-	1,657,468
(b) Provisions	14	2,633,952	1,946,143
Total non-current liabilities		12,133,952	3,603,611
(2) Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Lease liability		1,657,468	1,947,719
(ii) Other financial liabilities	15	3,129,718	7,644,523
(b) Other current liabilities	16	569,439	1,324,805
(c) Provisions	17	80,319	58,444
Total current liabilities		5,436,944	10,975,491
Total equity and liabilities		33,204,060	95,174,811
Significant accounting policies	1	-	-

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For Subodh Dubey & Co.

Chartered Accountant
Registration No. 024954C



CA Subodh Kumar Dubey
Proprietor
Membership No. 410530

Place : Delhi

Date : 15-09-2021

For and on behalf of the Board of Directors of
Medibox Digital Solutions Private Limited

Bhavik Kumar
CEO cum Director
DIN:03206187

Arushi Jain
Director
DIN:08012943

Dharamvir Malik
Director
DIN:06758188

Medibox Digital Solutions Private Limited
65, Surasa Enclave, 1st Floor, Puttanna Road, Basavanagudi, Bangalore-560004
Statement of Profit and Loss for the year ended March 31, 2021

(Amount in Rs.)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I. Revenue from operations	18		
Sale of services		13,198,233	12,104,149
Other operating income		830,058	512,303
		14,028,291	12,616,452
II. Other income	19	1,405,434	1,593,410
III. Total		15,433,725	14,209,862
Purchase of goods		184,336	787,313
Changes in inventory of stock in trade	20	126,940	(44,045)
Employee benefits expense	21	47,676,985	55,942,289
Other expenses	22	25,201,174	41,041,429
IV. Total		73,189,435	97,726,986
Earnings before interest, tax, depreciation and amortisation (EBITDA)(III-IV)		(57,755,710)	(83,517,124)
Finance costs	23	134,914	292,347
Depreciation and amortization	2	7,257,869	7,032,041
V. Loss before tax (LBT)		(65,148,493)	(90,841,512)
VI. Tax expenses		-	-
VII. Loss after tax (LAT)(V-VI)		(65,148,493)	(90,841,512)
VIII. Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit liability-Gratuity		185,948	-
Income tax effect on above		-	-
Total comprehensive income/(loss) (VII+VIII)		(64,962,545)	(90,841,512)
IX. Earnings per equity share	24		
Basic earnings per share		(168.60)	(604.99)
Diluted earnings per share		(168.60)	(604.99)
[Nominal value of share Rs.10/- (Rs. 10/-) each]			

Significant accounting policies

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For Subodh Dubey & Co.


Chartered Accountant
Registration No. 024954C

CA Subodh Kumar Dubey
Proprietor
Membership No. 410530

Place : Delhi

Date : 13-09-2021

For and on behalf of the Board of Directors of
Medibox Digital Solutions Private Limited


Bhavik Kumar
CEO cum Director
DIN:03206187


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Director
DIN:06758188

UDIN:-21410530AAAAAP6376

Medibox Digital Solutions Private Limited

65, Surasa Enclave, 1st Floor, Puttanna Road, Basavanagudi, Bangalore-560004

Statement of Change in Equity for the year ended on March 31, 2021

a. Equity share capital

Particulars	No. of shares	Amount in Rs.
Equity shares of Rs. 10/- each issued, subscribed and fully paid		
As at March 31, 2019	145,455	1,454,550
Add: Issued during the year	8,676	86,760
As at March 31, 2020	154,131	1,541,310
Add: Issued during the year	-	-
Add: Converted from preference shares	231,172	2,311,720
As at March 31, 2021	385,303	3,853,030

b. Instruments entirely equity in nature- Compulsory Convertible Cumulative Participating Preference Shares(CCCPPS)

Particulars	No. of shares	Amount in Rs.
Preference shares of Rs. 10/- each issued, subscribed and fully paid		
As at March 31, 2019	95,545	955,450
Issued during the year	135,627	1,356,270
As at March 31, 2020	231,172	2,311,720
Add: issued during the year	-	-
Less: converted to equity shares	(231,172)	(2,311,720)
As at March 31, 2021	-	-

c. Other equity (Amount in Rs.)

Particulars	Other equity			
	Securities Premium	Retained Earnings	Other Comprehensive Income	Total other equity attributable to equity holders
Balance as of March 31, 2019	153,611,120	(104,670,659)	-	48,940,461
Comprehensive income for the year	-	-	-	-
Loss for the year	-	(90,841,512)	-	(90,841,512)
Addition during the year	118,643,730	-	-	118,643,730
Balance as of March 31, 2020	272,254,850	(195,512,171)	-	76,742,679
Comprehensive income for the year	-	-	185,948	185,948
Loss for the year	-	(65,148,493)	-	(65,148,493)
Addition during the year	-	-	-	-
Balance as of March 31, 2021	272,254,850	(260,660,664)	185,948	11,780,134

Significant accounting policies(Note-1)

The accompanying notes form an integral part of the financial statements.

The purposes of each above reserve within other equity is as under:

1. **Securities premium-** The amount received in excess of face value of the preference shares is recognised in Securities Premium. The reserve will be utilized in accordance with the provisions of Company Act 2013.

2. **Retained earnings-** Retained earnings are the loss that the Company has incurred till date.

As per our report of even date attached

For Subodh Dubey & Co.

Chartered Accountant

Registration No. 024954C

CA Subodh Kumar Dubey

Proprietor

Membership No. 410530

Place : Delhi

Date : 13/09/2021

For and on behalf of the Board of Directors of
Medibox Digital Solutions Private Limited

Bhavik
Bhavik Kumar
CEO cum Director

DIN:03206187

Arushi Jain
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Dharamvir Malik
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Director

DIN:06758188

Medibox Digital Solutions Private Limited
65,Surasa Enclave, 1st Floor, Puttanna Road, Basavanagudi, Bangalore-560004
Cash Flow Statement for the year ended on March 31, 2021

(Amount in Rs.)

Particulars		2020-21	2019-20
A. Cash Flow from Operating Activities			
Net profit before tax		(65,148,493)	(90,841,512)
Adjustments for			
Net gain on fair valuation of investment		-	(374,661)
Net gain on encashment of investment		(768,644)	(918,802)
Interest income		(41,234)	(40,956)
Other interest income		(120,276)	(83,388)
Profit on sale of property, plant & equipments		22,574	(1,020)
Provision for gratuity		625,855	1,186,203
Provision for leave encashment		269,777	818,384
Depreciation and amortization		7,257,869	7,032,041
Interest expense on lease liability		78,914	292,347
Operating profit before working capital changes		(57,823,658)	(82,931,364)
Adjustments for working capital changes			
Inventory		126,940	(44,045)
Trade receivables		(3,039,368)	(1,989,771)
Other financial assets-non current		1,048,250	(186,950)
Other current assets		(4,158,266)	(5,786,425)
Other financial liabilities-current		(4,514,805)	4,281,972
Other current liabilities		(755,366)	498,049
Cash generated from operations		(69,116,273)	(86,158,534)
Direct tax paid		-	(189,566)
Net Cash from/(used in) Operating Activities	(A)	(69,116,273)	(86,348,100)
B. Cash Flow from Investing Activities			
Purchase of property, plant and equipment and intangible assets		(436,133)	(2,336,394)
Sale of property, plant and equipments		293,760	9,600
Fixed deposit with bank(incl. accrued interest)		(37,884)	(36,860)
Investment-current		58,437,882	(27,418,802)
Net gain on encashment of investment		768,644	918,802
Interest income		41,234	40,956
Net Cash from/(used in) Investing Activities	(B)	59,067,503	(28,822,698)
C. Cash Flow from Financing Activities			
Proceeds from issue of equity share capital		-	86,760
Proceeds from Borrowings		9,500,000	-
Proceeds from issue of preference share capital		-	120,000,000
Payment of lease liabilities		(2,026,634)	(1,586,052)
Net Cash from/(used in) Financing Activities	(C)	7,473,366	118,500,708
Net increase/(decrease)in Cash and Cash Equivalents	(A+B+C)	(2,575,404)	3,329,910
Cash and Cash Equivalents(Opening Balance)		10,395,424	7,065,514
Cash and Cash Equivalents(Closing Balance)(ref.note7)		7,820,020	10,395,424
Change in Cash and Cash Equivalents		(2,575,404)	3,329,910

Significant accounting policies

Note 1

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For Subodh Dubey & Co.

Chartered Accountant
 Registration No. 024954C

CA Subodh Kumar Dubey
 Proprietor
 Membership No. 410530



For and on Behalf of the Board of Directors of
 Medibox Digital Solutions Private Limited

Bhavik
 Bhavik Kumar
 CEO cum Director
 DIN:03206187

Arushi Jain
 Arushi Jain
 Director
 DIN:08012943

Dharamvir Malik
 Dharamvir Malik
 Director
 DIN:06758188

Place : Delhi

Date : 13-09-2021

1 Company overview and significant accounting policies

1.1 Company overview

Medibox Digital Solutions Private Ltd. ("the Company") is in the business of providing digital(IT) platform for business development and B2B market place(i.e. online portal) for medicines and healthcare products.

The Company is a private limited Company incorporated and domiciled in India and has its registered office at Bangalore, India. The Company is subsidiary of Maxcure Nutravedics Limited. The financial statements for the year ended March 31, 2021 were authorized for issue in accordance with a resolution of the Board of Directors on 13-09-2021

1.2 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on accrual basis on historical cost convention, except as stated otherwise.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements including notes thereon are presented in Indian rupees, which is the functional currency of the company. All the financial information presented in Indian rupees has been rounded to the nearest lakhs as per the requirement of Schedule III to the Act, unless stated otherwise.

1.3 Use of judgment, estimates and assumptions

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

Judgment, estimates and assumptions

The Company based its judgement, 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 judgement 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.



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Significant judgement, estimates and assumptions

a) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company is having brought forward losses and unabsorbed depreciation that may be used to offset taxable income. The Company has tax planning opportunities available that could support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it can recognise deferred tax assets on the tax losses carried forward.

The Company has created deferred tax asset on other deductible temporary differences. Deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

b) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Property, plant and equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on past experience of the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgement involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

d) Recognition and measurement of defined benefit obligations

The cost of defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are periodically reviewed at each reporting date.

e) Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgement around estimating the ultimate outcome of such past events and measurement of the obligation amount.

f) Lease

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.



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1.4 Classification of assets and liabilities into current/non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realized within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classifications of assets and liabilities.

1.5 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

Particulars	Useful Life
Right of use	Period of lease
Furniture and fittings	10 years
Office equipments	5 years
Computer equipments	3 years

(the management believes as per past experience that the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013, as given above, best represent the period over which management expects to use these assets.)

Residual value of property, plant and equipment(except "ROU") has been taken as five percent of the cost of the assets.

Depreciation methods, useful lives and residual values are reviewed in each financial year end and adjusted prospectively, if appropriate.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in net profit in the Statement of Profit and Loss when incurred.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.



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1.6 Intangible assets

Intangible assets acquired are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

The Company uses a presumption that the useful life of an intangible asset is five years from the date when the asset is available for use. The cost thereof is amortised over a period of 5 years.

Amortization methods and useful lives are reviewed in each financial year end and adjusted prospectively, if appropriate.

The cost and related accumulated amortization are eliminated from the financial statements upon de-recognition of the intangible asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

1.7 Financial instruments

1.7.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

1.7.2 Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets(Investment)

The Company measured its investment at fair value through statement of profit and loss.

(iii) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

1.7.3. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.8 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses assumptions that are based on market conditions and risks existing at each reporting date.

1.9 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.



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Auditor's Sign

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b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.10 Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

1.11 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders (after deducting preference dividend and attributable taxes, if any) of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date.

1.12 Taxes

Tax expense comprises current and deferred tax. Tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or recognized in other comprehensive income.

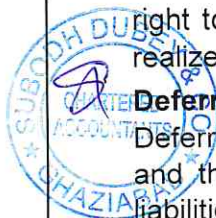
Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax for current and prior periods is recognized at the amount expected to be paid to the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided 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.



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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 unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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.

1.13 Employees benefits

All employee benefits payable wholly within twelve months rendering service are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives etc., and the expected cost of bonus are recognized during the period in which the employee renders related service.

Gratuity

The Company provides for gratuity, a defined retirement benefit, covering eligible employees. The Company provides a lump-sum payment for gratuity to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit(PUC) method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an liability. Gains and losses through re-measurements of the net defined benefit liability, which are not subsequently be reclassified to statement of profit and loss, are recognized in other comprehensive income.

Provident fund

Retirement benefits, in the form of Provident Fund, is defined as a contribution plan and the contribution is charged to the Statement of Profit and Loss of the year when the contribution to the fund is due.

There is no obligation other than the contribution payable to the provident fund.

1.14 Cash flow statement

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

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and bank deposit with banks where original maturity is three months or less.

1.15 Valuation of inventory

Inventories are valued on uniform basis as under:

(i) Stock of packing materials are valued at lower of cost or net realisable value. Cost is computed on FIFO.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.



1.16 Revenue recognition

The Company derives revenues primarily from business of IT services comprising of software development, IT platform for facilitating on-line marketing and related services.

Ind AS 115 five step model is used to determine whether revenue should be recognised at a point in time or over time, and at what amount is as below:

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

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

Sale of goods

Revenue from sale of product is recognised at the point in time when control of the asset is transferred to the customer, usually on dispatch of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable.

Sale of services

Arrangements with customers for software-related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Revenue on time-and-material contracts are recognized as the related services are performed.

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.

1.17 Other income

Other income is comprised primarily of interest income and gain / loss on investments. Interest income is recognized using the effective interest method.

1.18 Borrowings costs

Borrowings costs includes interest and ancillary costs incurred in connection with the arrangement of borrowings.

Borrowings costs relating to acquisition or construction of qualifying assets, which take substantial period of time to get ready for its intended use, are also capitalised to the extent they relate to the period till such assets are ready to be put to use. Other borrowings costs are recognized as expenses in the period in which these are incurred.



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1.19 Leases

Where the Company is lessee

The Company's lease asset classes primarily consist of leases for office. 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 depreciation and impairment losses.

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

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

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

1.20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

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

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

1.21 Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization(EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/(loss)and does not include depreciation and amortization expense, finance cost and tax expense.

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Medibox Digital Solutions Private Limited

2 Property, plant and equipment, intangible assets and right of use

Particulars	Property, plant & equipments					Intangible assets(acquired)			Right of Use (ROU)	Total
	Furniture and Fittings	Office Equipments	Computers	Total	Intellectual Property	Software	Total			
	(Amount in Rs.)									
Gross Block										
Gross carrying value as at 31st March 2019	324,116	605,522	3,328,512	4,258,150	19,447,672	231,395	19,679,067	-	23,937,217	
Additions during the year	451,735	740,511	1,122,148	2,314,394	-	22,000	22,000	5,200,112	7,536,506	
Disposal during the year	-	-	28,381	28,381	-	-	-	-	28,381	
Gross carrying value as at 31st March 2020	775,851	1,346,033	4,422,279	6,544,163	19,447,672	253,395	19,701,067	5,200,112	31,445,342	
Additions during the year	46,950	5,085	384,098	436,133	-	-	-	-	436,133	
Disposal during the year	266,557	253,798	875,485	1,395,840	-	-	-	-	1,395,840	
Gross carrying value as at 31st March 2021	556,244	1,097,320	3,930,892	5,584,456	19,447,672	253,395	19,701,067	5,200,112	30,485,635	
Depreciation and amortization										
Accumulated as at 31st March 2019	136,579	370,155	2,117,242	2,623,976	10,210,027	62,453	10,272,480	-	12,896,456	
Charge for the year	122,908	293,062	1,119,304	1,535,274	3,889,534	47,199	3,936,733	1,560,034	7,032,041	
On disposal	-	-	19,801	19,801	-	-	-	-	19,801	
Accumulated as at 31st March 2020	259,487	663,217	3,216,745	4,139,449	14,099,561	109,652	14,209,213	1,560,034	19,908,696	
Charge for the year	116,577	288,745	832,289	1,237,611	3,889,534	50,679	3,940,213	2,080,045	7,257,869	
On disposal	88,367	179,318	811,821	1,079,506	-	-	-	-	1,079,506	
Accumulated as at 31st March 2021	287,697	772,644	3,237,213	4,297,554	17,989,095	160,331	18,149,426	3,640,079	26,087,059	
Net carrying value										
As at 31st March 2020	516,364	682,816	1,205,534	2,404,714	5,348,111	143,743	5,491,854	3,640,078	11,536,646	
As at 31st March 2021	268,547	324,676	693,679	1,286,902	1,458,577	93,064	1,551,641	1,560,033	4,398,576	

1. The aggregate depreciation expense on right of use(ROU) assets is included under depreciation and amortization expenses in the statement of profit and loss.

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3 Other financial assets-non current (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Security deposit-others	1,402,444	2,330,418
Total	1,402,444	2,330,418

4 Inventories (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Stock of packing materials	-	126,940
Total	-	126,940

5 Investments-current (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds		
Unquoted		
At fair value through profit and loss*		
SBI liquid fund regular growth (paid up value per unit of Rs. 3,073.78 each) (No. of units as on 31.03.2020 -18,889.85 units)	-	58,437,882
Total	-	58,437,882

* Investment in mutual fund have been fair valued at closing NAV.

6 Trade receivables-current (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	5,294,414	2,255,046
Trade receivables which have significant increase in credit risk	-	-
Trade receivables-credit impaired	-	-
{includes balance receivables from related parties amounting to Rs.28,59,526/- (Previous year Rs. 19,43,574/-)}(refer note 31)		
Total	5,294,414	2,255,046

7 Cash and cash equivalents (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Balance with scheduled banks-in current accounts	7,784,893	10,376,246
Cash on hand	35,127	19,178
Total	7,820,020	10,395,424



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8 Other bank balance (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Fixed deposit with bank(incl. accrued interest) (original maturity more than 12 months, but remaining maturity less than 12 months)	603,121	565,236
Total	603,121	565,236
9 Other current assets (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
GST receivable	7,286,209	5,565,965
Other loans and advances	5,944,290	2,718,248
Prepaid expenses	150,667	-
Total	13,381,166	8,284,213
10 Current tax assets (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
TDS receivables(refund)	304,319	1,243,006
Total	304,319	1,243,006

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11 Share capital			(Amount in Rs.)	
Particulars	As at March 31, 2021	As at March 31, 2020		
Authorised				
5,00,000(Previous Year 2,50,000) equity shares of Rs.10 each	5,000,000	2,500,000		
Nil (Previous Year 2,50,000) preference shares of Rs.10 each*	-	2,500,000		
	5,000,000	5,000,000		
Issued, subscribed & fully paid up				
3,85,303 (Previous Year 1,43,343) equity shares of Rs.10 each fully paid	3,853,030	1,433,430		
Nil (Previous Year 10,788) equity shares of Rs.10 each fully paid (equity shares allotted for ESOP pool)**	-	107,880		
	3,853,030	1,541,310		
Nil (Previous Year 2,31,172) 0.01% Compulsory Convertible Cumulative Participating Preference Shares ("CCCPPS") of Rs. 10 each***	-	2,311,720		
Total	3,853,030	3,853,030		

* During the year ended March 31, 2021, the authorised preference share capital of Rs. 25,00,000/- was reclassified to authorised equity share capital.

** During the year ended March 31, 2021, the ESOP scheme dissolved by the company and shares held in ESOP pool transferred to respective pool head.

*** During the year ended March 31, 2021, 2,31,172/- Compulsory convertible cumulative participating preference shares(CCCPPS) was converted into Equity shares of Rs. 10 each.

11(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year.

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Rs.	No. of Shares	Rs.
Equity share				
At the beginning of the year	154,131	1,541,310	145,455	1,454,550
Add: issued during the year	-	-	-	-
Add: converted from preference shares	231,172	2,311,720	-	-
Add: shares issued for ESOP Pool	-	-	8,676	86,760
At the end of the year	385,303	3,853,030	154,131	1,541,310
Preference Share("CCCPPS")				
At the beginning of the year	231,172	2,311,720	95,545	955,450
Add: Issued during the year			135,627	1,356,270
Less: converted to equity shares	231,172	2,311,720		
At the end of the year	-	-	231,172	2,311,720

11(b) Terms/rights attached to

Equity shares

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

In the event of winding up of the Company, the equity shareholders shall be entitled to be repaid remaining assets of the Company, after distribution of all preferential amounts, in the ratio of the amount of capital paid upon such equity shares. However, no such preferential amounts exist currently.

Preference shares ("CCCPPS")

The Company has one class of preference shares i.e. Compulsory Convertible Cumulative Participating Preference Shares ("CCCPPS") of Rs. 10/- each. Each share of CCCPPS shall carry one vote upon conversion in equity.

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

The shares carry a right to receive 0.01% dividend every year till conversion, when declared by the Board.

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

Further, "CCCPPS" holders will have voting rights on following matters affirmatively in terms of Schedule 3 of shareholders agreement:

- Altering the capital structure of the Company.
- Any amendment of the Charter Documents.
- Any Merger & Acquisition, listing, trade sale, change of control, composition/ other arrangements with creditors; and liquidation;
- Adoption of any further ESOP scheme.
- Any change in business or raising of term debt in excess of Rs. 1crore in any year;
- Any change in the terms of employment of Mr. Bhavik Kumar & Mr. Mayank Singhal or other Key Employees
- Adoption, amendment, or variations of, the Annual Budget, in excess of 10%;
- Any transaction between the Company or any of its Subsidiaries with any related party.
- Approval of Accounts and other financial statements.
- Any transaction between the Company or any of its Subsidiaries with any related party.
- Any change in accounting practices, except for those carried out in order to comply with regulations or GAAP requirements;

- Transfer of shares by Promoters
- Any declaration of dividends or buyback of securities;
- Any appointment of, or change in, auditors
- Solicitation of employees of the Company by the Promoters
- Use of money received by the Company against issue of CCCPPS.
- Any change in the constitution, number or structure of the Board
- Any alteration with respect to the rights of any class of securities (including the rights attached to the CCCPPS) of the Company;
- Availing any loan or financial assistance from any bank, financial institution, Promoters or Directors, any creation of Encumbrance/lien against any asset or right of the Company in connection with such loan or financial assistance, any pre-payment/early repayment of any such loan or financial assistance;
- Sale, exchange or pledge, lease or license or any other disposal of any IP Rights of the Company or the acquisition or licensing of any third party IP Rights by the Company;
- Any winding-up, liquidation, composition with creditors, bankruptcy or dissolution of the Company;
- Bringing an IPO;
- Appointment and removal of independent internal and statutory auditors, including the scope of work, terms of reference, or any modifications, changes thereto;
- Any creation of any Subsidiary of the Company whether by formation, acquisition or otherwise; and
- Any conversion of the Company into a public limited company.
- Relocation of operations of the Company.

Beaville 17

Akshay Jain

Shraddha

11(c) Details of shareholders holding in the Company:

Name of shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity share				
Bhavik Kumar	48,676	12.63	40,000	25.95
Randhir Mishra	-	-	5,000	3.24
Vinod Nahar	-	-	44,500	28.87
Vijay Nahar	-	-	40,500	26.28
Rajesh Rupraj Chhajed	13,333	3.46	13,333	8.65
Akums Drugs and Pharmaceuticals Ltd.	92,112	23.91		
Maxcure Nutravedics Ltd.	231,182	60.00	10	0.01
ESOP Pool-I	-	-	2,112	1.37
ESOP Pool-II	-	-	8,676	5.63
Total	385,303	100.00	154,131	100.00
Preference shares(CCCPS)				
Maxcure Nutravedics Ltd.	-	-	231,172	100.00

Bhavik

Akshay Jain

Amol



12 Other equity (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Security premium		
Balance as per last financial statements	272,254,850	153,611,120
Add: Addition during the year	-	118,643,730
Closing balance	272,254,850	272,254,850
Retained earning		
Balance as per last financial statements	(195,512,171)	(104,670,659)
Add: Addition during the year	(65,148,493)	(90,841,512)
Closing balance	(260,660,664)	(195,512,171)
Other comprehensive income		
Balance as per last financial statements	-	-
Add: Addition during the year	185,948	-
Closing balance	185,948	-
Total	11,780,134	76,742,679

13. Borrowings (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured (interest rate @ 8% p.a.)	9,500,000	-
Total	9,500,000	-

14.Provisions- non current (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity(unfunded)	1,618,638	1,184,234
Leave encashment(unfunded)	1,015,314	761,909
Total	2,633,952	1,946,143

15 Other financial liabilities-current (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Expenses payable	3,129,718	7,641,083
Provision for expenses	-	3,440
Total	3,129,718	7,644,523

16 Other current liabilities (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Advance received form customers	2,450	24,593
Statutory payable	566,989	1,300,212
Total	569,439	1,324,805

17.Provisions-current (Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity(unfunded)	7,472	1,969
Leave encashment(unfunded)	72,847	56,475
Total	80,319	58,444



Bhairav

Ashish

Arvind

18. Revenue from operations		(Amount in Rs.)	
Particulars	For the year ended March 31,2021	For the year ended March 31,2020	
Sale of services			
from IT services	12,984,105	1,604,005	
from IT services(on line marketing platform)	214,128	10,500,144	
	13,198,233	12,104,149	
Other operating income			
from sale of packing material	215,779	512,303	
Other	614,279	-	
	830,058	512,303	
Total	14,028,291	12,616,452	

19 Other income		(Amount in Rs.)	
Particulars	For the year ended March 31,2021	For the year ended March 31,2020	
Interest on FDR	41,234	40,956	
Other interest income	120,276	83,388	
Net gain on encashment of investment	768,644	918,802	
Net gain on fair valuation of investment through profit and loss	-	374,661	
Profit on sale of property, plant and equipments	-	1,020	
Miscellaneous income	475,280	174,583	
Total	1,405,434	1,593,410	

20. Changes in inventory of stock in trade		(Amount in Rs.)	
Particulars	For the year ended March 31,2021	For the year ended March 31,2020	
Opening stocks	126,940	82,895	
Less: Closing stocks (Including in transit)	-	126,940	
Total (A-B)	126,940	(44,045)	



Bhanik

Arushi Jain

Arushi Jain

21 Employee Benefits expense (Amount in Rs.)		
Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Salaries and other benefits	43,846,382	51,069,152
Contributions to-Provident fund -ESIC	1,987,930 114,241	1,953,139 134,406
Gratuity (provisions)	625,855	1,186,203
Leave encashment (provisions)	803,144	818,384
Staff welfare expenses	299,433	781,005
Total	47,676,985	55,942,289
22 Other expenses (Amount in Rs.)		
Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Rent -Short term lease (refer note 37)	460,000	2,100,247
Conveyance	41,936	220,560
Fees & subscription	6,808,725	7,114,460
Legal and professional expenses	1,159,000	2,329,291
Electricity expenses	124,782	364,154
Misc. expenses	885,528	1,050,528
Postage charges	15,587	116,312
Printing & stationery	103,712	164,241
Telephone expenses	726,829	840,954
Sales promotion expenses	1,042,766	3,455,792
Transportation charges	5,331,251	20,498,309
Travelling expenses	131,336	1,410,831
Bank charges	119,833	12,473
Loyalty fee	7,282,040	-
General repairs & maintenance	645,275	1,013,277
Director sitting fees	250,000	300,000
Loss on sale of property, plant and equipments	22,574	-
Payment to auditors (refer note 27)	50,000	50,000
Total	25,201,174	41,041,429
23. Finance costs (Amount in Rs.)		
Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Interest on unsecured loan	56,000	-
Interest expense on lease liability	78,914	292,347
Total	134,914	292,347

24. Earning per equity share

Earnings per share (EPS) as per Ind AS-33 is calculated as under:

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Profit/(Loss) for the year	(64,962,545)	(90,841,512)
Less: Dividend on CCCPC Shares	-	169
Profit/(Loss) for the year available for equity share holders (A)	(64,962,545)	(90,841,681)
Profit/(Loss) for the year for diluted EPS (B)	(64,962,545)	(90,841,512)
Weighted average number of equity shares for Basic EPS (C)	385,303	150,155
Weighted average number of equity shares for Diluted EPS (D)	385,303	496,088
Basic earning per share (Rs.) (A/C)	(168.60)	(604.99)
Diluted earning per share (Rs.)	(168.60)	(604.99)
Nominal value of shares (Rs.)	10	10

Reconciliation for denomination EPS

Particulars	As at 31 March 2021	As at 31 March 2020
No. of equity shares for diluted earning		
No. of equity shares	154,131	145,455
Add: No. of equity share issued during the year(weighted average)	-	-
Add: No. of equity share issued upon conversion of CCCPS(weighted average)	231,172	345,933
Add: No. of equity share issued under ESOP Pool (weighted average)	-	4,700
Weighted average No. of shares of diluted earning	385,303	496,088

25. Contingent liabilities(not provided for) and provisions made**(a) Contingent liabilities**

There is no claim against the Company, which is to be acknowledged as a debt.

(b) Provisions

During the year, Company has made a provision for expenses of Rs. Nil/- (Rs. 3,440/-).

26. Capital and other commitments

There is no outstanding capital and other commitments.

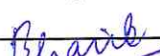
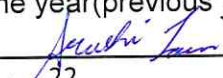
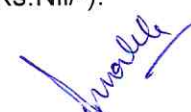
27. Payment to auditors

(Amount in Rs.)

Particulars	2020-21	2019-20
Statutory auditors		
Statutory audit fee	35,000	35,000
Tax audit fee	15,000	15,000
Total	50,000	50,000

28. There is no expenditure in foreign exchange during the year (previous year Rs.Nil/-).

There is no earning in foreign exchange during the year(previous year Nil).


29. Deferred taxes

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

(Amount in Rs.)				
Particulars	2019-20	2019-20	2018-19	2018-19
Deferred tax assets				
-Other-Unused tax losses*				
A.Y. 2017-18	1,670,479	31-Mar-26	1,670,479	31-Mar-26
A.Y. 2018-19	8,213,007	31-Mar-27	8,213,007	31-Mar-27
A.Y. 2019-20	16,218,142	31-Mar-28	16,218,142	31-Mar-28
A.Y. 2020-21	22,810,410	31-Mar-29	22,810,410	31-Mar-29
A.Y. 2021-22	15,980,627	31-Mar-30	-	-
	64,892,665		48,912,038	
-Property, plant and equipment and intangible assets	1,346,171		(437,522)	
-Disallowance under the Income Tax Act, 1961	731,044		512,122	
Total deferred tax assets	66,969,880		48,986,638	

*Deferred tax assets on unused tax losses included Deferred tax assets on depreciation of Rs. 48,03,247/- (Rs. 40,74,284/-) which does not have expiry period.

The applicable statutory tax rate for financial year 2019-2020 and 2020-21 is 26.00%.

Due to timing difference and unused tax losses for above items, deferred tax assets (net) has been worked out to Rs. 6,69,69,880/- (Rs.4,89,86,638/-). As deferred tax asset shall be recognized for the temporary differences and 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 temporary differences and unused tax losses.

30. Employees benefits

I. Details of employees benefits

A. Defined contribution plan

The Company contribute for Provident fund, a defined contribution plan, covering the eligible employees. The Company has recognized the following amount in statement of profit and loss:

(Amount in Rs.)			
S. No.	Particulars	2020-21	2019-20
(a)	Employer's contribution to provident fund	1,987,930	1,953,139

B. Defined benefit plan

The Company provide gratuity, a defined benefit plan covering the eligible employees. The following provisions towards gratuity liability based on the projected unit credit (PUC) actuarial method as per actuarial valuation have been made by the Company:

(Amount in Rs.)			
S. No.	Particulars	2020-21	2019-20
(a)	Provisions towards gratuity	1,626,110	1,186,203
		-	-
The following assumptions are taken			
(i)	Discount rate	6.79%	6.79%
(ii)	Future salary increase	5.50%	5.50%
(iii)	Expected rate of return on plan assets	-	-

The details of the expenses recognized in Statement of Profit and Loss and accumulated liabilities in the Balance Sheet as at 31.03.2021 are as under:

		(Amount in Rs.)	
(I)	Expenses recognized in Statement of Profit & Loss	2020-21	2019-20
(a)	Service cost	545,312	1,186,203
(b)	Interest cost	80,543	-
(c)	Expenses recognized in the Statement of Profit and Loss	625,855	1,186,203

		(Amount in Rs.)	
(II)	Expenses recognized in Other Comprehensive Income(OCI)	2020-21	2019-20
(a)	Net cumulative actuarial gain/(loss) opening	-	-
(b)	Actuarial gain/(loss) for the year on Projected benefit obligation(PBO)	185,948	-
(c)	Expenses recognized in Other Comprehensive Income(OCI)	185,948	-

		(Amount in Rs.)	
(III)	Liabilities recognized in Balance Sheet	2020-21	2019-20
(a)	Present value of the obligation as at the beginning of the year	1,186,203	-
(b)	Expenses as above	625,855	1,186,203
(c)	Benefits paid	-	-
(d)	Total actuarial (gain)/loss on obligation	(185,948)	-
(e)	Present value of the obligation as at 31.03.2021	1,626,110	1,186,203

		(Amount in Rs.)	
(IV)	Change in present value of obligation	2020-21	2019-20
(a)	Present value of the obligation as at the beginning of the year	1,186,203	-
(b)	Interest cost	80,543	-
(c)	Service cost	545,312	1,186,203
(d)	Benefits paid	-	-
(e)	Re-measurements	(185,948)	-
(f)	Present value of the obligation as at the end of year	1,626,110	1,186,203

(V) 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.

C. Compensated absences

The following provisions towards compensated absences (i.e. leave encashment) based on the projected unit credit (PUC) actuarial method as per actuarial valuation have been made by the Company:

		(Amount in Rs.)	
S. No.	Particulars	2020-21	2019-20
(a)	Provision towards leave encashment	1,088,161	818,384

The following assumptions are taken:

(i)	Discount rate	6.79%	6.79%
(ii)	Future salary increase	5.50%	5.50%
(iii)	Expected rate of return on plan assets	-	-

The details of the expenses recognized in Statement of Profit and Loss and as accumulated liabilities in the Balance Sheet as at 31.03.2021 is as under:

(I)	Expenses recognized in Statement of Profit and Loss	2020-21	2019-20
(a)	Service cost	402,313	818,384
(b)	Interest cost	55,568	-
(c)	Net actuarial (gain)/loss recognized in the year	345,263	-
(d)	Expenses recognized in the Statement of Profit & Loss	803,144	818,384

		(Amount in Rs.)	
(II)	Liabilities recognized in Balance Sheet	2020-21	2019-20
(a)	Present value of the obligation as at the beginning of the year	818,384	-
(b)	Interest cost	55,568	-
(c)	Current service cost	402,313	818,384
(d)	Net actuarial (gain)/loss recognized in the year	345,263	-
(e)	Benefits paid	(533,367)	-
(f)	Present value of the obligation as at 31.03.2021	1,088,161	818,384

		(Amount in Rs.)	
(III)	Change in present value of obligation	2020-21	2019-20
(a)	Present value of the obligation as at the beginning of the year	818,384	-
(b)	Interest cost	55,568	-
(c)	Service cost	402,313	818,384
(d)	Benefits paid	(533,367)	-
(e)	Actuarial (gain)/loss on obligation	345,263	-
(f)	Present value of the obligation as at the end of year	1,088,161	818,384

(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.

II. Employees benefits cost includes

Particulars	(Amount in Rs.)	
	2020-21	2019-20
Salaries and other benefits	43,846,382	51,069,152
Defined contribution plan	1,987,930	1,953,139
Defined benefit plan	625,855	1,186,203
Other	1,216,818	1,733,795
Total	47,676,985	55,942,289

31. Related party disclosures

Related party disclosures, as required by Ind AS-24

List of related party followed by nature and volume of transactions is given below:

I. Related parties (other than where control exists) with whom transactions were taken place during the year:

List of key management personnel (KMP)

Whole Time (W.T) Directors of the Company:

Mr. Bhavik Kumar

Other Directors of the Company:

Mr. Vinod Nahar (resigned w.e.f. 04.09.2020), Mr. Dharamvir Malik and Ms. Arushi Jain

Other related parties

Akums Drugs and Pharmaceuticals Limited, Ultimate parent company

Maxcure Nutravedics Limited, Parent company

Plenteous Pharmaceuticals Ltd, Fellow subsidiary

RSM Pharma Private Limited, KMP of the Company having interest in entity

Sarvagunaushdhi Pvt Ltd, Fellow subsidiary

May and Baker Pharmaceuticals Limited, Fellow subsidiary

Bhavik

Arushi Jain

Arushi Jain



II. During the current year, the following transactions were carried out with the related parties in the ordinary course of business:

(Amount in Rs.)

Nature of transactions	2020-21	2019-20
Maxcure Nutravedics Limited		
Issue of equity share capital	-	86,760
Issue of preference share capital	-	1,356,270
Share capital	-	118,643,730
Security premium	-	120,000,000
Transaction charges paid	-	35,500
Employee Salary Reimbursement	985,536	-
Plenteous Pharmaceuticals Limited		
Purchase of goods	2,016	1,800
Sale of services	2,173,430	2,087,056
Sarvagunaushdhi Pvt Ltd		
Sale of services	620,132	146,405
May & Baker Pharmaceuticals Limited		
Sale of services	484,101	-
Freight	210,766	-
Akums Drugs & Pharmaceuticals Ltd		
Loan Taken	9,500,000	-
Loan Repaid	-	-
Closing Balance at year end	9,500,000	-
Interest on Loan	56,000	-
Closing Balance at year end	34,266	-
Sale of Services	6,400,000	-
Remuneration to whole time director		
Bhavik Kumar	6,623,874	6,892,000
Director sitting fee		
Arushi Jain	100,000	100,000
Dharamvir Malik	100,000	100,000
Vinod Nahar	50,000	100,000
Balances outstanding as at the year end		
Trade receivables		
Plenteous Pharmaceuticals Ltd	1,496,339	1,770,864
RSM Pharma Private Limited	-	23,620
Akums Drugs & Pharmaceuticals Ltd	236,000	-
May & Baker Pharmaceuticals Limited	786,727	-
Sarvagunaushdhi Pvt Ltd	340,460	149,090
	2,859,526	1,943,574



Bhavik

Arushi Jain

32. Impairment of Assets

In the opinion of the management there is no reduction in value of any assets, hence no provision is required in terms of Ind AS-36 "Impairment of Assets".

33. Financial Instruments

Financial instruments by category

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

a) Financial instruments measured at amortised cost:

(Amount in Rs.)

Particulars	2020-21	2019-20
Assets:		
-Other financial assets-non current	1,402,444	2,330,418
-Trade receivables	5,294,414	2,255,046
-Cash and cash equivalents	7,820,020	10,395,424
Other bank balance	603,121	565,236
Total	15,119,999	15,546,124
Liabilities:		
-Lease liability	1,657,468	3,605,187
-Other financial liabilities-Current	3,129,718	7,644,523
-Borrowings	9,500,000	-
Total	14,287,186	11,249,710

b) Financial instruments measured at fair value through profit and loss:

(Amount in Rs.)

Particulars	2020-21	2019-20
Assets:		
-Investment-current		
Mutual fund	-	58,437,882

Financial risk management

Financial risk management objectives and policies

The Company's principal financial liabilities comprise expenses 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 trade receivables, cash and cash equivalents, other bank balances and other investments.

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 summarised 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.

a) Market risk

The Company operates domestically and the business is transacted in Indian rupees only. Consequently, the Company is not exposed to currency exchange risk.

Bhavik

Aruni Jain

Aradhya



b)Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured. Credit risk has always been managed by the Company by establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as Company's historical experience for customers.

The details in respect of percentage of revenues generated from top customer and top five customers:

(In %)

Particulars	2020-21	2019-20
Revenue from top customer(only one customer)	45.62%	16.54%
Revenue from top five customers	86.40%	36.55%

(Amount in Rs.)

Particulars	2020-21	2019-20
Trade Receivable ageing (more than six month)	1,814,842	185,047
Trade Receivable ageing (others)	3,479,572	2,069,999
Total	5,294,414	2,255,046

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances and the reversal for lifetime expected credit loss on customer balances:

(Amount in Rs.)

Particulars	2020-21	2019-20
Balance at the beginning of the year	-	-
Impairment loss recognised/ (reversed) as expenses	-	-
Amounts written off / reversed (net)	-	-
Balance at the end of the year	-	-

c)Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents & the cash flow that is generated from operations and proceeds from issue of share capital. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The Company had a working capital including cash and cash equivalents :

(Amount in Rs.)

Particulars	2020-21	2019-20
Cash and cash equivalents	7,820,020	10,395,424
Working capital(including cash and cash equivalent)	21,966,096	70,332,256

The details regarding the contractual maturities of significant financial liabilities as under:

(Amount in Rs.)

Particulars	2020-21	2019-20
	Less than 1 year	Less than 1 year
Financial liabilities	4,787,186	9,592,242

34. Segment reporting

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'). Board of Directors reviews the operating results at Company level, accordingly there is only one Reportable Segment for the Company which is "revenue from services in Information Technology and related activities", hence no specific disclosures have been made as per Ind AS 108.



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Entity wide disclosures

a. Information about revenue

The Company derive it revenue mainly from providing of services.

b. Information about geographical areas

Non-current assets (property, plant and equipment, Intangible assets and other non-current assets) are in India.

c. Information about major customers (from external customers):

(Amount in Rs.)

Particulars	2020-21	2019-20
Revenue- Domestic	14,028,291	12,616,452
Revenue from customers amounting to 10% or more of Company's total revenue	2,087,056	10,433,707

35. The Board of Directors of the Company has principally approved ESOP Scheme. The Board has laid down certain eligibility criteria for vesting options to employees. The options will be vests based on the loyalty and performance of the employees of the Company.

36. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

(Amount in Rs)

Particulars	2020-21	2019-20
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year(more than 45 days)	-	-
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
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 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

37. Lease

- The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2020 is 9%.
- The details regarding the contractual maturities of lease liabilities on an undiscounted basis is as under:

(Amount in Rs)

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	1,720,886	2,194,039
One to five years		1,665,355
More than five years	-	-
Total	1,720,886	3,859,394

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The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was Rs. 4,60,000/-(Rs. 21,00,247/-) for the year ended March 31, 2021.

On 1st April, 2019 the Company has recognised a lease liability measured at the present value of the remaining lease payments discounted using the incremental borrowing rate as at date of initial application (i.e. 1st April, 2019) of Ind AS 116 and correspondingly accounted for Right-of-Use (ROU) at an amount equal to lease liability.

			(Amount in Rs.)
FY 2020-21			
Impact of Ind-AS 116- Leases	Comparable Basis	Ind-AS 116 Impact	As Reported
Interest Income	41,234	120,276	161,510
Rent	2,486,634	(2,026,634)	460,000
Depreciation and amortization expenses	5,177,824	2,080,045	7,257,869
Finance costs	56,000	78,914	134,914
Profit before tax	(65,136,444)	(12,049)	(65,148,493)
Less : Tax expenses	-	-	-
Profit after tax	(65,136,444)	(12,049)	(65,148,493)

			(Amount in Rs.)
FY 2019-20			
Impact of Ind-AS 116- Leases	Comparable Basis	Ind-AS 116 Impact	As Reported
Interest Income	40,956	83,388	124,344
Rent	3,686,299	(1,586,052)	2,100,247
Depreciation and amortization expenses	5,472,007	1,560,034	7,032,041
Finance costs	-	292,347	292,347
Profit before tax	(90,658,571)	(182,941)	(90,841,512)
Less : Tax expenses	-	-	-
Profit after tax	(90,658,571)	(182,941)	(90,841,512)

38. Figures have been recasted/restated wherever necessary to conform to the current year presentation.

39. Figures in brackets relates to previous year.

As per our report of even date attached

For Subodh Dubey & Co.

Chartered Accountant
Registration No. 024954C

CA Subodh Kumar Dubey
Proprietor



For and on Behalf of the Board of Directors
of Medibox Digital Solutions Private Limited

Bhavik Kumar
CEO cum Director
DIN:03206187

Place : Delhi

Date : 13-09-2021

Arushi Jain
Director
DIN:08012943

Dharamvir Malik
Director
DIN:06758188