

Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

TO THE BOARD OF DIRECTORS OF TAKE Solutions Limited

Qualified Opinion

1. We have audited the accompanying Statement of Consolidated Financial Results of TAKE Solutions Limited ("the Parent" or "the Holding Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the year ended March 31, 2023 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - a. includes the results of the following entities:
 - Navitas LLP
 - Ecron Acunova Limited
 - TAKE Consultancy Services, Inc
 - TAKE Solutions Limited ESOP Trust
 - Acunova Life Sciences Inc, USA (as discontinued operation)
 - Navitas Life Sciences Limited, Thailand (as discontinued operation)
 - b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
 - c. **except for the effects of the matter described in the Basis for Qualified Opinion section of our report** gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net loss after tax and other comprehensive income and other financial information of the Group for the year ended 31 March 2023.

3. Basis for Qualified Opinion

- a. As stated in Note No: 5(a), tax assets appearing in the consolidated financial statements to an extent of INR 907 lakhs pertain to the financial period ending upto March 31, 2020. In the absence of sufficient appropriate evidence to corroborate management's assessment of recoverability of these balances we are unable to comment on the carrying value of above receivables and the shortfall, if any, on the amount that would be ultimately realizable from the tax authorities.

- b. As stated in Note No: 5(b) unbilled receivables of INR 2410 lakhs disclosed under current financial assets and deferred revenue of INR 2454 lakhs disclosed under other current liabilities pertaining to businesses which were novated needs to be reconciled as on March 31, 2023. In the absence of such reconciliation statement, we are unable to comment on the impact on the consolidated financial statements.
- c. No impairment assessment on certain financial assets whose net carrying value is INR 1221 lakhs have been carried out by the Navitas LLP as stated in Note No 5(c) as at 31st March 2023 as the business operations are severely impacted as stated in Note No 4 to the Statement. In the absence of sufficient appropriate evidence, we are unable to comment on consequential adjustments if any, that may be required to be made in the carrying value of the financial assets. Further, Considering the business operations are severely impacted, we are unable to comment on the usage/recoverability of indirect tax credit/receivables of INR 362 lakhs. Further, material uncertainty regarding LLP's ability to continue as a going concern exist and may require adjustments to the carrying value of its assets and liabilities which could not be quantified in the absence of requisite information.

4. We conducted our audit in accordance with the Standards on Auditing 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 Statement section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') 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 obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

5. Material uncertainty relating to going concern

We draw your attention to Note No 4 to the Statement, which indicates that the Group has incurred huge loss for the years ended March 31, 2022 & March 31, 2023 on account of recognition of impairment loss on certain financial assets consequent to the enforced sale during May, 2022 of 100% shareholding held in erstwhile subsidiary TAKE Solutions Global Holdings Pte Ltd by the receivers duly appointed by the lenders of the said subsidiary and other step down subsidiaries. The said transactions have significantly impacted the revenue and business operations of TAKE Solutions Limited and its subsidiaries. Further, during the year, significant number of employees of Ecron Acunova Limited (EAL) and Navitas LLP (LLP) have resigned which could affect the future business operations and cash flows of EAL and LLP and the said entities have exposure to banks which have been guaranteed by the Holding Company. Furthermore, the Group has significant unpaid statutory dues. These indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, the Group is exploring various funding options for expansion and also expects improvement in the overall level of operations in the Generics Development Capabilities vertical as evidenced by capex and other expansion plans undertaken during the reporting period in the said business. In view thereof and expecting favourable market conditions in future, the Consolidated Financial Results have been prepared on a "going concern basis" and no adjustment has been made to the carrying value of assets and liabilities.

Our opinion on the Statement is not qualified in respect of the above matter.



6. Emphasis of Matter

We draw your attention to Note No 4 to Statement, regarding outstanding purchase consideration of INR 822 lakhs which according to the management is fully recoverable and accordingly, no adjustment has been made in the Consolidated Financial Results.

Our opinion is not qualified in respect of this matter

7. Responsibilities of Management and Those Charged with Governance for the Statement

The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss and other comprehensive income, and other financial information of the Group in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors/ management of the companies included in the Group, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, 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 results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors/ management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the companies included in the Group.

8. Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing specified under section 143(10) of the Act 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 this Statement.



As part of an audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, 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 Act, we are also responsible for expressing our opinion on whether the Holding 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, 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 Statement 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement, of which we are the independent auditors, 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 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

9. We did not audit the annual financial statements of a subsidiary included in the Statement, whose financial information (net of elimination on consolidation) reflects total assets of ₹ 6.78 lakhs as at 31 March 2023, total revenues of ₹ Nil, total net loss after tax of ₹ 0.10 lakhs, total comprehensive income of ₹ (0.10) lakhs, and cash flows (net) of ₹ Nil lakhs for the year ended on that date, as considered in the Statement. These annual financial statements have been audited by other auditor whose audit report has been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the audit report of such other auditor and the procedures performed by us as stated in paragraph 8 above.

Our opinion is not modified in respect of the above matter with respect to our reliance on the work done and the report of the independent auditor.

10. The consolidated financial results include the financial results of the subsidiaries which have been disposed of by sale or otherwise and reported as a part of discontinued operations, a single amount to the tune of INR 213 lakhs representing the post-tax profit or loss of discontinued operations before adjusting for elimination on consolidation until the date when the Parent ceases to control the subsidiaries. Those financial statements are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements of these subsidiaries which have been disposed of are not material to the Group.

Our opinion is not modified with respect to the financial statements certified by the Management.



11. Other Matters

- a. The Statement includes the financial results for the quarter ended 31 March 2023, being the balancing figures 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 subject to limited review by us and by the previous auditors in respect of quarters ended June 30, 2022 and September 30, 2022.
- b. The consolidated financial statements of the Company for the financial year ending March 31, 2022 were audited by the previous auditors, whose audit report dated May 27, 2022 expressed an unmodified opinion on the consolidated financial statements.

Our opinion on the Statement is not modified in respect of the above matters.



For Sundar Srinivasan & Sridhar

Chartered Accountants

Firm Registration No: 004201S

V. Vijay Krishna

Partner

Membership No: 216910

UDIN: 23216910BGXQLM8893

Place: Chennai

Date: May 29, 2023



TAKE SOLUTIONS LTD

CIN: L63090TN2000PLC046338

Regd. Office : 27, Tank Bund Road, Nungambakkam, Chennai 600 034
www.takesolutions.com

Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2023

(₹ In Lakhs except per share data)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		Mar 31, 2023	Dec 31, 2022	Mar 31, 2022	Mar 31, 2023	Mar 31, 2022
		(Audited) - Refer Note No 9	(Unaudited)	(Audited) - Refer Note No 9	(Audited)	(Audited)
A	CONTINUING OPERATIONS					
1	Revenue from operations	3,753.83	5,070.84	4,096.24	18,907.02	65,264.65
2	Other Income	(181.95)	96.89	334.51	844.69	1,679.76
3	Total Income	3,571.88	5,167.73	4,430.75	19,751.71	66,944.41
4	Expenses					
	Cost of revenue	2,030.82	2,033.61	1,992.22	8,301.07	19,285.49
	Employee benefit expenses	287.28	562.70	2,148.55	4,791.43	30,818.23
	Finance cost	392.07	95.84	166.64	745.37	2,928.08
	Depreciation and amortisation	429.55	376.02	495.46	1,684.01	7,562.52
	Other expenses	336.19	2,889.26	2,744.56	7,718.08	14,150.78
	Total Expenses	3,475.91	5,957.43	7,547.43	23,239.96	74,745.10
5	Profit/(Loss) before exceptional items and tax (3-4)	95.97	(789.70)	(3,116.68)	(3,488.25)	(7,800.69)
6	Exceptional items	(714.04)	-	-	(1,039.04)	-
7	Profit/(Loss) before tax (5+6)	(618.07)	(789.70)	(3,116.68)	(4,527.29)	(7,800.69)
8	Tax expense					
	Current tax	309.42	(6.85)	(112.92)	361.82	640.92
	Shortfall / (excess) provision of earlier years	(39.88)	-	(46.14)	(39.88)	(46.14)
	Deferred tax	(279.86)	238.73	190.64	(153.91)	(110.32)
9	Profit/(Loss) for the period from continuing operations (7-8)	(607.75)	(1,021.58)	(3,148.26)	(4,695.32)	(8,285.15)
B	DISCONTINUED OPERATIONS					
10	Profit/(Loss) from discontinued operations before tax	(4,988.50)	36.39	(68,938.36)	(5,340.06)	(69,301.21)
11	Less: Tax expense on discontinued operations	-	-	753.56	-	643.15
12	Profit/(Loss) for the period from discontinued operations (10-11)	(4,988.50)	36.39	(69,691.92)	(5,340.06)	(69,944.36)
13	Total Profit/(Loss) for the period (9+12)	(5,596.25)	(985.19)	(72,840.18)	(10,035.38)	(78,229.51)
14	Profit/(Loss) for the period from continuing operations (9)					
	Attributable to:					
	Shareholders of the company	(607.75)	(1,021.58)	(3,148.26)	(4,695.32)	(8,285.15)
	Non-controlling interest	(607.75)	(1,021.58)	(3,148.26)	(4,695.32)	(8,285.15)
15	Profit/(Loss) for the period from discontinued operations (12)					
	Attributable to:					
	Shareholders of the company	(4,988.50)	4.97	(69,687.01)	(5,331.12)	(69,940.27)
	Non-controlling interest	-	31.42	(4.91)	(8.94)	(4.09)
16	Other Comprehensive Income from continuing operations					
a) i)	Items that will not be reclassified to profit or loss	135.05	85.48	43.99	407.86	66.38
	ii) Income tax on items that will not be reclassified to profit or loss	(60.20)	-	(11.11)	(142.36)	(18.75)
b) i)	Items that will be reclassified to profit or loss	97.47	(13.74)	(17,947.39)	10.67	(16,719.53)
	ii) Income tax on items that will be reclassified to profit or loss	-	-	6.62	-	(1.33)
	Total Other Comprehensive Income from continuing operations	172.32	71.74	(17,907.89)	276.17	(16,673.23)
17	Other Comprehensive Income from discontinued operations					
a) i)	Items that will not be reclassified to profit or loss	-	(55.94)	522.20	-	522.20
	ii) Income tax on items that will not be reclassified to profit or loss	-	-	-	-	-
b) i)	Items that will be reclassified to profit or loss	-	-	(125.33)	37.41	(49.73)
	ii) Income tax on items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income from discontinued operations	-	(55.94)	396.87	37.41	472.47
18	Total Other Comprehensive Income	172.32	15.80	(17,511.02)	313.58	(16,200.76)



Continued

Sl. No.	Particulars	Quarter Ended			Year Ended Mar 31, 2022	
		Mar 31, 2023	Dec 31, 2022	Mar 31, 2022		
		(Audited) - Refer Note No 9	(Unaudited)	(Audited) - Refer Note No 9		
19	Other Comprehensive Income from continuing operations (16) Attributable to: Shareholders of the company Non-controlling interest	172.32	71.74	(17,907.89)	276.17 (16,673.23)	
20	Total Other Comprehensive Income from discontinued operations (17) Attributable to: Shareholders of the company Non-controlling interest	172.32 -	71.74 -	(17,907.89) (45.87) (10.07) (55.94)	276.17 -	(16,673.23) 382.66 14.21 396.87 37.41 469.75 2.72 472.47
21	Total Comprehensive Income for the period (13+18)	(5,423.93)	(969.39)	(90,351.20)	(9,721.80) (94,430.27)	
22	Total Comprehensive Income from Continuing operations (14+19) Attributable to: Shareholders of the company Non-controlling interest	(435.43)	(949.84)	(21,056.15)	(4,419.15) (24,958.38)	
23	Total Comprehensive Income from Discontinued operations (15+20) Attributable to: Shareholders of the company Non-controlling interest	(4,988.50)	(40.90)	(69,304.35)	(5,291.82) (69,470.52)	
24	Paid-up equity share capital (Face value ₹ 1/- each)	1,462.25	1,462.25	1,462.25	1,462.25	
25	Earnings per share (of ₹ 1/- each not annualised) (a) Basic (i) Continuing operations (ii) Discontinued operations Total Operations (b) Diluted (i) Continuing operations (ii) Discontinued operations Total Operations	(0.42) (3.41) (3.83)	(0.70) 0.00 (0.70)	(2.15) (47.66) (49.81)	(3.21) (3.65) (6.86) (5.67) (47.83) (53.50)	



Note :

1. Statement of Audited Consolidated Assets and Liabilities

Particulars		(₹ In Lakhs)	
		As at Mar 31, 2023 (Audited)	As at Mar 31, 2022 (Audited)
ASSETS			
Non-current assets			
(a) Property, plant and equipment		837.23	2,825.79
(b) Capital work in progress		1,003.37	310.27
(c) Right-of-use asset		1,115.84	1,680.96
(d) Goodwill		5,229.14	5,384.76
(e) Other intangible assets			
Other intangible assets		137.46	221.59
(f) Intangible assets under development		68.14	28.63
(g) Financial Assets			
Other financial assets		368.81	708.99
(h) Deferred tax assets (net)		268.40	256.85
(i) Income tax assets (net)		1,830.85	2,158.95
(j) Other non-current assets		2,559.09	100.76
Total Non-Current Assets		13,418.33	13,677.55
Current assets			
(a) Inventories		77.61	64.93
(b) Financial assets			
(i) Trade receivables		3,004.02	8,150.49
(ii) Unbilled receivables		2,409.85	3,613.74
(iii) Cash and cash equivalents		1,072.36	2,899.73
(iv) Bank balances other than (iii) above		44.98	49.84
(v) Other financial assets		1,032.11	599.42
(c) Other current assets		1,378.41	3,575.97
(d) Asset held for sale		-	89,677.82
Total Current Assets		9,019.34	108,631.94
Total Assets		22,437.67	122,309.49
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital		1,462.25	1,462.25
(b) Other equity		9,397.99	16,642.13
(c) Non-controlling interests		-	(41.94)
Total Equity		10,860.24	18,062.44
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings		576.21	1,518.45
(ii) Lease liabilities		815.35	1,261.24
(b) Provisions		95.92	792.26
Total Non-Current Liabilities		1,487.48	3,571.95
Current liabilities			
(a) Financial liabilities			
(i) Borrowings		2,749.45	4,332.32
(ii) Lease liabilities		495.91	686.86
(iii) Trade Payables			
Total outstanding dues of Micro Enterprises and Small Enterprises		105.16	146.80
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		2,256.60	2,731.81
(iv) Other financial liabilities		971.91	2,893.02
(b) Other current liabilities		3,483.43	3,894.00
(c) Provisions		27.49	103.83
(d) Income tax liabilities (net)		-	0.01
(e) Liabilities associated with Asset held for sale		-	85,886.45
Total Current Liabilities		10,089.95	100,675.10
Total Equity and Liabilities		22,437.67	122,309.49



2. Statement of Audited Consolidated Cash flows

Particulars	(₹ In Lakhs)	
	Year ended	
	Mar 31, 2023	Mar 31, 2022
(Audited)	(Audited)	
PROFIT/ (LOSS) BEFORE TAX (Continuing and Discontinued operations)	(9,867.35)	(77,101.90)
Adjustments for		
Depreciation and Amortisation	1,684.01	9,588.90
Finance Cost	745.37	3,494.75
Interest income	(82.95)	(74.66)
Reversal of provisions	(164.58)	-
Employee stock option expense	0.53	38.24
Profit on sale of PPE	(24.70)	-
Loss on remeasurement of lease liability	1.30	-
Impairment loss on asset held for sale/ Discontinued operations	4,927.75	69,534.22
Impairment - Others	1,039.04	-
Provision for Expected credit loss and bad debts	4,153.50	776.25
Operating Profit before Working Capital Changes	2,411.92	6,255.80
(Increase)/Decrease in loans and advances, trade receivables and other assets	2,460.97	(10,345.84)
Increase/ (Decrease) in trade payables, liabilities and provisions	(2,725.16)	9,205.84
Cash flow from/ (used in) Operations	2,147.73	5,115.80
Direct taxes paid, net of refunds	(146.17)	(2,154.01)
NET CASH FROM /(USED) IN OPERATING ACTIVITIES	2,001.56	2,961.79
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(781.36)	(3,121.15)
Sale proceeds of PPE	51.40	0.36
Proceeds from sale of investments	2,969.68	-
Capital advances paid	(2,458.35)	-
Interest income	12.91	74.66
Reduction / (Increase) of bank deposits	(6.80)	(17.28)
NET CASH FROM /(USED) IN INVESTING ACTIVITIES	(212.52)	(3,063.41)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase / (Repayment) of borrowings	(2,525.11)	(808.80)
Payment of Lease Liability	(585.05)	(1,546.64)
Finance Cost	(455.12)	(3,095.74)
Dividend of earlier years paid / transferred	(6.80)	(0.74)
NET CASH FROM /(USED) IN FINANCING ACTIVITIES	(3,572.08)	(5,451.92)
Net Increase/(Decrease) in Cash & Cash equivalents	(1,783.04)	(5,553.53)
Add: Cash and cash equivalents as at the beginning of the year	2,899.73	3,897.44
Exchange difference on translation of foreign currency cash and cash equivalents	-	21.17
Cash & Cash equivalents clasified under held for sale/disposal of subsidiary	(44.33)	4,534.65
Cash & Cash equivalents as at the end of the year	1,072.36	2,899.73



- 3 The Consolidated Financial Results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Consolidated Financial Results for the quarter and year ended March 31, 2023 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 May 29, 2023. The statutory auditors of the company have carried out audit of the consolidated financial results for the quarter and year ended March 31, 2023 (read with Note No 9) and have issued a modified opinion.
- 4 (a) During FY 2021-22, the lender banks of one of the subsidiaries viz. TAKE Solutions Global Holdings Pte. Ltd. Singapore (TAKE Ghpte) cancelled and recalled the credit facilities of ₹ 46300 lakhs (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 of H.I.G Capital Partners LLC (the SPV) for a total purchase consideration of USD 80.00 Million. Out of the consideration of USD 80 million, the USD 65 million has been appropriated towards settling secured liabilities and after deducting the consideration towards enforcement cost and other requirements, only a sum of USD 5.01 million (Approx Rs. 3800 lakhs) was due to TAKE Solutions Limited which is lower than net assets carrying amount of ₹ 38000 lakhs. The resultant impairment loss of ₹ 34200 lakhs was fully provided for in the books of account during FY 2021-22. In addition to above, the company has also fully impaired the loans and other advances aggregating to ₹ 13200 lakhs receivable from TAKE Ghpte during FY 2021-22. The above impairment loss and the operational loss effective from the date of classification of the same as disposal group held for sale have been recognised under discontinued operations. In the absence of requisite information, the financial results for the previous period could not be re-presented to include the total operational results of the discontinued operation for the financial year as a whole.
- (b) During the year ended March 31, 2023, out of net purchase consideration of ₹ 3800 lakhs accrued to the company, a sum of ₹ 822 lakhs is yet to be realised and since the management is confident of recovering the balance amount, no provision is required against the same.
- (c) The above sale has significantly impacted the revenue and business operations of the company and its subsidiaries. Further, during the year ended March 31, 2023, significant number of employees of Ecron Acunova Limited (EAL) and Navitas LLP (LLP) have resigned which could affect the future business operations and cash flows of EAL and LLP and the said entities have exposure to banks which have been guaranteed by the Company. Furthermore, the Group has significant unpaid statutory dues. These indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, the Group is exploring various funding options for expansion and also expects improvement in the overall level of operations in the Generics Development Capabilities vertical as evidenced by capex and other expansion plans undertaken during the reporting period in the said business vertical. In view thereof and expecting favourable market conditions in future, the Audited Consolidated Financial Results have been prepared on a "going concern basis" and no adjustment has been made to the carrying value of assets and liabilities.
- 5 The Consolidated financial results include:
- (a) Tax Assets recognised in the consolidated financial statements which according to the management are fully recoverable upon completion of the assessment / disposal of the appeals pending in various forums. The refunds are withheld/under process on account of disputes pending before various forums and no impairment is considered necessary.
- (b) Unbilled receivables and deferred revenue in respect of contracts novated during the year which are under reconciliation and confirmation. According to the management, the adjustments if any required upon completion of the reconciliation process will not be material.
- (c) Trade receivables outstanding in the books of Navitas LLP is considered good and recoverable and accordingly management has not made any additional provision towards expected credit loss beyond what has been recognised.
- 6 Since the Group operates in a single segment viz. Life Sciences and Support Services, disclosures under Ind AS 108. 'Segment Reporting' are not required.
- 7 The Consolidated and Standalone financial results for the year ended March 31, 2023 are available on the Company's website (www.takesolutions.com) and the website of BSE (www.bseindia.com) and NSE (www.nseindia.com)
- 8 During the quarter ended March 31, 2023, employees have not exercised any equity shares under Employee Stock Option Scheme of the Company.
- 9 The figures for the quarter ended March 31, 2023 and March 31, 2022 are derived figures between the audited figures for the year ended March 31, 2023 and March 31, 2022 and published reviewed figures of December 31, 2022 and December 31, 2021, respectively.
- 10 Exceptional items for the year ended March 31, 2023 represent impairment loss recognised on certain deemed investments recognised in accordance with Ind AS 102 and Ind AS 109 and certain non financial assets.
- 11 The consolidated financial results for the quarter and year ended March 31, 2022 were audited and for the quarters ended June 30, 2022 and September 30, 2022 were reviewed by the previous statutory auditors.
- 12 During the year ended March 31, 2023, two of the step down subsidiaries viz. Acunova Life Sciences Inc, USA and Navitas Life Sciences Company Limited, Thailand were disposed of by sale or otherwise and the financial transactions of those subsidiaries were reported as part of discontinued operations in accordance with Ind AS 105. Further, the immediate holding company of those subsidiaries, Ecron Acunova Limited has impaired the entire loans/advances given to and receivables from such subsidiaries and also the investments held in those subsidiaries to the realisable value which have been recognised under Discontinued Operations. Further the previous period results were re-presented in respect of operations that have been discontinued by end of the reporting period in accordance with the said Standard.
- 13 Previous period figures have been regrouped /reclassified and re-presented, wherever necessary to conform to current period's classification.

For and on behalf of the Board of Directors

Srinivasan H.R.
Srinivasan H.R.
Chairman for the meeting dated May 29, 2023



Place : Chennai
Date : May 29, 2023

