

G.D. Apte & Co. Chartered Accountants

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Board of Directors
TAKE Solutions Limited

1. We were engaged to review the accompanying Statement of unaudited financial results of TAKE Solutions Limited ("the Company") for the quarter and half year ended September 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The Statement is the responsibility of the Company's Management and is approved by the Company's Board of Directors. The Statement is required to be prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review. Because of the matters described in paragraph 4 below, we are not able to obtain sufficient appropriate evidence to provide a basis for conclusion and hence we do not express a conclusion on the Statement.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Basis for Disclaimer of Conclusion

We draw attention to the below mentioned matters pertaining to various events during the quarter and half year that may require necessary adjustments/ disclosures in the statement and these adjustments when made may have material and pervasive impact on the outcome of the statement for the quarter and half year ended September 30, 2022:

- a. The following events have created significant uncertainties in the business operations of the company and the group:
 - i. During the quarter ended June 30, 2022, the receivers appointed by the lender banks have sold the company's entire investment in equity shares of one of the subsidiaries viz. TAKE Solutions Global Holding Pte Ltd. (TAKE Ghppte) against which provision for impairment of Rs. 342 Crores was made during FY 2021-22. The above sale has resulted in loss of management control over subsidiaries of TAKE Ghppte which comprised of significant business operations

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of the group. The above transaction involves changes in business model and may impact the revenue and business operations of the company and the group.

- ii. Further, during the half year ended, 6 existing directors including the chairman of the company, 4 independent directors and the managing director have resigned from the office of directors. The managing director who had resigned the office as stated above was re-appointed as a non-executive director. Subsequently, 5 new directors comprising of 3 independent directors, 1 non-executive director and 1 executive director were also appointed. The appointments of 2 independent directors are subject to approval of the shareholders of the company as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Besides above, Chief Financial Officer of the company has also resigned and the position is vacant as on the date of this report. As informed to us, the position of Chief Executive Officer is also vacant. Consequently, the compliance certificate to the Board of Directors on the quarterly results as required under Regulation 33 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, could not be provided.
 - iii. The annual operating plans, capital budgets and updates as required by regulation 17 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended have not yet been placed before and approved by the Board of Directors.
 - iv. During and subsequent to the half year ended on September 30, 2022, there was a situation of exodus due to resignations by employees in Ecron Accunova Limited and Navitas LLP, which are the existing major operational subsidiaries of the Company.
- b. Ecron Accunova Limited and Navitas LLP, the subsidiaries of the company have incurred losses for years 2020-21 and 2021-22 and the net worth as at September 30, 2022 in case of Ecron Accunova Limited stands eroded to the extent of Rs. 95.42 crores. In view of this and uncertainties in business operations as mentioned in para (a) above, there is a potential risk of impairment of the investments/partners' capital having carrying value of Rs. 149.67 crores and Rs. 5.15 crores and loans and other assets of Rs. 87.45 crores and Rs. 30.84 crores respectively. Further, trade receivables of Rs. 4.99 crores, Income tax assets of Rs. 12.63 crores and other non-financial assets of Rs. 6.42 Crores are outstanding as at September 30, 2022. The management has not revised its existing business projections to consider the uncertainty due to collective impacts of above events and has not carried out any impairment testing during the quarter due to which, we are unable to evaluate impairment/ expected credit losses as required under Ind AS 36 'Impairment of Assets' and Ind AS 109, 'Financial Instruments,' in respect of these investments, loans receivable and other assets as stated above.

The overall impact of the above on the statement cannot be ascertained.

5. Disclaimer of Conclusion

In view of the significance of the matters described in aforesaid paragraphs narrating our 'Basis for Disclaimer of Conclusion', we have not been able to obtain sufficient and appropriate evidence as to whether the statement has been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian accounting Standards and other accounting principles generally accepted in India or state whether the statement has disclosed the information required to

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be disclosed in terms of SEBI regulations 2015 including the manner in which it is to be disclosed or that it contains any material misstatements.

6. Emphasis of Matter

Attention is invited to Note No. 5 of the statement which states that the company had vide letter dated November 4, 2022, intimated the stock exchanges that there was ransomware attack on the company's ERP system hosted with a third party cloud service provider. The company and the cloud service provider have carried out a detailed review of the ERP which revealed that the financial records are intact and there is no impact on the financial results for the quarter and half year ended September 30, 2022. However, the hackers have encrypted the folders containing attached back up documents to the books of account. The company is having repository and access of all such back up documents outside the ERP and is in the process of uploading the same in its ERP.

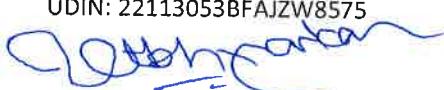
Our conclusion is not modified in respect of above matter.

7. Material uncertainty Related to Going Concern

We draw attention to the Note No. 4 to the statement and events and circumstances referred to in Para 4 (a) above which indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, we have been informed by the management that the revised business plan along with the mitigation plan to overcome the present uncertainty is under preparation and the management is of the view that the going concern basis of accounting is appropriate.

Our conclusion is not modified in respect of above matter.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100 515W
UDIN: 22113053BFAJZW8575


Umesh S. Abhyankar
Partner
Membership Number: 113053
Chennai, December 7, 2022





TAKE SOLUTIONS LTD
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Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2022

Sl. No.	Particulars	Quarter Ended			Half Year Ended		(₹ In Lakhs except per share data)
		Sep 30, 2022	Jun 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
A. CONTINUING OPERATIONS							
1. Income							
(a) Revenue from operations							
Interest income	77.71	56.65	217.81	134.36	419.34	669.51	
Fees and Commission Income	7.31	7.31	60.08	14.62	120.16	187.55	
Others-							
Income from Software Services and Products	1,593.24	1,275.00	-	2,868.24	-	1,800.00	
Share of Profit/(Loss) in Naviitas LLP	(0.24)	(0.03)	124.21	(0.27)	382.17	382.08	
Total Revenue from operations	1,678.02	1,338.93	402.10	3,016.95	921.67	3,039.14	
(b) Other income	(13.04)	59.88	17.90	46.84	190.74	488.12	
Total Income	1,664.98	1,398.81	420.00	3,063.79	1,112.41	3,527.26	
2. Expenses							
(a) Finance costs	4.52	5.53	7.42	10.05	15.28	28.51	
(b) Impairment of financial instruments	53.74	54.38	42.56	108.12	84.94	171.75	
(c) Employee benefits expense	67.60	147.72	116.20	215.32	214.83	447.09	
(d) Depreciation, amortization and impairment	27.51	28.46	29.03	55.97	64.79	122.87	
(e) Other expenses	1,306.50	1,320.42	143.55	2,626.72	335.46	2,518.19	
Total expenses	1,459.67	1,556.51	338.76	3,016.18	715.30	3,288.41	
3. Profit before tax and exceptional items for the period from continuing operations (1-2)	205.31	(157.70)	81.24	47.61	397.11	238.85	
4. Exceptional Items							
Loss on impairment	-	-	-	-	-	-	
Profit before tax for the period from continuing operations (3+4)	205.31	(157.70)	81.24	47.61	397.11	(514.16)	(275.31)
5. Tax expense/ (Reversal)							
(a) Current Tax	38.87	-	(13.38)	38.87	0.77	-	
(b) Deferred tax	-	-	3.99	-	(35.08)	236.56	
Total tax expense	38.87	-	(9.39)	38.87	(34.31)	236.56	
6. Profit after tax for the period from continuing operations (4-5)	166.44	(157.70)	90.63	8.74	431.42	(511.87)	
B. DISCONTINUED OPERATIONS							
Profit/(Loss) from discontinued operations before tax (Refer Note No. 2)							
Less: Tax expense on discontinued operations	-	-	-	-	-	(47.169.40)	
Profit/(Loss) for the period from discontinued operations after tax						35.52	
7. Profit/(Loss) for the period (6+7)	166.44	(157.70)	90.63	8.74	431.42	(47,716.80)	
8. Other comprehensive Income							
A (i) Items that will not be reclassified to profit or loss	(17.99)	0.84	3.22	(17.15)	4.74	9.09	
(ii) Tax impact on above	-	-	0.81	-	1.19	-	
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-	
(ii) Tax impact on above	-	-	-	-	-	-	
Total other comprehensive income, net of tax	(17.99)	0.84	2.41	(17.15)	3.55	9.09	
10. Total Comprehensive Income	148.45	(156.86)	93.04	(8.41)	434.97	(47,707.71)	
11. Paid-up Equity Share Capital (Face Value of ₹ 1)	1,479.34	1,479.34	1,479.34	1,479.34	1,479.34	1,479.34	
12. Earnings per share							
Continuing Operations							
Basic (₹)	0.12	(0.11)	0.06	0.01	0.29	(0.35)	
Diluted (₹)	0.12	(0.11)	0.06	0.01	0.29	(0.35)	
Discontinued Operations							
Basic (₹)	-	-	-	-	-	(31.91)	
Diluted (₹)	-	-	-	-	-	(31.91)	
Total of Continuing and Discontinued Operations							
Basic (₹)	0.12	(0.11)	0.06	0.01	0.29	(32.26)	
Diluted (₹)	0.12	(0.11)	0.06	0.01	0.29	(32.26)	



Note:

1. Standalone Statement of Assets and Liabilities

Particulars		(₹ In Lakhs)	
		As at Sep 30, 2022 (Unaudited)	As at Mar 31, 2022 (Audited)
A	ASSETS		
1	Financial assets		
	(a) Cash and cash equivalents	520.36	253.59
	(b) Bank balances other than cash and cash equivalents	22.41	23.99
	(c) Trade Receivables	499.30	430.39
	(d) Loans	8,644.83	4,032.07
	(e) Investments	15,482.03	15,468.16
	(f) Other financial assets	4,125.09	3,894.89
	Sub-total - Financial assets	29,294.02	24,103.09
2	Non-financial assets		
	(a) Current tax assets (net)	1,262.62	1,045.55
	(b) Deferred tax assets (net)	-	-
	(c) Property, plant and equipment	111.41	126.88
	(d) Intangible assets	143.92	196.91
	(e) Other non-financial assets	642.26	1,913.14
	Sub-total - Non-financial assets	2,160.21	3,282.48
	Investment in subsidiary held for sale		3,791.36
	Total - Assets	31,454.23	31,176.93
B	LIABILITIES AND EQUITY		
	Liabilities		
1	Financial liabilities		
	(a) Trade payables		
	i. Total outstanding dues to micro enterprises and small enterprises	-	-
	ii. Total outstanding dues to creditors other than micro enterprises and small enterprises	577.21	447.51
	(b) Other payables		
	i. Total outstanding dues to micro enterprises and small enterprises	-	-
	ii. Total outstanding dues to creditors other than micro enterprises and small enterprises	-	-
	(c) Other financial liabilities	660.13	622.27
	Sub-total - Financial liabilities	1,237.34	1,069.78
2	Non-financial liabilities		
	(a) Provisions	53.00	93.08
	(b) Other non-financial liabilities	318.89	169.63
	Sub-total - Non-financial liabilities	371.89	262.71
3	Equity		
	(a) Equity share capital	1,479.34	1,479.34
	(b) Other equity	28,365.66	28,365.10
	Sub-total - Equity	29,845.00	29,844.44
	Total - Equity and Liabilities	31,454.23	31,176.93



2. Standalone Statement of Cash flows

Particulars	(₹ In Lakhs)	
	Six months ended Sep 30, 2022 (Unaudited)	Six months ended Sep 30, 2021 (Unaudited)
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ (LOSS) BEFORE TAX	47.61	397.11
Adjustments for		
Depreciation	55.97	64.79
Finance Cost	10.05	15.28
Interest income	(134.36)	(406.32)
Unwinding of liability for financial guarantee contracts	(14.62)	(120.16)
Provision for gratuity, compensated absences & other benefits	(8.40)	9.61
Employee stock option expense	-	2.23
Provision for expected credit losses	108.12	85.12
Foreign exchange adjustments - loss/(gain)	(29.86)	(143.32)
Operating Profit before working Capital Changes	34.51	(95.66)
(Increase)/Decrease in loans and adv, trade receivables and other assets	1,806.68	(1,207.48)
Increase/ (Decrease) in liabilities and provisions	275.80	37.57
Cash flow from/ (used in) Operations	2,116.99	(1,265.57)
Direct taxes (paid)/ refund	(255.94)	138.79
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	1,861.05	(1,126.78)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	-	(2.40)
Loans (to)/repayment of loan from related parties	(4,491.84)	133.49
Proceeds from sale of Investments in subsidiaries (Refer Note. 4)	2,954.30	-
NET CASH FROM /USED IN) INVESTING ACTIVITIES	(1,537.54)	131.09
C) CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(56.74)	(52.54)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	(56.74)	(52.54)
Net Increase/(Decrease) in Cash & Cash equivalents	266.77	(1,048.23)
Add: Cash and Cash equivalents as at the beginning of the period	253.59	1,125.50
Cash & Cash equivalents as at the end of the period	520.36	77.27
Components of Cash and Cash equivalents	Sep 30 ,2022	Sep 30 ,2021
Balance with banks	(Unaudited)	(Unaudited)
On current accounts	520.27	75.39
Cash on hand	0.09	1.88
Total	520.36	77.27

Notes

- The above cash- flow statement has been prepared under the indirect method set out in Indian Accounting
- a) Standard (IND AS) -7, 'Statement of Cash Flow' as specified in the Companies (Indian Accounting Standards) Rules, 2015.
 - b) Direct Taxes paid is treated as arising from operating activities and are not bifurcated between investment and financing activities.
 - c) All figures in brackets indicate cash outflow.



Note:

- 3 The Standalone Financial Results for the quarter and half year ended September 30, 2022 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the company in their respective meetings held on December 7, 2022. The statutory auditors of the company have carried out limited review of the results for the quarter and half year ended September 30, 2022.
- 4 During FY 2021-22, the lender banks of one of the subsidiaries viz. TAKE Solutions Global holding Pte. Ltd. Singapore (TAKE Ghpte) cancelled and recalled the credit facilities of ₹ 463 Crores (approx.) in TAKE Ghpte and had initiated disposal of equity share investments in TAKE Ghpte held and pledged by the company to recover their dues by appointing the receivers. Subsequently, during May 2022 the receivers have sold the equity shares to a special purpose vehicle H.I.G Capital Partners LLC (the SPV) for a purchase consideration of USD 5.01 Mn i.e., approximately ₹ 38 Crores. The above investments have been classified as non-current assets held for sale w.e.f. January 1, 2022 in accordance with IND AS 105 and are valued at the purchase consideration of ₹ 38 Crores which is lower than its carrying amount of ₹ 380 Crores. The resultant impairment loss of ₹ 342 crores has been fully provided for in the books of account during FY 2021-22. In addition to above, the company has also fully provided for loans and other advances aggregating to ₹ 132 Crores receivable from TAKE Ghpte during FY 2021-22. During the half year ended September 30, 2022, out of purchase consideration of ₹ 38 Crores, the company has recovered ₹ 30 crores and since the management is confident of recovery of the balance amount, no provision is required against the same in view of management. In addition to above, the company has certain receivables of Rs. 0.27 crores from TAKE Ghpte and its subsidiaries. The management is confident of recovering the same as per the business understanding and does not envisage any credit loss against the same. The above sale has resulted in loss of management control over TAKE Ghpte and its subsidiaries which comprised of significant business operations of the group. The above transaction involves changes in business model and may impact the revenue and business operations of the company and the group. During and subsequent to the half year ended on September 30, 2022, there were resignations by significant number of employees in Ecron Accunova Limited and Navitas LLP, which are the remaining major operational subsidiaries of the Company. The annual operating plans, capital budgets and updates as required by regulation 17 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended have not yet been placed before and approved by the Board of Directors. Though the aforesaid events raise a significant doubt whether these subsidiaries and the group would be able to continue as going concerns, the financials results of the company and group have been prepared under going concern assumption based on certain on-going revenue contracts and future business plans of the management.
- 5 The company had vide its letter dated November 4, 2022, intimated the stock exchanges that there was ransomware attack on the Company's ERP hosted with a third party cloud service provider. The company and the cloud service provider have carried out a detailed review of the ERP which revealed that the financial records are intact and there is no impact on the financial results for the quarter and half year ended September 30, 2022. However, the hackers have encrypted the folders containing attached back up documents to the books of account. The company is having repository and access of all such back up documents outside the ERP and is in the process of uploading the same in its ERP.
- 6 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards applicable social security schemes. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.
- 7 The company on a standalone basis operates in the business segment of investments in promotion of services related to Life Sciences and hence there is only one business segment. The company on a standalone basis is primarily operating in India, which is considered as single geographical segment. Accordingly, segment information has not been separately disclosed.
- 8 During the quarter ended September 30, 2022, employees have not exercised any equity share options under Employee Stock Option Scheme of the Company.
- 9 Previous period figures have been regrouped/reclassified, wherever necessary to conform to current period's classification.

For and on behalf of the Board of Directors

HARIKESANALLUR RAMANI SRINIVASAN Digitally signed by HARIKESANALLUR RAMANI SRINIVASAN
Date: 2022.12.07 19:34:50 +05'30'

Place : Chennai
Date : December 07, 2022

Srinivasan H.R.
Chairman for the meeting dated Dec 07, 2022

