

Auditor's Report on audit of Standalone Quarterly and Annual Financial Results of Take Solutions Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015

INDEPENDENT AUDITOR'S REPORT

**The Board of Directors
Take Solutions Limited**

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone financial results of Take Solutions Limited (the company) for the quarter and year ended March 31, 2021, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information for the quarter and year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 together with the ethical requirements that are relevant to our audit of the financial results 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 on the standalone financial results.

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Emphasis of Matter

We draw attention to the following matter in the Notes to standalone financial results:

The management has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic in the assessment of recoverability of trade receivables, contract assets and certain investments in subsidiaries up to the date of approval of these standalone financial results. In this assessment, the company has performed sensitivity analysis on the key assumptions used and carried out testing of impairment by engaging an independent external Chartered Accountant. Such testing of impairment performed by the company did not reveal any impairment losses. However, the liquidity and business constraints consequent to impact of COVID 19 pandemic has significantly hampered the operations of a step-down subsidiary viz. Navitas Life Sciences GmbH, Germany (a subsidiary of Ecron Acunova Limited, which is a subsidiary of TAKE Solutions Limited) and the liquidation process has been initiated as per the requirements of local laws. While such liquidation proceedings are in progress, the loss of Rs. 15,662.33 lakhs to the extent of net assets has been accounted for in Consolidated Financial Statements in the year. Considering the business projections, no impairment is required to be made against investments of the company in Ecron Acunova Limited in the Standalone Financial Results.

Since the impact assessment of COVID-19 is an ongoing process, given the uncertainties associated with its nature and duration, the company will continue to closely monitor any significant impact on the financial position. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results.

Our opinion is not modified in respect of the above matter.

Management's Responsibilities for the Standalone Financial Results

These Standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder, other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends

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to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial results, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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G.D. Apte & Co.
Chartered Accountants

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

The standalone financial Results include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to limited review by us, as required under the listing regulations.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100 515W
UDIN: 21113053AAAABX1233



Umesh S. Abhyankar
Partner
Membership Number: 113 053
Pune, June 24, 2021





TAKE SOLUTIONS LTD

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Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2021

(₹ In Lakhs except per share data)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		Mar 31, 2021	Dec 31, 2020	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020
		(Audited) (Refer Note 11)	(Unaudited)	(Audited) (Refer Note 11)	(Audited)	(Audited)
A	CONTINUING OPERATIONS					
1	Revenue from operations	-	17.79	63.02	186.09	246.55
2	Other Income	69.25	235.27	(254.95)	1,035.63	2,607.75
3	Total Income	69.25	253.06	(191.93)	1,221.72	2,854.30
4	Expenses					
	Cost of revenue	-	16.50	60.30	154.94	178.44
	Employee benefit expenses	103.87	80.61	148.53	412.35	632.24
	Finance cost	8.28	8.70	9.86	35.57	42.51
	Depreciation and amortisation	39.06	39.28	39.28	156.78	174.17
	Other expenses	141.30	386.61	139.64	1,192.15	1,133.13
	Total Expenses	292.51	531.70	397.61	1,951.79	2,160.49
5	Profit/(Loss) before exceptional items and tax (3-4)	(223.26)	(278.64)	(589.54)	(730.07)	693.81
6	Exceptional items					
	Profit on sale of subsidiary	-	1,381.81	-	1,381.81	-
7	Profit/(Loss) before tax (5-6)	(223.26)	1,103.17	(589.54)	651.74	693.81
8	Tax expense					
	Current tax	-	-	35.05	-	61.16
	Shortfall / (excess) provision of earlier years	(99.70)	-	-	(99.70)	(86.63)
	Deferred tax	0.54	6.57	28.12	(27.82)	(54.25)
9	Profit/(Loss) for the period from continuing operations (7-9)	(124.10)	1,096.60	(652.71)	779.26	773.53
B	DISCONTINUED OPEARATIONS					
10	Profit/(Loss) from discontinued operations before tax	-	-	-	-	-
11	Less: Tax expense on discontinued operations	-	-	-	-	-
12	Profit/(Loss) for the period from discontinued operations (8-9) after tax	-	-	-	-	-
13	Profit/(Loss) for the period (9+12)	(124.10)	1,096.60	(652.71)	779.26	773.53
14	Other Comprehensive Income					
	a) i) Items that will not be reclassified to profit or (loss)	(7.29)	4.19	2.03	5.73	(1.30)
	ii) Income tax provision / (reversal) relating to the items that will not be reclassified to profit or (loss)	(1.84)	1.06	0.58	1.44	(0.33)
	b) i) Items that will be reclassified to profit or (loss)	-	-	-	-	-
	ii) Income tax provision/(reversal) relating to the items that will be reclassified to profit or (loss)	-	-	-	-	-
	Total Other Comprehensive Income	(5.45)	3.13	1.45	4.29	(0.97)
15	Total Comprehensive Income	(129.55)	1,099.73	(651.26)	783.55	772.56
16	Paid-up equity share capital (Face value ₹ 1/- each)	1,479.34	1,479.34	1,479.34	1,479.34	1,479.34
17	Earnings per share (of ₹ 1/- each) (not annualised)					
	(a) Basic (in ₹)	(0.08)	0.74	(0.45)	0.53	0.52
	(b) Diluted (in ₹)	(0.08)	0.74	(0.47)	0.53	0.50



Note:

1. Standalone Statement of Assets and Liabilities

		(₹ In Lakhs)	
Particulars		As at 31, 2021 (Audited)	Mar As at 31, 2020 (Audited)
ASSETS			
Non-current assets			
(a) Property, plant and equipment		162.18	232.11
(b) Right-of-use assets		280.87	365.13
(c) Other intangible assets		-	-
(d) Investment in subsidiaries		51,678.44	51,731.87
(e) Financial Assets			
(i) Loans		591.92	595.28
(ii) Other financial asset			-
(f) Deferred tax assets (net)		238.85	212.47
(g) Income tax assets (net)		1,062.37	950.92
(h) Other non-current assets		-	-
Total Non-Current Assets		54,014.63	54,087.78
Current assets			
(a) Inventories		-	2.45
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables		237.02	700.19
(iii) Cash and cash equivalents		1,125.43	74.39
(iv) Bank balances other than (iii) above		24.73	29.35
(v) Loans		13,855.64	12,893.50
(vi) Other financial assets		7,293.63	9,262.65
(c) Other current assets		2,075.54	579.27
Total Current Assets		24,611.99	23,541.80
Total Assets		78,626.62	77,629.58
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital		1,479.34	1,479.34
(b) Other equity		76,028.07	75,103.22
Total Equity		77,507.41	76,582.56
Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities		149.86	216.65
(ii) Lease liabilities		238.62	320.19
(b) Provisions		81.37	75.18
Total Non-Current Liabilities		469.85	612.02
Current liabilities			
(a) Financial liabilities			
(i) Trade Payables		188.00	94.89
(ii) Other financial liabilities		363.22	256.41
(iii) Lease liabilities		81.57	64.51
(b) Other current liabilities		9.90	14.48
(c) Provisions		6.67	4.71
Total Current Liabilities		649.36	435.00
Total Equity and Liabilities		78,626.62	77,629.58



2. Standalone Statement of Cash flows

(₹ In Lakhs)		
Particulars	Year ended	
	Mar 31, 2021 (Audited)	Mar 31, 2020 (Audited)
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ (LOSS) BEFORE TAX	651.74	693.81
Adjustments for		
Depreciation	156.78	174.17
Finance Cost	35.57	42.51
Dividend income	-	(48.96)
Interest income	(794.69)	(916.05)
Unwinding of liability for financial guarantee contracts	(242.11)	(200.51)
Employee stock option expense	17.74	115.47
Bad debts and provision for expected credit losses	111.67	31.74
Loss/(gain) on foreign exchange adjustments	245.42	(437.92)
Gain on sale of investment in subsidiary (Refer note 5)	(1,381.81)	-
Creditors written back	(12.40)	-
Lease concessions received	(75.00)	-
Operating Profit before working Capital Changes	(1,287.09)	(545.74)
(Increase)/Decrease in loans & advances and other assets	812.51	(101.16)
Increase/ (Decrease) in liabilities and provisions	220.67	(726.43)
Cash flow from/ (used in) Operations	(253.91)	(1,373.33)
Direct taxes paid	(11.80)	(117.40)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(265.71)	(1,490.73)
<u>B) CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of fixed assets	(2.58)	-
Proceeds from sale of investments in a subsidiary (Refer note 5)	1,740.00	-
Dividend income	-	48.96
Interest income	-	1,211.55
Loans to related parties	(395.67)	(1,333.55)
Reduction/ (Increase) of bank deposits	-	2,251.75
NET CASH FROM /(USED IN) INVESTING ACTIVITIES	1,341.75	2,178.71
<u>C) CASH FLOW FROM FINANCING ACTIVITIES</u>		
Dividends paid on equity share including dividend distribution tax	-	(710.05)
Payment of lease liability	(25.00)	(115.70)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	(25.00)	(825.75)
Net Increase/(Decrease) in Cash & Cash equivalents	1,051.04	(137.77)
Add: Cash and Cash equivalents as at the beginning of the year	74.39	212.16
Cash & Cash equivalents as at the end of the year	1,125.43	74.39



- 3 The Standalone Financial Results for the quarter and year ended March 31, 2021 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 June 24, 2021. The statutory auditors of the company have carried out the audit of the results for the quarter and year ended March 31, 2021.
- 4 The management has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic in the assessment of recoverability of trade receivables, contract assets and certain investments in subsidiaries up to the date of approval of these Standalone Financial results. In this assessment, the company has performed sensitivity analysis on the key assumptions used and carried out testing of impairment by engaging an independent external Chartered Accountant. Such testing of impairment performed by the company did not reveal any impairment losses. However, the liquidity and business constraints consequent to impact of COVID 19 pandemic has significantly hampered the operations of a step-down subsidiary viz. Navitas Life Sciences GmbH, Germany (a subsidiary of Ecron Acunova Limited, which is a subsidiary of TAKE Solutions Limited) and the liquidation process has been initiated as per the requirements of local laws. While such liquidation proceedings are in progress, the loss of ₹ 15,662.33 lakhs to the extent of net assets has been accounted for in Consolidated Financial Statements in the year. Considering the business projections, no impairment is required to be made against investments of the company in Ecron Acunova Limited in the Standalone Financial Results.
Since the impact assessment of COVID-19 is an ongoing process given the uncertainties associated with its nature and duration, the Company will continue to closely monitor any significant impact on the financial position. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results.
- 5 During the year 2020-21, the company had divested its entire equity stake in one of the subsidiaries viz. APA Engineering Private Limited for a consideration of ₹ 1,740 lakhs. The company has recorded profit of ₹ 1,381.81 lakhs on the sale of investments in subsidiary which has been disclosed under 'Exceptional items'.
- 6 During the year 2020-21, the company erroneously recognized revenue aggregating to ₹ 1,856.84 lakhs in respect of shared services and share of profit from group entities which should not have been recognized since the intercompany arrangements were cancelled mainly due to situations emerging out of COVID 19 pandemic. In compliance with the requirements of Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors,' the company has reinstated the corresponding financial results for the financial year ended March 31, 2020 by adjusting the Revenue from operations along with the corresponding impact of reduction of ₹ 136.55 lakhs in provision for current tax.
- 7 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.
- 8 In order to enhance the life sciences business activities, the company has, during the quarter ended March 31, 2021, formed a step down foreign subsidiary viz. Navitas Life Science SG Pte Ltd in Singapore (as a subsidiary of TAKE Solutions Global Holdings Pte Ltd which is wholly owned subsidiary of TAKE Solutions Limited). The step down subsidiary is expected to commence its operations during the Financial year 2021-22.
- 9 The company on a standalone basis operates in the business segment of '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.
- 10 During the quarter ended March 31, 2021, employees have not exercised any equity shares under Employee Stock Option Scheme of the Company.
- 11 The figures for the quarter ended March 31, 2021 and March 31, 2020 are derived figures between the audited figures for the year ended March 31, 2021 and March 31, 2020 and published reviewed figures of December 31, 2020 and December 31, 2019, respectively.
- 12 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



Place : Chennai
Date : June 24, 2021

sd/-
Srinivasan H.R.
Vice Chairman & Managing Director