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23765495

ANIL JAIN DD & CO.
CHARTERED ACCOUNTANTS
611, Surya Kiran Building, 19, K. G. Marg, New Delhi-110001

INDEPENDENT AUDITOR'S REPORT

To

The Members of Plenteous Pharmaceuticals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Plenteous Pharmaceuticals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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, 2022, its profit, 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, 2020 ("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:

(1) 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.

(2) 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.

(3) 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.

(4) 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.

(5) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(6) 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.

(7) In our opinion and according to information and explanations given to us, the managerial remuneration for the year ended March 31, 2022 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

(8) 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, 2022 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.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- (v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

For Anil Jain DD & Co

Chartered Accountants

(Firm Registration No.007394N)

Subodh Kumar Dubey

Subodh Kumar Dubey

Partner

Membership No.: 410530

Place: Delhi

Date: 03/06/2022

UDIN:- 22410530 AKY AET 8258



Annexure A referred to in the Independent Auditor's Report of even date to the members of Plenteous Pharmaceuticals Limited on the financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of plant and equipment and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Plant and Equipment and Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted a physical verification of inventory at reasonable intervals during the year. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed. However, in respect of inventories which were not physically verified we are unable to comment on the discrepancies which could have arisen between physical inventory and book records.
- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.



Annexure A referred to in the Independent Auditor's Report of even date to the members of Plenteous Pharmaceuticals Limited on the financial statements for the year ended 31 March 2022

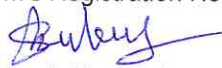
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from lender and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.



Annexure A referred to in the Independent Auditor's Report of even date to the members of Plenteous Pharmaceuticals Limited on the financial statements for the year ended 31 March 2022

- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Anil Jain DD & Co**
Chartered Accountants
Firm's Registration No.: 007394N


Subodh Kumar Dubey
Partner
Membership No.: 410530
UDIN



Place: Delhi

Date: 03/06/2022

UDIN: - 22410530 AK Y AET 8258

Annexure “B” to the independent auditor’s report of even date on the financial statements of Plenteous Pharmaceuticals 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 **Plenteous Pharmaceuticals Limited** (“the Company”) as of March 31, 2022 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.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial 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 ICAI.

For Anil Jain DD & Co

Chartered Accountant

(Firm Registration No.007394N)



Subodh Kumar Dubey

Partner

Membership No.: 410530

Place: Delhi

Date: 05/06/2022

UDIN:-22410530AKYAET8258



Plenteous Pharmaceuticals Limited
CIN - U24232DL2008PLC185686
Balance Sheet as at 31 March 2022
(All amounts in ₹ unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	7,579,107	7,844,205
(b) Right-of-use assets	48	17,723,492	23,250,950
(c) Intangible assets under development	3	156,600	-
(d) Intangible assets	4	596,215	467,292
(e) Financial assets			
(i) Others financial assets	5	3,734,689	3,923,694
(f) Deferred tax assets (net)	17	1,808,810	953,410
(g) Other non-current assets	6	45,984	5,511
Total non-current assets		31,644,797	36,445,062
(2) Current assets			
(a) Inventories	7	533,668,944	518,450,883
(b) Financial assets			
(i) Trade receivables	8	531,210,732	494,561,856
(ii) Cash and cash equivalents	9	25,040	199,184
(iii) Others financial assets	10	21,981	21,981
(c) Other current assets	11	12,473,110	31,468,271
Total current assets		1,077,399,807	1,044,702,175
Total Assets		1,109,044,604	1,081,147,237
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	500,000	500,000
(b) Other equity	13	137,572,271	97,763,661
Total equity		138,072,271	98,263,661
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	581,900,000	258,400,000
(ii) Lease liability	48	13,558,958	18,537,990
(iii) Other financial liabilities	15	16,343,956	15,370,559
(b) Provisions	16	4,505,832	2,287,651
Total non-current liabilities		616,308,746	294,596,200
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	13,843,739	44,730,821
(ii) Trade payables	19		
Total outstanding dues to micro and small enterprises; and			
Total outstanding dues of creditors other than micro and small enterprises		27,118,244	21,617,851
(iii) Lease liability		281,088,929	598,500,541
(iv) Other financial liabilities	48	4,979,032	4,310,867
(b) Other current liabilities	20	16,342,302	7,881,036
(c) Provisions	21	4,703,290	2,475,838
(d) Current Tax Liabilities (Net)	22	116,505	47,529
	23	6,471,546	8,722,893
Total current liabilities		354,663,587	688,287,376
Total equity and liabilities		1,109,044,604	1,081,147,237

Summary of significant accounting policies and other explanatory information

1-49

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

For Anil Jain DD & Co.
Chartered Accountants
Firm Registration No.: 007394N


Subodh Kumar Dubey
Partner
Membership No: 410530



For and on behalf of Board of Directors of
Plenteous Pharmaceuticals Limited


Dhara Ballabh Tiwari
Director
DIN: 6782823


Pooja Sharma
Director
DIN: 7185490


Binod Kumar Yadav
Director
DIN: 9030742

Place : New Delhi
Date : June 03, 2022

(03/06/2022)
UDIN: 22410530AKYAFET8258


Plenteous Pharmaceuticals Limited
CIN - U24232DL2008PLC185686
Statement of profit and loss for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
INCOME			
Revenue from operations	24	1,613,365,770	1,083,634,125
Other income	25	4,468,041	11,124,978
Total Income		1,617,833,811	1,094,759,103
EXPENSES			
Purchase of stock-in-trade		1,289,303,076	1,310,013,325
Change in inventories of stock-in-trade	26	(15,218,061)	(424,336,098)
Employee benefits expense	27	63,756,437	44,074,174
Other expenses	28	178,276,662	84,438,101
Total		1,516,118,114	1,014,189,502
Earnings before finance costs, depreciation and amortization and tax (EBITDA)		101,715,697	80,569,601
Finance costs	29	40,222,552	15,997,895
Depreciation and amortization	30	6,948,680	3,007,026
Profit before tax		54,544,465	61,564,680
Tax expenses:			
Income Tax			
Current year		14,887,050	15,694,279
Tax for earlier years		-	-
Deferred tax charge/(credit)		(678,152)	(155,137)
Total tax expense		14,208,898	15,539,142
Profit for the year		40,335,567	46,025,538
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Re-measurement gains/(losses) on defined benefit plans		(704,205)	405,515
Tax effect relating to these items		(177,248)	102,060
Total other comprehensive income/ (loss), net of tax		(526,957)	303,455
Total comprehensive income comprising of profit/ (loss) for the year and other comprehensive income for the year		39,808,610	46,328,993
Earnings per equity share of ₹ 10 (31 March 2021: ₹ 10) each			
Basic and diluted	31	796.17	926.58

Summary of significant accounting policies and other explanatory information 1-49

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

For Anil Jain DD & Co.
Chartered Accountants
Firm Registration No.: 007394N

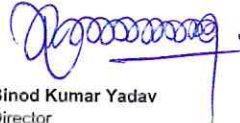

Subodh Kumar Dubey
Partner
Membership No.: 410530



For and on behalf of Board of Directors of
Plenteous Pharmaceuticals Limited


Dhara Ballabh Tiwari
Director
DIN: 6762823


Pooja Sharma
Director
DIN: 7185490


Binod Kumar Yadav
Director
DIN: 9030742

Place : New Delhi
Date : June 03, 2022 (03/06/2022)
UDIN:-22410530AKYAFET8258

Plenteous Pharamaceuticals Limited
 CIN - U24232DL2008PLC185686
 Statement of changes in equity for the year ended 31 March 2022
 (All amounts in ₹ unless otherwise stated)

a. Equity share capital

Particulars	Amount
As at 1 April 2020	500,000
Changes in equity share capital	-
As at 31 March 2021	500,000
Changes in equity share capital	-
As at 31 March 2022	500,000

b. Other equity

Particulars

Balance as at 1 April 2020
 Add: Profit for the year
 Add: Other comprehensive income for the year, net of tax
 - Remeasurement of defined benefit plans
 Balance as at 31 March 2021/ 1 April 2021
 Add: Profit/ (loss) for the year
 Add: Other comprehensive income for the year, net of tax
 - Remeasurement of defined benefit plans
 Balance as at 31 March 2022

Retained earnings	Total
51,434,668	51,434,668
46,025,538	46,025,538
303,455	303,455
97,763,661	97,763,661
40,335,567	40,335,567
(526,957)	(526,957)
137,045,315	137,045,315

Summary of significant accounting policies and other explanatory information

1-49

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

For Anil Jain DD & Co.
 Chartered Accountants
 Firm Registration No.: 007394N

For and on behalf of Board of Directors of
 Plenteous Pharmaceuticals Limited


 Subodh Kumar Dubey
 Partner
 Membership No: 410530




 Dhara Ballabh Tiwari
 Director
 DIN: 6752823


 Pooja Sharma
 Director
 DIN: 7185490


 Binod Kumar Yadav
 Director
 DIN: 9030742

Place : New Delhi

Date : June 03, 2022

(03/06/2022)

Plenteous Pharmaceuticals Limited
CIN - U24232DL2008PLC185666
Statement of cash flow for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities		
Net profit/ (loss) before tax	54,544,465	61,564,680
Adjustments for:		
Depreciation and amortization	6,948,680	3,007,026
Bad debts	24,833,310	-
Provision for expected credit loss on trade receivable	-	627,953
Interest expense	40,222,552	13,671,870
Interest income	(170,995)	(79,493)
Net loss on Remeasurement of financial instruments	(995)	405,515
Gain on reassessment of ROU	-	(252,258)
Operating profit before working capital changes	126,376,022	78,945,293
Adjustments for movement in working capital changes:		
Inventories	(15,218,061)	(424,336,098)
Trade receivables	(61,482,186)	(152,822,960)
Other financial assets	360,000	(3,901,432)
Other assets	18,954,788	(27,086,750)
Trade payables	(311,910,224)	388,306,796
Other financial liabilities	9,434,663	30,042,033
Provisions	1,582,952	-
Other liabilities	2,227,452	1,712,989
Cash flow generated from operations (gross)	(229,674,594)	(109,140,129)
Less: taxes paid (net)	(18,277,138)	(12,785,965)
Net cash flow generated from/ (used in) operating activities: (A)	(247,951,732)	(121,926,094)
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,441,647)	(7,370,873)
Interest received	-	3,424
Net cash flow (used in) investing activities (B)	(1,441,647)	(7,367,449)
C. Cash flow from financing activities		
Proceeds from / (repayment of) short-term borrowings (net)	(30,887,082)	107,400,000
Proceeds/(repayment) (net) from/(of) unsecured borrowings	323,500,000	37,729,278
Payment of lease liabilities	(5,984,550)	(2,063,747)
Interest paid	(37,409,133)	(13,671,870)
Net cash flow generated from financing activities (C)	249,219,235	129,393,661
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(174,144)	100,118
Cash and cash equivalents at the beginning of the year (refer note 10)	199,184	99,066
Cash and cash equivalents at the end of the year (refer note 10)	25,040	199,184

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Plenteous Pharmaceuticals Limited
 CIN - U24232DL2008PLC185686
 Statement of cash flow for the year ended 31 March 2022
 (All amounts in ₹ unless otherwise stated)

Statement of cash flow (cont'd)

Components of cash and cash equivalents are as below:

	As at 31 March 2022	As at 31 March 2021
Balance with scheduled banks in current accounts	-	134,891
Cash on hand	25,040	64,293
	25,040	199,184

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

Particulars	Long term	Short term	Lease liabilities	Total
	borrowings	borrowings		
Net debt as on 1 April 2020	151,000,000	7,001,543	24,285,351	182,286,894
Cash flows	107,400,000	37,729,278		145,129,278
Repayments	-	-	(2,063,747)	(2,063,747)
Interest on lease liability	-	-	627,253	627,253
Balance as on 31 March 2021	258,400,000	44,730,821	22,848,857	325,979,678
Cash flows				
Repayments	-	(30,887,082)	(5,984,550)	(36,871,632)
Proceeds from issue of financial instrument	323,500,000	-	-	323,500,000
Interest on lease liability	-	-	1,673,683	1,673,683
Balance as on 31 March 2022	581,900,000	13,843,739	18,537,990	614,281,729

Summary of significant accounting policies and other explanatory information

1-49

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

For Anil Jain DD & Co.
 Chartered Accountants
 Firm Registration No.: 007394N



 Subodh Kumar Dubey
 Partner
 Membership No: 410530



Place : New Delhi
 Date : June 03, 2022 (03/06/2022)

For and on behalf of Board of Directors of
 Plenteous Pharmaceuticals Limited


 Dhara Ballabh Tiwari
 Director
 DIN: 6762823


 Pooja Sharma
 Director
 DIN: 7185490


 Binod Kumar Yadav
 Director
 DIN: 9030742

1 Company Overview and Significant Accounting Policies

1.1 Company Overview

Plenteous Pharmaceuticals Ltd ("the Company") is engaged in trading of the pharmaceutical formulations, Ayurvedic/herbal preparations, hormones, Nutraceuticals products etc. The Company is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 applicable in India. The registered office of the Company is located at Delhi. The Company is wholly owned subsidiary of Akums Drugs and Pharmaceuticals Ltd.

The financial statements for the year ended March 31, 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 03.06.2022

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 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 judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, estimates and assumptions

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

Significant judgements, estimates and assumptions

a. Taxes

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 utilized.

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 judgements 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 the leave encashment, 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 judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount.



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(All amounts in ₹ unless otherwise stated)

f. Lease

Ind AS 116 requires lessee 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 re-assessed to ensure that the lease term reflects the current economic circumstances.

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 straight-line method. The estimated useful lives of assets are as follows:

Particulars	Useful Lives Over the Period of lease
Right of use("Rou")	
Plant & Machinery (equipment used in godown)	15 years
Furniture and fittings	10 years
Office equipments	5 years
Computer equipments	3/6 years
Vehicle (Car)	8 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 "Right of use" 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 recognized 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.



1.5.2 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 amortized 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.

1.6 Financial Instruments

1.6.1 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.

1.6.2 Subsequent measurement

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized 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 liabilities

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

1.6.3. 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.

1.6.4 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.

1.7 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 recognized is recognized as an impairment gain or loss in profit or loss.

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.

1.8 Provisions and Contingent Liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



(All amounts in ₹ unless otherwise stated)

1.9 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting dividend and attributable taxes, if any) 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, if any.

1.10 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 recognized for all taxable temporary differences.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized after considering the fact that tax law does not restricts the source of taxable profit against which it may make deductions on the reversal of that temporary difference.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment 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.

1.11 Employees Benefits

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

(i) Gratuity

The Company provides for gratuity, a defined benefit retirement plan, covering eligible employees. The Gratuity Plan provides a lump-sum payment 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 Plan 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 asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset), which are not subsequently be reclassified to statement of profit and loss, are recognized in other comprehensive income.

(ii) 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.

(iii) Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit(PUC) method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.



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(All amounts in ₹ unless otherwise stated)

1.12 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.

1.13 Valuation of Inventories

Inventory comprises of traded goods and is measured at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable 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.

1.14 Revenue Recognition

Ind AS 115 five step model is used to determine whether revenue should be recognized 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: Recognize revenue when (or as) the entity satisfies a performance obligation.

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

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

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions, 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 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.

1.15 Other income

Other income is comprised primarily of interest income etc.

Interest

Interest income is recognized as and when due on the time proportion basis by using effective interest method. Interest income is included under the head "other income" in the Statement of Profit and Loss.

1.16 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of premises for warehouse and 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.

1.17 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.

1.18 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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2. Property, plant and equipment

Particulars	Property, plant and equipment (PPE)					Total (PPE)	Right of use assets
	Plant and equipments	Furniture and fittings	Vehicles	Office equipment	Computers		
Gross Block							
Balance as at 1 April 2020	117,000	1,294,616	-	671,341	196,852	2,279,809	6,148,584
Additions	-	4,633,048	1,222,364	843,729	281,732	6,980,873	19,799,525
Reassessment impact of Ind AS 116	-	-	-	-	-	-	(139,630)
Balance as at 31 March 2021/ 1 April 2021	117,000	5,927,664	1,222,364	1,515,070	478,584	9,260,682	25,808,479
Additions	25,600	397,205	-	327,731	259,150	1,009,686	-
Balance as at 31 March 2022	142,600	6,324,869	1,222,364	1,842,801	737,734	10,270,368	25,808,479
Accumulated depreciation							
Balance as at 1 April 2020	1,570	377,724	-	523,382	110,038	1,012,714	1,272,115
Charge for the year	7,410	181,157	108,966	55,476	50,754	403,763	2,557,529
Adjustments	-	-	-	-	-	-	(1,272,115)
Balance as at 1 April 2021	8,980	558,881	108,966	578,858	160,792	1,416,477	2,557,529
Charge for the year	8,792	636,460	230,276	236,942	162,314	1,274,784	5,527,458
Balance as at 31 March 2022	17,772	1,195,341	339,242	815,800	323,106	2,691,261	8,084,987
Net block							
As at 31 March 2021	108,020	5,368,783	1,113,398	936,212	317,792	7,844,205	23,250,950
As at 31 March 2022	124,828	5,129,528	883,122	1,027,001	414,628	7,579,107	17,723,492

Notes:

(I). Refer note 37 for the information on property, plant and equipment pledged as security by the Company

3. Intangible under development

Particulars	Amount
As at 1 April 2020	-
Add: Additions during the year	-
Less: Capitalized during the year	-
As at 31 March 2021/ 1 April 2021	-
Add: Additions during the year	156,600
Less: Capitalized during the year	-
As at 31 March 2022	156,600

Ageing of intangible assets under development

31 March 2022

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
SAP under installation	156,600	-	-	-	-
	156,600	-	-	-	-

There were no projects in progress during the year ended 31 March 2021



Pienteous Pharamaceuticals Limited

CIN - U24232DL2008PLC185686

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹ unless otherwise stated)

4. Intangible assets

Particulars	Software	Total
Gross carrying value		
Opening balance as at 1 April 2020	169,000	169,000
Additions during the year	390,000	390,000
Closing balance as at 31 March 2021/ 1 April 2021	559,000	559,000
Additions during the year	275,361	275,361
Closing balance as at 31 March 2022	834,361	834,361
Amortization		
Accumulated as at 1 April 2020	45,974	45,974
Charge for the year	45,734	45,734
Balance as on 31 March 2021/ 1 April 2021	91,708	91,708
Charge for the year	146,438	146,438
Balance as on 31 March 2022	238,146	238,146
Net carrying value		
As at 31 March 2021	467,292	467,292
As at 31 March 2022	596,215	596,215

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Plenteous Pharmaceuticals Limited

CIN - U24232DL2008PLC185686

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹ unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
5. Other financial assets		
Security deposits	3,734,689	3,923,694
	<u>3,734,689</u>	<u>3,923,694</u>
<i>*pledged with government authorities and others.</i>		
6. Other non-current assets		
Unsecured, considered good		
Others-prepaid expenses	45,884	5,511
	<u>45,884</u>	<u>5,511</u>
7. Inventories (mode of valuation refer note 1.13 on inventories)		
Stock-in-trade	533,668,944	518,450,883
	<u>533,668,944</u>	<u>518,450,883</u>
8. Trade receivables		
Trade receivables considered good (unsecured)	530,565,800	493,916,924
Trade receivables-credit impaired	1,439,044	1,439,044
	<u>532,004,844</u>	<u>495,355,968</u>
Less: Allowance for expected credit losses	794,112	794,112
	<u>531,210,732</u>	<u>494,561,856</u>
8.1 Dues to related party	65,456	1,811,892
8.2 Refer note 42 for disclosure of fair value in respect of financial assets measured at amortized cost and assessment of expected credit losses respectively.		
9. Cash and bank balances		
9a. Cash and cash equivalents		
Balance with scheduled banks in current accounts	-	134,891
Cash on hand	25,040	64,293
	<u>25,040</u>	<u>199,184</u>
Refer note 42 for disclosure of fair value in respect of financial assets measured at amortized cost and assessment of expected credit losses respectively.		
Refer note 36 for assets pledged as security by the Company		
10. Other financial assets		
Unsecured, considered good		
Deposit with government departments and others	21,981	21,981
	<u>21,981</u>	<u>21,981</u>
11. Other current assets		
Unsecured, considered good		
Advance to suppliers	429,213	524,337
Prepaid expenses	527,864	1,847,888
Balance with statutory authorities	11,516,033	29,096,046
	<u>12,473,110</u>	<u>31,468,271</u>



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Plenteous Pharamaceuticals Limited

CIN - U24232DL2008PLC185686

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹ unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
12. Equity share capital		
Authorized		
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 (31 March 2021: ₹ 10) each	500,000	500,000
Issued, subscribed and fully paid up		
50,000 (31 March 2021: 50,000) equity shares of ₹ 10 (31 March 2021: ₹ 10) each	500,000	500,000
	500,000	500,000

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning / end of the year	50,000	500,000	50,000	500,000

12.2 Terms/rights attached to equity shares

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

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

12.3 Details of shareholders/promoters holding more than 5% shares in the Company and shares held by holding company*

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% Holding	No. of shares	% Holding
Akums Drugs and Pharmaceuticals Limited (Holding company) *	50,000	100	50000	100
(with nominee shareholders)				

* also the promoters of the Company. There is no change in shares held by promoters.

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

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

12.5 No shares have been reserved for issue under options.

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Plenteous Pharamaceuticals Limited

CIN - U24232DL2008PLC185686

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹ unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
13. Other equity		
Retained earnings		
Balance as per last financial statements	97,763,661	51,434,668
Add: Profit for the year	40,335,567	46,025,538
Add: Other comprehensive income for the year, net of tax		
- Remeasurement of defined benefit plans	(526,957)	303,455
Balance as at end of the year	137,572,271	97,763,661

Nature of reserves

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

1.Retained earnings

Retained earnings are the profits that the Company has earned till date and not distributed. Retained earnings is a free reserve available to the Company and includes actuarial gain/ loss arising on defined benefit plan

14. Borrowings

Term Loans

Unsecured

Unsecured loans (refer note below)	581,900,000	258,400,000
	581,900,000	258,400,000

* Includes recoverable from related party

	581,900,000	258,400,000
--	-------------	-------------

Note

The unsecured loan represents loan taken from holding company for working capital requirements. The loan has been taken at an interest rate of 7% effective 1 October 2021, 8% from 1 April 2021 to 30 September 2021 (31 March 2021 : 8% p.a.)

15. Other financial liabilities

Security deposit received		
from customers	15,851,956	14,878,559
from others	492,000	492,000
	16,343,956	15,370,559

16. Provisions

(a) Provision for employee benefits

Gratuity (refer note 35)	3,573,493	1,921,464
Compensated absences	932,339	366,187
	4,505,832	2,287,651

17. Deferred tax liabilities (net)

In accordance with Ind AS 12 "Income Tax", the Company has accounted for deferred taxes.

Deferred tax liabilities consists of:

Accelerated depreciation and amortization for tax purposes on property, plant and equipment and intangible assets	51,673	75,845
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Deferred tax assets consists of:

Expenses allowable under Income Tax Act, 1961 on payment basis	1,292,335	724,263
Lease liability	204,993	(101,199)
Provision for expected credit loss	199,862	199,862
Others	163,293	206,329

Deferred tax liabilities (net)

Refer note 43 for movement of tax

	1,808,810	953,410
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Plenteous Pharmaceuticals Limited

CIN - U24232DL2008PLC185686

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹ unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
18. Borrowings		
Secured		
Loan repayable on demand (from bank)		
Working capital loan (refer note below)	13,843,739	44,730,821
	<u>13,843,739</u>	<u>44,730,821</u>
Notes:		
Nature of security and repayment terms of the above borrowings are as below:		
	Amount outstanding as at	
	As at	As at
	31 March 2022	31 March 2021
Working capital from HDFC Bank		
Cash Credit facility received from HDFC Bank of India has been Secured by exclusive charge on all current assets and movable fixed assets(both current and future) and corporate guarantee of Holding Company. The loan is repayable on demand and carries an interest rate in the range of 7.85% to 9.00% p.a.(previous year 8.90% to 9.25% p.a.)	13,843,739	44,730,821
	<u>13,843,739</u>	<u>44,730,821</u>
The above loans have been utilized as per the purpose for these loans were sanctioned		
Refer note 36 for assets pledged as security		
Refer note 42 for disclosure of fair values in respect of financial liabilities measured at amortized cost and analysis of the maturity profile		
19. Trade payables		
Total outstanding dues of micro and small enterprises (ref note 47): and	27,118,244	21,617,851
Total outstanding dues of creditors other than micro and small enterprises	281,088,929	598,500,541
	<u>308,207,173</u>	<u>620,118,392</u>
Dues to related parties	215,196,459	-
Refer note 42 for disclosure of fair values in respect of financial liabilities measured at amortized cost and analysis of the maturity profile		
20. Other financial liabilities		
Employee payables	16,342,302	7,881,036
	<u>16,342,302</u>	<u>7,881,036</u>
21. Other current liabilities		
Advance from customers	364,815	11,352
Statutory dues payable	4,338,475	2,464,486
	<u>4,703,290</u>	<u>2,475,838</u>
22. Provisions		
Provision for employee benefits		
Gratuity (refer note 35)	51,130	23,101
Compensated absences	65,375	24,428
	<u>116,505</u>	<u>47,529</u>
23. Current Tax Liabilities (Net)		
Provision for taxes [net of prepaid tax]	6,471,546	8,722,893
	<u>6,471,546</u>	<u>8,722,893</u>



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Pienteous Pharmaceuticals Limited

CIN - U24232DL2008PLC185686

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹ unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
24. Revenue from operations		
Sale of stock-in-trade	1,613,365,770	1,083,634,125
	1,613,365,770	1,083,634,125
Refer Note 40 in terms of disclosures required under Ind AS 115		
25. Other income		
Interest income on:		
fixed deposits	-	3,424
Others	170,995	76,069
Gain on reassessment of ROU	-	252,258
Liabilities not payable/ written off	995	2,442,783
Royalty received	3,712,800	8,167,705
Miscellaneous income	583,251	182,739
	4,468,041	11,124,978
26. Change in inventory of finished goods and work in progress		
Opening stock		
Stock-in-trade	518,450,883	94,114,785
	(A) 518,450,883	94,114,785
Less: Closing stock		
Stock-in-trade	533,668,944	518,450,883
	(B) 533,668,944	518,450,883
Change in inventory of finished goods and work in progress (A-B)	(15,218,061)	(424,336,098)
27. Employee benefits expense		
Salaries, wages and bonus	60,506,654	42,745,696
Contributions to provident and other funds (refer note 35)	1,959,372	586,041
Staff welfare expense	1,290,411	742,437
	63,756,437	44,074,174



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Plenteous Pharmaceuticals Limited

CIN - U24232DL2008PLC185686

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹ unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
28. Other expenses		
Power and fuel	795,256	290,211
Rent	1,050,000	2,190,000
Repairs and maintenance- Others	792,472	585,159
Insurance	1,014,659	1,366,882
Printing and stationery	237,767	194,364
Travelling expense	21,878,217	13,105,535
Conveyance	586,873	668,028
Fees and subscription	28,021	80,975
Legal and professional expenses	1,468,384	827,853
Telephone expenses	416,717	224,988
Postage charges	345,960	274,721
Security expenses	351,983	204,903
Payment to auditors (refer note 34)	300,000	300,000
Bad debts written off	24,833,310	-
Freight and cartage outward	27,801,704	22,413,021
Commission on sales	95,104,021	41,297,592
Director sitting fees	14,000	20,000
Corporate social responsibility expense (refer note 41)	770,236	-
Miscellaneous expenses	487,083	393,869
	178,276,662	84,438,101
29. Finance costs		
Interest		
on unsecured loan from holding Company	36,244,019	13,527,540
on short-term borrowings from banks	61,370	144,330
on income-tax	1,139,736	784,921
Interest expense on lease liability	1,673,683	627,253
Other borrowing costs	1,103,744	913,851
	40,222,552	15,997,895
30. Depreciation and amortization expense		
Depreciation on property, plant and equipment	1,274,784	403,763
Amortization of right-of-use assets (refer note 47)	5,527,458	2,557,529
Amortization of intangible assets	146,438	45,734
	6,948,680	3,007,026



	Year ended 31 March 2022	Year ended 31 March 2021
31 Earning per equity share (EPS)		
Profit attributable to equity shareholders (₹)	39,808,610	46,328,993
Total number of equity shares outstanding at the end of the year	50,000	50,000
Weighted average number of equity shares in calculating basic and diluted EPS	50,000	50,000
Nominal value per share (₹)	10	10
Basic and diluted EPS (₹)	796.17	926.58
32 Contingent Liabilities (not provided for) and Provisions		
Contingent Liabilities		
One of the customer has filed counter claim of Rs. 7,93,307/- (Rs 7,93,307/-) which was accepted by the arbitrator. The Company has filed an appeal against the same in Honorable Delhi high Court which has been accepted and is pending before in the court. Based on discussion with the advocate there is a fair chance of favorable decision and hence no provision is considered against the same. There is no claim against the Company other than above, which is to be acknowledged as a debt and there is no other contingent liabilities.		
Provisions		
The legal recovery suit were filed by the Company against some of the customers of the Company from whom an amount of Rs. 14,39,044/- (Rs 29,51,956/-) receivables at the end of the year. Based on the discussion with the advocate, the Company believes that there is a fair chance of favorable decision in most of these cases. However, provision of Rs. 7,94,112/- (Rs. 7,94,112/-) is made in books of accounts for receivables from one of the customer after considering the chances of recovery in the legal cases.		
33 Capital and other commitments		
Capital commitment (net of advances)	1,409,400	-
34 Payment to auditor		
(a) as auditor	300,000	300,000
	<u>300,000</u>	<u>300,000</u>

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35 Employees benefits

A Defined contribution plan

The amount recognized as expense towards contribution to defined contribution plans for the year is as below:

	Year ended 31 March 2022	Year ended 31 March 2021
Company's contribution to Provident Fund	222,796	435,048
Company's contribution to Employees' State Insurance Scheme	144,993	150,993
	367,789	586,041

B Defined benefit plan - Gratuity

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

	Year ended 31 March 2022	Year ended 31 March 2021
Non-current	3,573,493	1,921,464
Current	51,130	23,101
	3,624,623	1,944,565

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

	Year ended 31 March 2022	Year ended 31 March 2021
Present value of the obligation as at the beginning of the year	1,944,565	1,676,226
Service cost	843,817	560,038
Interest cost	132,036	113,816
Actuarial gain/ (loss) recognized during the year in other comprehensive income	(704,205)	405,515
Present value of the obligation as at end of the year	3,624,623	1,944,565

(iii) Expense recognized in the statement of profit and loss consists of:

	Year ended 31 March 2022	Year ended 31 March 2021
Service cost	843,817	560,038
Interest cost	132,036	113,816
Net impact on profit before tax	975,853	673,854
Actuarial gain/ (loss) recognized during the year in other comprehensive income	(704,205)	405,515
Amount recognized in total comprehensive income	271,648	1,079,369

(iv) Breakup of actuarial gain/(loss):

Actuarial gain/ (loss) from change in financial assumption	161,077	405,515
Actuarial gain/ (loss) from experience adjustment	(865,282)	-
Total actuarial gain/ (loss)	(704,205)	405,515

(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.

(vi) Actuarial assumptions

Discount rate (per annum)	7.18%	6.79%
Future salary increase (per annum)	5.50%	5.50%
Withdrawal rate		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Retirement age	58 years	58 years
Mortality rate	100% of IALM (2012-14)	100% of IALM (2012-14)
Average future service (in years)	20.76 years	20.54 years

Notes:

- The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

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Employees benefits (cont'd)

(vi) Sensitivity analysis for gratuity liability

	Year ended 31 March 2022	Year ended 31 March 2021
Impact of change in discount rate		
Present value of obligation at the end of the year	3,624,623	1,944,565
- Impact due to increase of 0.5 %	(207,622)	(114,506)
- Impact due to decrease of 0.5 %	224,704	124,225
Impact of change in salary increase		
Present value of obligation at the end of the year	3,624,623	1,944,565
- Impact due to increase of 0.5 %	227,307	125,184
- Impact due to decrease of 0.5 %	(211,765)	(116,381)

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

(vii) Maturity profile of defined benefit obligation (discounted)

	As at 31 March 2022	As at 31 March 2021
Within next 12 months	51,130	23,101
Between 1-5 years	272,349	155,149
Beyond 5 years	3,301,144	1,766,315
	3,624,623	1,944,565

C Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefits expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Remeasurement as a result of experience adjustments and changes in the actuarial assumption are recognized in the statement of profit and loss.

36 Assets pledged as security (refer note 18)

	As at 31 March 2022	As at 31 March 2021
Current		
Inventories	533,668,944	518,450,883
Cash and cash equivalents	25,040	199,184
Other current assets	12,473,110	31,468,271
Trade receivables	531,210,732	494,561,856
Total current assets pledged as security	1,077,377,826	1,044,680,194
Non-current		
Property, plant and equipment	7,579,107	7,844,205
Total assets pledged as security	1,084,956,933	1,052,524,399

37 There is no property on which mortgaged or any charged has been created during the financial year.

38 Reporting to banks/ financial institutions

The company are regular in submission of monthly stock statements with banks for the borrowings sanctioned against hypothecation of current assets. Below is the summary of quarterly filed returns of 21-22:

Quarter	Name of Bank	Particulars of securities provided	Amount as per books of accounts	Amount reported in quarterly return/ statement	Difference	Reason for material discrepancies
Jun-21	HDFC Bank	Stock	441,802,521	441,370,107	432,414	See #
		Debtors(Net)	718,064,675	717,610,974	453,701	See #
Sep-21	HDFC Bank	Stock	455,378,712	454,878,957	499,755	See #
		Debtors(Net)	669,212,487	668,931,698	280,789	See #
Dec-21	HDFC Bank	Stock	490,530,707	490,140,078	390,629	See #
		Debtors(Net)	669,062,775	626,931,811	42,131,164	Due to Stock transfer reversal of CSA equivalent to stock lying at CSA godown in statement and Provision made for bad debts in case of a customer.
Mar-22	HDFC Bank	Stock	533,668,944	525,477,758	8,191,186	Due to overheads loading GST impact
		Debtors(Net)	531,210,732	532,809,390	(1,598,658)	See #

Note: For the 1st, 2nd and 3rd quarter details have been worked out on the basis of moving average method as per the system however for the 4th quarter details has been worked out on the basis of FIFO method.

Calculation mistake while submitting stock statements.

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39. Related party disclosures

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

I. Relationships

Name of entity

- (a) **Holding Company**
Akums Drugs and Pharmaceuticals Limited
- (b) **Fellow subsidiaries**
Malik Lifesciences Private Limited
Pure and Cure Healthcare Private Limited
Sarvgunaushdhi Private Limited
Medibox Digital Solutions (P) Ltd
Maxcure Nutravedics Limited
Akumentis Healthcare Limited
AVHA Lifesciences Private Limited
Nicholas Healthcare Ltd.
Upadhrish Reserchem LLP
May and Backer Pharmaceuticals Limited
Akums Healthcare Limited
- (c) **Key management personnel (KMP)**

Name	Designation
Mr. Dhara Ballabh Tiwari	Non-Executive Director
Mr. Binod Kumar Yadav	Non-Executive Director
Ms. Pooja Sharma	Whole Time Director
Mr. Sanjeev Jain	Key managerial person of holding company of the Company
Mr. Sandeep Jain	Key managerial person of holding company of the Company

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Plenteous Pharmaceuticals Limited
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
 (All amounts in ₹ unless otherwise stated)

II Summary of related party transactions-

Particulars	31 March 2022	31 March 2021
(a) Transactions during the year		
Sales of goods		
Akums Drugs and Pharmaceuticals Limited	30,590	2,469,792
AVHA Lifesciences Private Limited	49,560	1,085,151
Nicholas Healthcare Ltd.	2,677,110	-
Pure and Cure Healthcare Private Limited	-	1,501,680
Sarvagunaushdhi Private Limited	8,607,815	3,267,105
Purchase of goods		
Akumentis Healthcare Limited	183,643,698	208,379,477
Akums Drugs and Pharmaceuticals Limited	273,837,336	523,894,490
Malik Lifesciences Private Limited	69,625,721	89,900,960
Maxcure Nutravedics Limited	11,110,426	9,599,082
May and Baker Pharmaceuticals Limited	-	53,280
Pure and Cure Healthcare Private Limited	277,486,673	209,976,547
Sarvagunaushdhi Private Limited	2,149,879	-
Loan repaid		
Akums Drugs and Pharmaceuticals Limited	115,000,000	9,100,000
Loan Received		
Akums Drugs and Pharmaceuticals Limited	438,500,000	116,500,000
Interest on Loan Paid		
Akums Drugs and Pharmaceuticals Limited	36,244,019	13,527,540
Royalty expense		
Akumentis Healthcare Limited	12,265,840	4,953,476
Welcure Pharma Pvt Limited	120,000	120,000
Cash discount received		
Akumentis Healthcare Limited	-	24,106
Electricity expense		
Akums Drugs and Pharmaceuticals Limited	121,970	105,170
Rent expense		
Akums Drugs and Pharmaceuticals Limited	1,719,900	1,638,000
Akums Healthcare Limited	180,000	60,000
Insurance expense		
Akums Drugs and Pharmaceuticals Limited	697,606	-
Commission expense		
Medibox Digital Solutions (P) Ltd	-	1,756,379
Cartage expense		
Medibox Digital Solutions (P) Ltd	-	395,670
Guarantee comission expense		
Akums Drugs and Pharmaceuticals Limited	250,000	-
Expense		
Akums Drugs and Pharmaceuticals Limited	30,002	1,033,018
Expense Reimbursement		
Akums Drugs and Pharmaceuticals Limited	541,271	-
Malik Lifesciences Private Limited	-	1,415
May and Backer Pharmaceuticals Limited	27,600	16,800
Pure and Cure Healthcare Private Limited	2,966,149	36,223
Sarvagunaushdhi Private Limited	2,254	3,003
Upadhrish Reserchem LLP	16,950	10,751
Remuneration paid*		
Ms. Pooja Sharma	2,164,389	2,139,048
Rent paid		
Mr. Sanjeev Jain	660,000	660,000
Mr. Sandeep Jain	120,000	120,000
Sitting fees		
Mr. Dhara Ballabh Tewari	8,000	8,000
Mr. Mahesh Malhotra	6,000	8,000
Ms. Pooja Sharma	-	4,000

* Excluding the post employment benefits



II Summary of related party transactions-

Particulars	31 March 2022	31 March 2021
(b) Balance outstanding at the year end		
Trade receivables		
Akums Drugs and Pharmaceuticals Limited	-	11,691
Sarvagunaushdhi Private Limited	65,456	1,800,201
Other Payable		
Medibox Digital Solutions (P) Ltd	-	1,455,647
Sarvagunaushdhi (P) Ltd	-	1,235
Akums Drugs and Pharmaceuticals Ltd.	-	536,896
Trade payable		
Akumentis Healthcare Limited	123,925,526	5,623,441
Akums Drugs and Pharmaceuticals Limited	11,453,918	380,223,210
Malik Lifesciences Private Limited	18,687,314	63,491,945
Maxcure Nutravedics Limited	213,394	8,827,521
Pure and Cure Healthcare Private Limited	60,913,782	114,274,689
Sarvagunaushdhi Private Limited	2,525	-
Borrowings/Loan		
Akums Drugs and Pharmaceuticals Limited	581,900,000	258,400,000
Corporate guarantee**		
Akums Drugs and Pharmaceuticals Limited	50,000,000	50,000,000
Security Deposit		
Akums Drugs and Pharmaceuticals Limited	780,000	780,000

**represents corporate guarantee given to subsidiaries for the loan taken by them. The guarantee given has been given per the amount sanctioned by the bank

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40 Disclosure required under Ind AS 115 - Revenue from customers

A Disaggregation of revenue:

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products		
Revenue from sale of stock-in-trade	1,613,365,770	1,083,634,125
	1,613,365,770	1,083,634,125

B Contract balances

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

	Year ended 31 March 2022	Year ended 31 March 2021
Contract liabilities		
Advance received from customers	364,815	11,352
Total contract liabilities	364,815	11,352
Receivables		
Trade receivables	531,210,732	494,561,856
Total receivables	531,210,732	494,561,856

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

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

Particulars	As at 31 March 2022	As at 31 March 2021
	Contract liabilities	Contract liabilities
	Advances from customers	Advances from customers
Opening balance	11,352	-
Addition during the year	364,815	11,352
Revenue recognized during the year	11,352	-
Closing balance	364,815	11,352

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

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

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41 Corporate social responsibility

As per section 135 of the Companies Act, 2013, a Company, meeting the applicable threshold, required to spend at least 2% of its average net profit for the immediately preceding three financial year as per section 198 of the Companies Act 2013 on corporate social responsibility(CSR) activities. The CSR committee has been formed by the Company as per the Act and the Company has identified areas of "Promoting Education and Healthcare and Rural Development projects" for CSR activities.

The Company has spent amount on corporate social responsibility expenses as below:

Particulars	Year ended	Year ended	31
	31 March 2022	March 2021	
Gross amount required to be spent by the Company during the year (A)	770,236		-
Amount spent during the year			
(i) Construction/ acquisition of the asset	-		-
(ii) on purposes other than (i) above	(770,236)		-
Amount of shortfall at the end of the year out of (A)	-		-

42 Financial instruments

A Financial instruments by category

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

Particulars	Amortized cost	
	As at	As at
	31 March 2022	31 March 2021
Financial assets		
Trade receivables	531,210,732	494,561,856
Cash and cash equivalents	25,040	199,184
Other financial assets	3,756,670	3,945,675
Total financial assets	534,992,442	498,706,715
Financial liabilities		
Borrowings	595,743,739	303,130,821
Trade payables	308,207,173	620,118,392
Lease liabilities	18,537,990	22,848,857
Other financial liabilities	32,686,258	23,251,595
Total financial liabilities	955,175,160	969,349,665

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

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

B. Fair values hierarchy

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

The categories used are as follows:

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

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

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 Financial liabilities measured at fair value - recurring fair value measurements

There is no financial asset and liabilities which are carried at fair value

Financial risk management

Financial risk management objectives and policies

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

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

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

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(All amounts in ₹ unless otherwise stated)

Financial risk factors

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

- Market risk
- Credit risk
- Liquidity risk

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

(a) Market risk**(i) Foreign currency risk**

There is no foreign currency transactions in the company

(ii) Interest rate risk

The entity's policy is to minimize interest rate cash flow risk exposures on long-term financing. As on 31 March 2022, the entity is exposed to changes in market interest rates through bank borrowings at variable interest rates.

The entity's investments in Fixed Deposits all pay fixed interest rates.

Interest rate risk exposure

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

Particulars	As at	As at
	31 March 2022	31 March 2021
Variable rate borrowing	13,843,739	44,730,821
Fixed rate borrowing	581,900,000	258,400,000
Total borrowings	595,743,739	303,130,821

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Interest sensitivity*

Interest rates – increase by 100 basis points	138,437	447,308
Interest rates – decrease by 100 basis points	(138,437)	(447,308)

* Holding all other variables constant

(b) Credit risk

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

(i) Credit risk management

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

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

- Low credit risk
- Moderate credit risk
- High credit risk

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

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

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

Basis of categorization	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, Cash and cash equivalents, financial assets measured at amortized cost	12 month expected credit loss
Moderate credit risk High credit risk	Trade receivables Trade receivable	Trade receivables - Life time expected credit loss Trade receivables - Life time expected credit loss or specific provision whichever is higher

Financial assets that expose the entity to credit risk –

31 March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Low credit risk			
Cash and cash equivalents	25,040	-	25,040
Other financial assets	3,756,670	-	3,756,670
High credit risk			
Trade receivables	532,004,844	794,112	531,210,732
Total	535,786,554	794,112	534,992,442

31 March 2021

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Low credit risk			
Cash and cash equivalents	199,184	-	199,184
Other financial assets	3,945,675	-	3,945,675
High credit risk			
Trade receivables	495,355,968	794,112	494,561,856
Total	499,500,827	794,112	498,706,715

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

As at 31 March 2022

	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Carrying amount net of loss allowance
Less than 6 months	519,928,655	-	-	519,928,655
6 months - 1 years	10,637,145	-	-	10,637,145
More than 1 years	1,439,044	55%	794,112	644,932
Total	532,004,844		794,112	531,210,732

As at 31 March 2021

	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Carrying amount net of loss allowance
Less than 6 months	480,712,744	-	-	480,712,744
6 months - 1 years	12,736,461	-	-	12,736,461
More than 1 years	1,906,753	42%	794,112	1,112,651
Total	495,355,968		794,112	494,561,856

Reconciliation of loss provision – Trade receivables

Particulars	Total
Loss allowance on 1 April 2020	794,112
Changes in provision	-
Loss allowance on 31 March 2021	794,112
Changes in provision	-
Loss allowance on 31 March 2022	794,112

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Trade receivables ageing

The table below analyze the outstanding trade receivables:

31 March 2022		Outstanding for the following periods from due date of payment					Total
Particulars	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed trade receivables- considered good	288,957,146	241,608,654	-	-	-	530,565,800	
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	
(iv) Disputed trade receivables- considered good	-	-	66,628	1,372,416	-	1,439,044	
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	
	288,957,146	241,608,654	66,628	1,372,416	-	532,004,844	

31 March 2021		Outstanding for the following periods from due date of payment					Total
Particulars	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed trade receivables- considered good	246,143,840	247,305,365	-	467,719	-	493,916,924	
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	
(iv) Disputed trade receivables- considered good	-	-	66,628	1,372,416	-	1,439,044	
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	
	246,143,840	247,305,365	66,628	1,840,135	-	495,355,968	

(c) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

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

Financing arrangements

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

	As at 31 March 2022	As at 31 March 2021
Working capital facility	50,000,000	50,000,000

Maturities of financial liabilities

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

31 March 2022		Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings		13,843,739	581,900,000	-	595,743,739
Trade payable		308,207,173	-	-	308,207,173
Lease liabilities		4,979,032	13,558,958	-	18,537,990
Other financial liabilities		16,342,302	16,343,956	-	32,686,258
Total		343,372,246	611,802,914	-	955,175,160

31 March 2021		Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings		44,730,821	258,400,000	-	303,130,821
Trade payable		620,118,392	-	-	620,118,392
Lease liabilities		4,310,867	18,537,990	-	22,848,857
Other financial liabilities		7,881,036	15,370,559	-	23,251,595
Total		677,041,116	292,308,549	-	969,349,665

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

Trade payables ageing

The table below analyze the outstanding trade payables:

31 March 2022

Particulars	Outstanding for the following periods from due date of payment					Total
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	25,383,328	1,726,344	8,572	-	-	27,118,244
Undisputed dues - Non MSME	220,032,122	60,448,688	31,705	-	-	280,512,515
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Non MSME	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	576,414
	245,415,450	62,175,032	40,277	-	-	308,207,173

31 March 2021

Particulars	Outstanding for the following periods from due date of payments					Total
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	21,617,850	-	-	-	-	21,617,850
Undisputed dues - Non MSME	288,388,787	309,326,616	-	-	-	597,715,403
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Non MSME	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	785,138
	310,006,637	309,326,616	-	-	-	620,118,391

43 Taxes

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

Particulars	Year ended 31 March 2022	Year ended March 2021	31
Current taxes			
-on profit and loss	14,887,050	15,694,279	
Total	14,887,050	15,694,279	
Deferred taxes	(855,400)	(53,077)	
Tax expense	14,031,650	15,641,202	

(a) Current tax

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

Particulars	Year ended 31 March 2022	Year ended March 2021	31
Profit before income taxes	54,544,465	61,564,680	
Income tax using the Company's domestic tax rate *	25.17%	25.17%	
Expected tax expense [A]	13,728,842	15,495,830	
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense			
Effect of non-deductible expenses and others	481,172	197,630	
Others (including impact on other comprehensive income)	(178,364)	(52,258)	
Total adjustments [B]	302,808	145,372	
Actual tax expense [C=A+B]	14,031,650	15,641,202	
*Domestic tax rate applicable to the Company has been computed as follows			
Base tax rate	22%	22%	
Surcharge (% of tax)	10%	10%	
Cess (% of tax)	4%	4%	
Applicable rate of tax	25.17%	25.17%	

b) Changes in deferred tax assets and liabilities for the year ended 31 March 2022 :-

Particulars	As at 31 March 2021	Recognized in OCI	Recognized in profit and loss	As at 31 March 2022
Deferred tax liability consists of:				
Property, plant and equipment and intangible assets	(75,945)	-	24,172	(51,673)
Deferred tax assets consists of:				
Employee benefits	724,263	177,248	390,924	1,292,335
Provision for credit losses on financial assets	199,862	-	-	199,862
Lease liability	105,130	-	263,156	368,286
Others	-	-	-	-
Net deferred tax asset / (liability)	953,410	177,248	678,152	1,808,810

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Changes in deferred tax assets and liabilities for the year ended 31 March 2021:-

Particulars	As at 31 March 2020	Recognized in OCI	Recognized in profit and loss	As at 31 March 2021
Deferred tax liability consists of:				
Property, plant and equipment and intangible assets	25,536	-	(101,381)	(75,845)
Deferred tax assets consists of:				
Employee benefits	509,387	102,060	112,816	724,263
Provision for credit losses on financial assets	199,862	-	-	199,862
Lease liability	(3,804)	-	108,934	105,130
Others	67,292	-	(67,292)	-
Net deferred tax asset / (liability)	798,273	102,060	53,077	953,410

44 Segment reporting

Ind AS 108 establishes standards for the way that the Company's financial statement report information about operating segments and related disclosures about products, geographic areas, and major customers. Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting structure.

Operating segments

The Company's Board of Directors have been identified as the Chief Operating Decision Maker ("CODM"), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning and expansion. There is only one Reportable Segment for the Company which is "Trading of Pharmaceuticals Formulations", hence no specific disclosures have been made. Accordingly, information has been presented for entity-wide disclosures as under:

Entity wide disclosures

(a). Information about product revenue

The Company derive its product revenue mainly from trading of pharmaceuticals formulations.

(b). Information about geographical areas

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

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

Particulars	No. of Customers	2021-22	No. of Customers	2020-21
Revenue- Domestic(Pharmaceuticals Products) (Net)		1,613,365,770		1,083,634,125
Revenue from customers amounting to 10% or more of Company's total revenue	-	-	1	126,803,914

45 Capital management

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

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

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

Particulars	As at 31 March 2022	As at 31 March 2021
Short term borrowing	13,843,739	44,730,821
Less:		
Cash and cash equivalents	25,040	199,184
Net debt (A)	13,818,699	44,531,637
Total equity* (B)	138,072,271	98,263,661
Gearing ratio (A/B)	9.10%	31.19%

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

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

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46 Ratio Disclosures

Particulars	Numerator	Denominator	Current year	Previous year	% Variance
(a) Current ratio	Current Assets	Current liab	3.04	1.52	100%
(b) Debt - Equity ratio	Total debt	Shareholders equity	4.31	3.08	40%
(c) Debt service coverage ratio	Earnings available for debt service	Debt Service	2.60	5.30	-51%
(d) Return on equity ratio	Net Profits after taxes – Pref Div	(Average Shareholder's E	0.29	0.47	-39%
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	2.42	2.89	-16%
(f) Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivabl	3.15	2.49	26%
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	2.78	3.10	-10%
(h) Net capital turnover ratio	Net Sales	Working Capital	2.23	3.04	-27%
(i) Net profit ratio	Net Profit	Net Sales	0.02	0.04	-42%
(j) Return on capital employed	Earning before interest and taxes	Capital Employed	0.14	0.23	-37%
(k) Return on investment	Profit after tax	Investment	0.06	0.13	-57%

The above variances is on account of increase in operations of the company. However, owing to higher operational expenses the margins are lower.

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

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due	27,118,244	21,617,851
- Interest amount due	-	-
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
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.	-	-

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

48 Lease

(a) The Company has adopted Ind AS 116 'Leases' from 1 April 2019, which resulted in changes in accounting policies in standalone financial statement

(b) Practical expedients applied

In applying Ind AS 116 for the first time, the Company has used the practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases

(c) The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2021 is 7% p.a (1 April 2020: 8% p.a.)

(d) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognized as on 31 March 2022:

Right-of-use assets	No of right-of-use assets leased	Range of remaining term(years)	Average remaining lease term (years)
Building	2	2-3 years	3 years

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognized as on 31 March 2021:

Right-of-use assets	No of right-of-use assets leased	Range of remaining term(years)	Average remaining lease term (years)
Building	2	3-4 years	4 years

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

(e) Amount recognized in balance sheet and statement of profit and loss:

Particulars	Category of Right-of-use assets	
	Building	Total
Balance as at 1 April 2020 (on account of application of Ind AS 116)	6,148,584	6,148,584
Reassessment of property, plant and equipment	(139,630)	(139,630)
Add: Additions during the year	19,799,525	19,799,525
Less: Amortization charged on the right-of-use assets (refer note 2)	2,557,529	2,557,529
Balance as at 31 March 2021; 1 April 2021	23,250,950	23,250,950
Less: Amortization charged on the right-of-use assets (refer note 2)	5,527,458	5,527,458
Balance as at 31 March 2022	17,723,492	17,723,492

(f) Lease payment not recognized as lease liability

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Expenses relating to short term leases(included in other expenses)	1,050,000	2,190,000
Total	1,050,000	2,190,000

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Pienteous Pharamaceuticals Limited

CIN - U24232DL2008PLC185686

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹ unless otherwise stated)

(g) Future minimum lease payments as on 31 March 2022 are as follows:

Minimum Lease payments due	As on 31 March 2022		
	Lease payment	Finance charges	Net Present Value
Within 1 Year	6,283,776	1,304,745	4,979,031
1-5 Year	15,058,604	1,499,645	13,558,959
More than 5 Year	-	-	-
Total	21,342,380	2,804,390	18,537,990

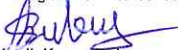
Future minimum lease payments as on 31 March 2021 are as follows:

Minimum Lease payments due	As on 31 March 2021		
	Lease payment	Finance charges	Net Present Value
Within 1 Year	5,984,550	1,673,663	4,310,867
1-5 Year	21,342,380	2,804,390	18,537,990
More than 5 Year	-	-	-
Total	27,326,930	4,478,073	22,948,857

(h) Lease payments made during the year amounted to Rs. 5,984,550 (31 March 2021: 2,691,000)

49 The amounts for the previous year have been re-grouped/ re-classified, where applicable, to conform the current year classification and to the changes made in Schedule III vide notification dated 24 March 2021

For Anil Jain DD & Co.
Chartered Accountants
Firm Registration No.: 007394N


Subodh Kumar Dubey
Partner
Membership No: 410530



For and on behalf of Board of Directors of
Pienteous Pharmaceuticals Limited


Dhara Ballabh Tiwari
Director
DIN: 6762823


Pooja Sharma
Director
DIN: 7185490


Binod Kumar Yadav
Director
DIN: 9030742

Place : New Delhi
Date : June 03, 2022

(03/06/2022)