APA Engineering Private Limited

Consolidated Balance Sheet

	Particulars	Note	As at March 31, 2020	As at March 31, 2019
			Amount in ₹	
I.	**ASSETS**			
1.	**Non-current assets**			
	(a) Property, plant and equipment	2.01(a)	5,84,51,447	4,54,74,215
	(b) Right-of-use assets	2.01(b)	16,97,818	-
	(c) Intangible assets	2.01(c)	34,75,257	39,20,277
	(d) Financial assets			
	Long Term Loans and Advances	2.02	7,49,633	-
	(e) Income tax assets (Net)		2,39,603	21,62,569
	Total non-current assets		**6,46,13,758**	**5,15,57,061**
2.	**Current assets**			
	(a) Inventories	2.03	2,71,96,300	3,67,32,092
	(b) Financial assets			
	(i) Investments	2.04	5,82,55,028	3,62,07,800
	(ii) Trade receivables	2.05	26,52,98,028	31,72,17,538
	(iii) Cash and cash equivalents	2.06	3,19,98,808	2,34,90,383
	(c) Other current assets	2.07	1,44,15,320	1,67,97,756
	Total current assets		**39,71,63,484**	**43,04,45,569**
	TOTAL ASSETS		**46,17,77,242**	**48,20,02,630**
II.	**EQUITY AND LIABILITIES**			
1.	**Equity**			
	(a) Equity share capital	2.08	5,18,940	5,18,940
	(b) Other equity	2.09	24,77,34,924	22,06,88,573
	Total equity		**24,82,53,864**	**22,12,07,513**
2.	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i)Lease liabilities		14,16,735	-
	(b) Provisions	2.11	37,87,504	7,62,235
	(c) Deferred tax liabilities (Net)	2.10	31,33,750	33,56,737
	Total non-current liabilities		**83,37,989**	**41,18,972**
3.	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	2.12	-	2,43,49,850
	(ii) Trade payables	2.13	19,46,66,653	22,82,22,469
	(iii) Lease liabilities		4,56,234	-
	(iv) Other current financial liabilities	2.14	43,25,283	13,04,766
	(b) Other current liabilities	2.15	36,17,830	22,02,074
	(c) Provisions	2.16	20,89,785	5,96,986
	(d) Income tax liabilities (net)		29,605	-
	Total current liabilities		**20,51,85,390**	**25,66,76,145**
	TOTAL EQUITY AND LIABILITIES		**46,17,77,242**	**48,20,02,630**

Notes form an integral part of the Financial Statements

As per our report attached

For Annamalai Associates
Chartered Accountants
Firm's Registration No.: 0001855

CA. A.L. Raghunathan
Partner
Membership No.: 208196
Place: Chennai

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No: 100515W

G.D. APTE & CO. Chartered Accountants

CA. Umesh. S. Abhyankar
Partner
Membership No.: 113053
Place: Pune

For and on behalf of the Board of Directors

K.Vaidyanathan
Director
DIN: 000359293
Place: Chennai

K.Ramakrishnan
Director
DIN: 001760028

APA Engineering Private Limited				
Consolidated Statement of Profit and Loss for the year ended				
	Particulars	Note	March 31, 2020	March 31, 2019
			Amount in ₹	
I.	Revenue from operations	2.17	1,33,69,10,444	1,40,34,46,717
II.	Other income	2.18	1,00,34,794	75,54,022
III.	**Total income**		**1,34,69,45,238**	**1,41,10,00,739**
IV.	**Expenses**			
	Cost of revenue	2.19	1,07,45,62,385	1,17,06,91,260
	Employee benefits expenses	2.20	12,12,96,881	11,52,89,833
	Finance costs	2.21	4,82,276	1,32,047
	Depreciation	2.22	1,02,84,041	69,22,553
	Other expenses	2.23	7,49,94,652	6,85,53,235
	Total expenses		**1,28,16,20,235**	**1,36,15,88,928**
V.	**Profit/(Loss) before tax**		**6,53,25,003**	**4,94,11,811**
VI.	**Tax expense**			
	(i) Current tax		1,97,29,137	1,38,06,744
	(ii) Short/(Excess) provision of tax of prior years		54,57,625	5,35,834
	(iii) Deferred tax		6,81,006	2,87,251
VII.	**Profit for the year**		**3,94,57,236**	**3,47,81,982**
VIII.	**Other Comprehensive Income/(Loss)**			
	(a) Items that will not be reclassified to profit or loss Remeasurement of defined benefits plans		(29,14,467)	1,53,935
	(b) Income tax relating to items that will not be reclassified to profit or loss		8,12,320	(42,905)
	(c) Items that will be reclassified to profit or loss		(3,22,084)	53,134
	(d) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive Income for the year, net of tax		**(24,24,231)**	**1,64,164**
	Total Comprehensive Income for the year		**3,70,33,005**	**3,49,46,146**
IX.	**Profit/(Loss) attributable to**			
	Owners of the Company		3,94,57,236	3,47,81,983
	Non-controlling interest		-	-
			3,94,57,236	**3,47,81,983**
X.	**Other comprehensive Income attributable to**			
	Owners of the Company		(24,24,231)	1,64,164
	Non-controlling interest		-	-
			(24,24,231.00)	**1,64,164.00**
XI.	**Total comprehensive income attributable to**			
	Owners of the Company		3,70,33,005	3,49,46,146
	Non-controlling interest		-	-
			3,70,33,005	**3,49,46,146**
XII.	**Earnings per equity share**			
	Equity Shares of par value ` 10/- each			
	Basic		760	670
	Diluted		760	670

Notes form an integral part of the Financial Statements

As per our report attached

For Annamalai Associates
Chartered Accountants
Firm's Registration No.: 0001855

CA. A.L. Raghunathan
Partner
Membership No.: 208196
Place: Chennai
Date : June 10, 2020

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No: 100515W

CA. Umesh. S. Abhyankar
Partner
Membership No.: 113053
Place: Pune
Date: June 10, 2020

For and on behalf of the Board of Directors

K.Vaidyanathan
Director
DIN: 000359293
Place: Chennai
Date : June 10, 2020

K.Ramakrishnan
Director
DIN: 001760028

APA Engineering Private Limited Consolidated Statement of Cash Flows for the year ended		
Particulars	March 31, 2020	March 31, 2019
	Amount in ₹	
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ (LOSS) BEFORE TAX	6,53,25,003	4,94,11,811
Adjustments for		
Interest Charges	4,82,276	1,32,047
Depreciation	1,02,84,041	69,22,553
Bad debts and provision for expected credit losses	13,68,311	2,57,025
Gain/(Loss) on Foreign Currency Translation	(78,78,667)	(29,66,682)
Operating Profit before Working Capital Changes	**6,95,80,964**	**5,37,56,754**
(Increase)/Decrease in Loans and Advances	(7,49,633)	(3,32,90,328)
(Increase)/Decrease Trade Receivables	5,19,19,510	
(Increase)/Decrease other Assets	23,82,436	
(Increase)/Decrease in Inventories	95,35,792	(42,70,175)
Increase/ (Decrease) in Trade Payables, Liabilities and Provisions	(2,72,46,575)	1,13,08,859
Cash flow from/ (used in) Operations	**10,54,22,495**	**2,75,05,110**
Direct Taxes paid, net of refunds	(2,28,74,289)	(1,33,80,002)
NET CASH FROM /(USED) IN OPERATING ACTIVITIES	**8,25,48,206**	**1,41,25,108**
B) CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase)/Sale of Fixed Assets	(2,45,13,634)	(70,55,447)
Sale of Fixed Assets	-	11,75,000
(Increase) / Decrease in Investments	(2,20,47,228)	(71,72,521)
NET CASH FROM /(USED) IN INVESTING ACTIVITIES	**(4,65,60,862)**	**(1,30,52,968)**
C) CASH FLOW FROM FINANCING ACTIVITIES		
Net Movement in Short Term Borrowings	(2,43,49,850)	2,43,49,850
Dividends Paid including Interim Dividend	(1,01,66,152)	(76,51,149)
Interest Charges	(2,75,220)	(1,32,047)
Payment of Lease Libility	(5,66,364)	-
NET CASH FROM /(USED) IN FINANCING ACTIVITIES	**(3,53,57,586)**	**1,65,66,654**
Net Increase/(Decrease) in Cash & Cash equivalents	**6,29,758**	**1,76,38,794**
Add: Cash and Cash equivalents as at the beginning of the year	2,34,90,383	56,44,245
Exchange difference on translation of foreign currency cash and cash equivalents	78,78,667	2,07,344
Cash & Cash equivalents as at the end of the year	**3,19,98,807**	**2,34,90,383**

Notes form an integral part of the Consolidated Financial Statements

As per our report attached

For Annamalai Associates
Chartered Accountants
Firm's Registration No.: 0001855

CA. A.L. Raghunathan
Partner
Membership No.: 208196
Place: Chennai
Date : June 10, 2020

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No: 100515W

CA. Umesh. S. Abhyankar
Partner
Membership No.: 113053
Place: Pune
Date: June 10, 2020

For and on behalf of the Board of Directors

K.Vaidyanathan
Director
DIN: 000359293

K.Ramakrishnan
Director
DIN: 001760028

Place: Chennai
Date : June 10, 2020

APA Engineering Private Limited
Consolidated Statement of Changes in Equity for the year ended

(a) Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Opening Balance	5,18,940	5,18,940
Changes during the year	-	-
Closing Balance	5,18,940	5,18,940

(b) Other Equity

Particulars	Attributable to Owners of the Company						
	Reserves and Surplus				Other Comprehensive Income (OCI)		Total Equity attributable to Equity Holders
	General Reserve	Securities Premium Reserve	Deemed Share Capital - Corporate Guarantee	Retained Earnings	Foreign Currency Translation Reserve	Other items of Other Comprehensive Income	
	Amount in `						
Balance as at April 01, 2018	26,30,021	46,17,240	3,59,020	18,55,12,356	95,427	-	19,32,14,064
Profit / (Loss) for the year	-	-	-	3,47,81,981	-	-	3,47,81,981
Transfer to Deemed Share Capital	-	-	1,79,510	-	-	-	1,79,510
Final dividend	-	-	-	(42,81,255)	-	-	(42,81,255)
Interim dividend	-	-	-	(20,75,760)	-	-	(20,75,760)
Tax on Dividend	-	-	-	(12,94,134)	-	1,53,935	(11,40,199)
Other Comprehensive Income	-	-	-	-	-	(42,905)	(42,905)
Exchange differences on translation to foreign operations	-	-	-	-	53,134	-	53,134
Balance as at March 31, 2019	26,30,021	46,17,240	5,38,530	21,26,43,188	1,48,561	1,11,030	22,06,88,572
Balance as at April 01, 2019	26,30,021	46,17,240	5,38,530	21,26,43,188	1,48,561	1,11,030	22,06,88,572
Profit / (Loss) for the year	-	-	-	3,94,57,236	-	-	3,94,57,236
Transfer to Securities Premium Reserve	-	-	-	-	-	-	-
Transfer to Deemed Share Capital	-	-	1,79,510	-	-	-	1,79,510
Final dividend	-	-	-	(42,81,256)	-	-	(42,81,256)
Interim dividend	-	-	-	(41,51,520)	-	-	(41,51,520)
Tax on Dividend	-	-	-	(17,33,376)	-	-	(17,33,376)
Other Comprehensive Income	-	-	-	-	-	(29,14,468)	(29,14,468)
Exchange differences on translation to foreign operations	-	-	-	-	(3,22,084)	8,12,320	4,90,236
Balance as at March 31, 2020	26,30,021	46,17,240	7,18,040	24,19,34,272	(1,73,523)	(19,91,118)	24,77,34,923

Notes form an integral part of the Consolidated Financial Statements

As per our report attached

For Annamalai Associates
Chartered Accountants
Firm's Registration No.: 0001855

CA. A.L. Raghunathan
Partner
Membership No.: 208196
Place: Chennai
Date : June 10, 2020

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No: 100515W

CA. Umesh. S. Abhyankar
Partner
Membership No.: 113053
Place: Pune
Date: June 10, 2020

G.D. APTE & CO. ★ Chartered Accountants ★

For and on behalf of the Board of Directors

K.Vaidyanathan
Director
DIN: 000359293
Place: Chennai
Date : June 10, 2020

K.Ramakrishnan
Director
DIN: 001760028

APA Engineering Private Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2020

Company Overview

APA Engineering Private Limited (referred to as 'the Company') is a Global Sourcing, Engineering Services, Compliance Services, Technology Solutions provided based in Chennai, India. A subsidiary of TAKE Solutions Limited, APA Engineering Private Limited has offices in India, USA and Singapore.
Focused on the automobile industry, APA Engineering provides services and solutions to clients design and build high quality products, benefit from a global smart sourcing platform, comply with latest industry regulations and transform their business by leveraging the latest technology. An ISO 9001:2015 certified organisation, APA Engineering is focused on quality and continuous improvement.

As of March 31, 2020, TAKE Solutions Limited owned 58.00% of the Company's equity share capital and has the ability to control its operating and financial policies.

The Consolidated Financial Statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on June 10, 2020.

1 Significant Accounting Policies

1.1 Basis of Preparation of Consolidated Financial Statements

The Consolidated Financial Statements of APA Engineering Private Limited and its Subsidiaries ("the Group") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the Rules"). These financial statements for the year ended March 31, 2020 have been prepared in accordance with Ind AS.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer to accounting policy regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

1.2 Basis of Consolidation

APA Engineering Private Limited consolidates all entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain/loss from such transactions, are eliminated upon consolidation. These Consolidated Financial Statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

ANNAMALAI ASSOCIATES CHENNAI 600 017 CHARTERED ACCOUNTANTS

G.D. APTE & CO. Chartered Accountants

1.3 Use of Estimates

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Consolidated Financial Statements in the period in which changes are made and, if material, their effect are disclosed in the notes to the Consolidated Financial Statements.

1.4 Recent Accounting Developments

The Ministry of Corporate Affairs has not notified any new Indian Accounting Standard or amendments to the existing Indian Accounting Standards effective from April 1, 2020 which would impact the financial statements of the company for Financial year 2020-21.

1.5 Critical Accounting Estimates

1.5.1 Revenue Recognition

The Group uses the percentage-of-completion method in the accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Group to estimate the efforts or costs to be expended till the reporting date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable, based on the expected contract estimates at the reporting date.

1.5.2 Income Taxes

The Group's two major tax jurisdictions are India and the US. Though the Group also files tax returns in other overseas jurisdictions, significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

1.5.3 Business Combinations and Intangible Assets

Business combinations are accounted for using Ind AS 103, *Business Combinations,* Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

1.5.4 Property, Plant and Equipment

Property, plant and equipment represents a significant proportion of the assets base of the Group. The charges in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

The useful lives and residual value of the Group's assets are determined by the Management at the time the assets are acquired and are reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

ANNAMALAI & ASSOCIATES CHENNAI 600 017 CHARTERED ACCOUNTANTS

G.D. APTE & CO. Chartered Accountants

1.5.5 Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash-generating unit (CGU) is less than its carrying amount, based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of CGUs is determined based on the higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the CGU or groups of CGUs which are benefiting from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes.

Market-related information and estimates are used to determine the recoverable amount. Key assumptions on which the Management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. The cash flow projections take into account past experience and represent the Management's best estimate about future developments.

1.5.6 Allowance for Trade Receivables and Other Financial Assets

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for expected credit loss. The Group recognises impairment loss allowance based on lifetime Expected Credit Losses at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

1.5.7 Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity 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 and mortality rates. 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 reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The estimates of future salary increases take into account the inflation, seniority, promotion and other relevant factors.

1.5.8 Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.6 Revenue Recognition

The Group derives revenues primarily from engineering related services and from software services. Arrangements with customers for software-related services are either on a fixed price, fixed time frame or on a time-and-material basis.

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

ANNAMALAI ASSOCIATES CHENNAI 600 017 CHARTERED ACCOUNTANTS

G.D. APTE & CO. Chartered Accountants

and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. Costs and earnings in excess of billings are classified as unbilled revenue, while billings in excess of costs and earnings are classified as unearned revenue. Deferred contract costs are amortized over the term of the contract. Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

In arrangements for engineering related services, software services and maintenance services, the Group has applied the guidance in Ind AS 115, *Revenue*, by applying the revenue recognition criteria for each separately identifiable component of a single transaction. The arrangements generally meet the criteria for considering engineering related services as separately identifiable components. For allocating the consideration, the Group has measured the revenue in respect of each separable component of a transaction at its fair value, in accordance with principles given in Ind AS 115. The price that is regularly charged for an item when sold separately is the best evidence of its fair value. In cases where the Group is unable to establish objective and reliable evidence of fair value for the engineering related services, the Group has used a residual method to allocate the arrangements consideration, after allocating the fair values of undelivered components of a transaction, has been allocated to the delivered components for which specific fair values do not exist.

Principal versus Agent Considerations in Revenue from Operations

The Group has recorded revenue on gross basis when it has the primary responsibility to provide the service, has the right or determines the vendors and contracts independent of the customer, bears the risk of unsold stock and has the latitude in determination of price.

Operation and Maintenance Income

Revenues from operation and maintenance contracts are recognised pro-rata over the period of the contract and when services are rendered.

Other Income

Other income is comprised primarily of interest income, dividend income, gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

Interest Income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend Income

Dividend income from investments is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend. The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

ANNAMALAI ASSOCIATES CHENNAI 600 017 CHARTERED ACCOUNTANTS

G.D. APTE & CO. Chartered Accountants

1.7 Property, Plant and Equipment and Depreciation

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 the Management. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows;

Asset	Life (in years)
Computers and Purchased Software	3-6
Furniture, Fixtures and Office Equipment's	4-10
Automobiles	4-10
Buildings	60
Plant and Machinery	5-10
Right of use assets	Period of lease

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets in situations where the work for development of that for development of that asset has not commenced or the asset, being a standard/ shelf product, is not delivered and ready for intended use as decided by the Group. In situations where the work for development of the asset has commenced, the cost of asset incurred till the reporting date is disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Group 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 recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

1.8 Business Combinations

Business combinations are accounted for using the acquisition method under the provisions of Ind AS 103, *Business Combinations.*
The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.
Business combinations between entities under common control are accounted for at carrying value.
Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are considered as part of the cost of acquisition.

1.9 Intangible Assets and Amortisation

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives ranging from 3 to 7 years on a straight-line basis, from the

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date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, are known technological advances), and the level of maintenance expenditure required to obtain the expected future cash flows from the assets. Amortization methods, and useful lives are reviewed at each financial year end.

1.10 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right of use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Group's lease asset classes primarily consist of leases for buildings. The Group 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 Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 group 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.

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 interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. After the commencement date, the lease liability is adjusted by increasing the carrying amount to reflect interest on the lease liability; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications. The lease liability is also remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The interest on the lease liability is recognised in the statement of Profit & Loss except to the extent that it can be allocated to any Property, Plant & Equipment.

In the comparative period, leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and

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receipts under operating leases are recognised as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

Company as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

1.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.12 Inventories

Inventories of hardware, related peripherals including stores and spares and consumables are valued at the lower of cost and estimated net realisable value. Cost is determined on first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.13 Provisions

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

1.14 Financial Instruments

1.14.1 Initial Measurement

The Group 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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not fair valued through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

1.14.2 Subsequent Measurement

i) Non-Derivative Financial Instruments

a) 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.

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b) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates and by sale. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income (OCI).

c) Financial Assets at Fair Value through Profit and Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

d) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

ii) Derivative Financial Instruments

a) Initial Recognition and Subsequent Measurement

The derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects the profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability.

Hedges that meet the criteria for hedge accounting are accounted for as described below:

Fair Value Hedges

The change in the fair value of a hedging instrument is recognised in the Statement of Profit and Loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the Statement of Profit and Loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.
If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

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Cash Flow Hedges

The effective portion of the gain or loss on the hedging instrument is recognised is OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Statement of Profit or Loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised.

1.14.3 Derecognition of Financial Instruments

The Group 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 Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.14.4 Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value results in general approximation of value, and such value may never actually be realized.

Refer to Note No. 7 (a) in for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.14.5 Financial Guarantee Contracts

Financial Guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value adjusted for transaction costs, if any, that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

1.15 Impairment

a) Financial Assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to the lifetime ECL. The amount of ECL (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 the Statement of 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 change in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment of testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent

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of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered for impairment, 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 assets.

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 if any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.16 Foreign Currency Transactions and Translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of transaction.

The translation of financial statement of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserve under other components of equity. When a subsidiary is disposed of, in full, the relevant amount is transferred to net profit in the Statement of Profit and Loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.
Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

1.17 Earnings Per Equity Share

Basic 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 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 on conversion of all dilutive potential equity shares are adjusted for the proceeds receivables had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus share issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

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1.18 Income Taxes

Income tax expenses comprise current and deferred income tax. Income 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, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax asset and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit and loss at the time of the transaction.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to extent that it is probable future. The Group 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.

1.19 Cash and Cash Equivalents

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments and deposits with the banks that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

1.20 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resource embodying economic benefit will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.
The Group does not recognise a contingent liability but discloses it as per Ind AS 37 in the financial statements unless the possibility of an outflow of resources embodying economic benefit is remote.

1.21 Employee Benefits

1.21.1 Gratuity

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Group. 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 Group.

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 method.

The Group 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 liability/ (assets) are recognized in the other

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comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation, is recognized in other comprehensive income. The effect of any plan amendment is recognized in net profits in the Statement of Profit and Loss.

1.21.2 Provident Fund

In respect of Indian subsidiaries, eligible employees receive benefits from a provident fund, which is defined contribution plan. Both the eligible employee and the respective companies make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The Companies have no further obligation to the plan beyond its monthly contributions.

1.21.3 Compensated Absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment.

The Group records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Group recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

1.21.4 Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of the rendering of services are classified as short term employee benefits. Benefits such as salaries, allowances, expected cost of bonus etc., are recognised in the period in which the employee renders the related service.

1.22 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transaction 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 Group are segregated.

1.24 Segment Reporting

Operating Segments are reported in a manner consistent with the reporting to the Chief Operating Decision Maker (CODM). The CODM as identified by the Board of Directors include the Executive and other Directors but do not include the Independent Directors.

The Group primarily operates in single business segment namely Supply Chain Management.

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2 Notes to Accounts

Non-Current Assets

2.01(a) Property, plant and equipment

Particulars	Buildings	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Plant and machinery	Total
	Amount in ₹						
Gross Carrying Value							
Balance as at April 01, 2018	2,56,87,255	90,18,612	52,46,554	60,36,794	52,48,631	37,63,022	5,50,00,868
Additions	-	2,35,032	1,65,000	44,10,129	20,87,286	1,58,000	70,55,447
Deductions/ disposals	-	-	-	(23,50,000)	-	-	(23,50,000)
Translation reserve	-	-	-	-	2,636	-	2,636
Balance as at March 31, 2019	2,56,87,255	92,53,644	54,11,554	80,96,923	73,38,553	39,21,022	5,97,08,951
Additions	25,76,873	4,99,584	3,42,000	-	1,78,94,327	-	2,13,12,784
Deductions/ disposals	-	-	-	-	-	-	-
Translation reserve	-	-	-	-	3,109	-	3,109
Balance as at March 31 2020	2,82,64,128	97,53,228	57,53,554	80,96,923	2,52,35,989	39,21,022	8,10,24,844
Accumulated Depreciation							
Balance as at April 01, 2018	9,00,876	23,57,132	8,27,521	17,07,301	30,41,590	6,59,761	94,94,181
Depreciation charge for the year	4,70,779	13,88,828	6,27,288	8,45,041	17,00,376	3,68,518	54,00,830
Deductions/ disposals	-	-	-	(6,60,938)	-	-	(6,60,938)
Translation reserve	-	-	-	-	663	-	663
Balance as at March 31, 2019	13,71,655	37,45,960	14,54,809	18,91,404	47,42,629	10,28,279	1,42,34,736
Depreciation charge for the year	4,83,751	13,93,880	6,51,625	11,09,138	43,29,080	3,68,515	83,35,989
Accumulated depreciation	-	-	-	-	-	-	-
Translation reserve	-	-	-	-	2,684	-	2,684
Balance as at March 31, 2020	18,55,406	51,39,840	21,06,434	30,00,542	90,74,393	13,96,794	2,25,73,409
Net Carrying Value							
Balance as at March 31, 2019	2,43,15,600	55,07,684	39,56,745	62,05,519	25,95,924	28,92,743	4,54,74,215
Balance as at March 31, 2020	2,64,08,722	46,13,388	36,47,119	50,96,381	1,61,61,596	25,24,228	5,84,51,447

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2.01 (b) Right of Use assets

Particulars	Right of use Asset	
	Building	Total
	Amount In ₹	Amount In ₹
Gross Carrying Value		
Balance as at April 01, 2019	-	-
Recognised on transition as on 01.04.2019 of IND As 116 - Leases	2,232,281	2,232,281
Addition	-	-
Deductions/ disposals	-	-
Balance as at March 31, 2020	**2,232,281**	**2,232,281**
Accumulated depreciation / amortisation		
Balance as at April 01, 2019	-	-
Amortisation charge for the year	534,463	534,463
Deductions due to termination of Lease agreement	-	-
Balance as at March 31, 2020	**534,463**	**534,463**
Net Carrying Value		
Balance as at March 31, 2019	-	-
Balance as at March 31, 2020	**1,697,818**	**1,697,818**

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2.01 (c) Other intangible assets

Particulars	Intangible Assets	
	Computer Software	Total
Gross Carrying Value		
Balance as at April 01, 2018	82,12,112	82,12,112
Additions	-	-
Deductions/ disposals	-	-
Balance as at March 31, 2019	**82,12,112**	**82,12,112**
Additions	9,68,569	9,68,569
Deductions/ disposals	-	-
Balance as at March 31, 2020	**91,80,681**	**91,80,681**
Accumulated depreciation / amortisation		
Balance as at April 01, 2018	27,70,112	27,70,112
Depreciation charge for the year	15,21,723	15,21,723
Deductions/ disposals	-	-
Balance as at March 31, 2019	**42,91,835**	**42,91,835**
Depreciation charge for the year	14,13,589	14,13,589
Deductions/ disposals	-	-
Balance as at March 31, 2020	**57,05,424**	**57,05,424**
Net Carrying Value		
Balance as at March 31, 2019	**39,20,277**	**39,20,277**
Balance as at March 31, 2020	**34,75,257**	**34,75,257**

Financial Assets

2.02 Long Term Loans and Advances

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Security deposits - Unsecured, considered good		
Rent deposit	1,68,183	-
Electrical deposit	5,81,450	-
Total	**7,49,633**	-

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Current Assets

2.03 Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Stock-in-trade	2,71,96,300	3,67,32,092
Total	**2,71,96,300**	**3,67,32,092**

Inventories are carried at lower of cost and net realisable value.

Financial Assets

2.04 Investments

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Investments carried at Fair value through Statement of Profit and Loss		
Investments in mutual funds	5,82,55,028	3,62,07,800
Total	**5,82,55,028**	**3,62,07,800**

Details of Investments are given below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No.of Shares/Units	Amount in ₹	No.of Shares/Units	Amount in ₹
Investments in Mutual Funds (quoted)				
(a) L & T Equity Fund	12,171.759	244,969	11,305.596	341,418
(b) Aditya Birla Sun Life Savings Fund - Growth - Regular Plan	9,769.568	3,883,607	9,769.568	3,606,303
(c) IDFC Bond Fund Medium Term Plan Growth (Regular Plan)	309,322.398	10,561,597	-	-
(d) IDFC SSI Medium-term Plan-Growth (Regular Plan)	68,867.054	2,351,417	68,867.054	2,150,394
(e) Kotak Bond (Short-Term) - Growth	491,594.520	18,680,690	155,289.751	5,409,751
(f) Kotak Equity Arbitrage Fund - Fortnight	-	-	93,354.061	2,153,361
(g) Reliance Short-Term Fund - Growth Plan and Growth Optio	136,848.469	5,169,465	136,848.469	4,753,254
(h) ICICI Prudential Income Optimszer Fund (FOF)	468,659.094	15,470,249	468,659.094	16,028,516
(i) ICICI Prudential Liquid fund - Growth	-	-	6,407.710	1,764,803
(j) ICICI Prudential Short Term Fund - Growth Option	44,891.273	1,893,034	-	-
Total		**58,255,028**		**36,207,800**

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2. 05 Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Debts outstanding		
Unsecured, considered good	26,66,66,338	31,74,74,564
Less: Provision for Expected Credit Loss	(13,68,311)	(2,57,025)
Total	**26,52,98,028**	**31,72,17,538**

The ageing of receivables is given below:

In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information."

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Trade receivables less than 180 days	25,38,47,898	30,91,91,682
Trade receivables more than 180 days	1,28,18,440	82,82,881
Total	**26,66,66,338**	**31,74,74,563**

2.06 Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Balances with banks		
On current accounts	3,19,28,715	2,27,39,212
Deposits having original maturity more than 3 months and up to 12 months	-	6,80,323
Cash on hand	70,093	70,848
Total	**3,19,98,808**	**2,34,90,383**

2.07 Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Unsecured considered good		
Advance given to employees for expenses	24,00,266	19,16,439
Advance to suppliers	1,16,65,973	1,48,74,919
Prepaid expenses	3,49,081	6,398
Total	**1,44,15,320**	**1,67,97,756**

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Equity

2.08 Share Capital

(a) The authorised, issued, subscribed and fully paid-up share capital and par value:

S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
		Amount in ₹	
(a)	**Authorised Share Capital**		
	6,00,000 (6,00,000 as at March 31 2020, 6,00,000 as at April 01, 2019) Equity Shares of ` 10/- each	60,00,000	60,00,000
		60,00,000	**60,00,000**
(b)	**Issued, Subscribed and Paid up Share Capital**		
	51,894 (51,894 as at March 31, 2020, 51,894 as at April 01, 2019) Equity Shares of ` 10/- each	5,18,940	5,18,940
	Total	**5,18,940**	**5,18,940**

(b) Reconciliation of shares outstanding at the begning and ad the end of the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
At the beginning of the year	51,894	5,18,940	51,894	5,18,940
Changes during the year	-	-	-	-
At the end of the year	51,894	5,18,940	51,894	5,18,940

(c) The Company has only one class of shares referred to as equity shares having face value of ₹10/- each. Each holder of the equity shares is entitled to one vote per share.

Each holder of equity share is entitled to one vote per share and to receive interim/ final dividend as and when declared by the Board of Directors/ at the Annual General meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

d) Details of shareholders holding more than 5% of shares of the Company and shares held by holdings & ultimate holding company.

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
TAKE Solutions Limited	30,128	58%	30,128	58%
Mr. K. Vaidyanathan	10,883	21%	10,883	21%
Mr. K. Ramakrishnan	10,883	21%	10,883	21%

e) The Company has not allotted any fully paid-up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the Balance Sheet date.

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2.09 Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
General reserve	26,30,021	26,30,021
Security premium reserve	46,17,240	46,17,240
Deemed Share Capital- Corporate Guarantee	7,18,040	5,38,530
Appropriation to dividend tax	(17,33,376)	-
Appropriation to final dividend	(42,81,256)	-
Appropriation to Interim dividend	(41,51,520)	-
Foreign currency translation reserve	(1,73,523)	1,48,561
Other Items of Other Comprehensive Income	(19,91,118)	1,11,030
Retained earnings	25,21,00,416	21,26,43,189
Total	**24,77,34,924**	**22,06,88,573**

Nature of Reserves

(a) General Reserve
The Company may transfer a portion of the net profit of the company before declaring dividend to general reserve pursuant to the provisions of Companies Act, 2013.

(b) Securities Premium Reserve
The amount received in excess of face value of the equity shares is recognised in securities premium reserve. The reserve is utilised in accordance with the provision of the companies Act, 2013.

(c) Deemed Share Capital - Corporate Guarantee
This is used to recognise the deemed liability towards the guarantee given by the Holding Company for the banking facilities availed by the Company.

(d) Foreign Currency Translation Reserve
Foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

(e) Other Items of Other Comprehensive Income
Other items of other comprehensive income consist of currency translation, FVTOCI financial assets and financial liabilities and re-measurement of net defined benefit liability/asset.

(f) Retained Earnings
Retained earnings comprises of the undistributed earnings after taxes

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Non-Current Liabilities

2.10 Deferred Tax Asset / Liabilities (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deferred Tax Liabilities	Amount in ₹	
Property, plant equipment and Intangible Assets.	3,453,088	3,718,148
Others	1,802,976	290,568
Total	**5,256,064**	**4,008,986**
(b) Deferred Tax Assets		
Receivables, Financial Assets at amortized cost	398,452	71,504
Provision for Employee benefits	1,723,862	580,475
Total	**2,122,314**	**651,979**
Net Deferred Tax Liabilities.	**3,133,750**	**3,356,737**

2.11 Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Provision for employee benefits		
Gratuity	27,98,381	-
Compensated absences	9,89,123	7,62,235
Total	**37,87,504**	**7,62,235**

2.12 Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Loans repayable on demand - from banks	-	24,349,850

Loan repayable on demand represents-:

Facility Name	As at March 31, 2020		As at March 31, 2019.	
	Amount Outstanding	Interest Rate	Amount Outstanding	Interest Rate
Packing Credit in Foreign Currency	-	-	24,349,850.00	5.50%
Cash credit	-	-	-	-
Working capital Demand Loan	-	-	-	-
Total	-	-	**24,349,850.00**	-

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2.13 Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Trade payables	19,46,66,653	22,82,22,469
Total	**19,46,66,653**	**22,82,22,469**

None of the suppliers have confirmed to be registered under "the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year-end together.

2.14 Other Current Financial Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Accrued expenses	11,95,873	2,30,223
Employee benefits payables	31,21,922	9,71,849
Interest accrued but not due on borrowings	-	95,737
Other payables	7,488	6,957
Total	**43,25,283**	**13,04,766**

2.15 Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Advance received from customers	28,76,231	10,16,716
Statutory payables	7,41,599	11,85,358
Total	**36,17,830**	**22,02,074**

2.16 Current Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Provision for employee benefits		
Gratuity	19,91,625	4,37,109
Compensated absences	98,160	1,59,877
Total	**20,89,785**	**5,96,986**

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2.17 Revenue from Operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Income from E-Business Solutions	1,33,57,28,496	1,20,10,67,982
Other operating revenue	11,81,948	-
Income from Software Services and Products	-	20,23,78,735
Total	**1,33,69,10,444**	**1,40,34,46,717**

2.18 Other Income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
(a) Interest Income		
From Income tax refund	-	14,58,346
(b) Dividend Income		
Dividend from mutual funds	1,08,779	1,34,532
(c) Other non-operating Income		
Others	1,08,797	9,56,474
(d) Other Gain and Losses		
Gain/(Loss) on Fair Valuation of Mutual Funds	14,60,395	10,44,458
Gain/(Loss) on Redemption of Mutual Funds	4,78,156	9,93,530
Gain/(Loss) on Foreign Currency Translation	78,78,667	29,66,682
Total	**1,00,34,794**	**75,54,022**

2.19 Cost of Revenue

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
E-Business Expenses	1,02,65,96,605	1,16,40,34,692
Software and Consultancy Expenses	4,79,65,780	66,56,569
Total	**1,07,45,62,385**	**1,17,06,91,260**

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2.20 Employee Benefit Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Salaries and allowances	11,00,82,611	10,61,30,471
Contributions to provident fund and other funds	59,49,848	58,69,327
Gratuity and other retirement benefits	15,11,928	1,75,506
Staff welfare expenses	37,52,494	31,14,529
Total	**12,12,96,881**	**11,52,89,833**

2.21 Finance Costs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense	Amount in ₹	
Working Capital Loan from Bank	2,75,220	1,32,047
Finance Lease	2,07,056	-
Total	**4,82,276**	**1,32,047**

2.22 Depreciation and Amortization

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Depreciation of Property, Plant and Equipments	8,335,989	5,400,827
Amortization of intangible assets	1,413,589	1,521,726
Amortization of right of use assets	534,463	-
Total	**10,284,041**	**6,922,553**

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2.23 Other Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Audit fees	415,885	281,347
Bank charges	652,144	443,206
Commission and brokerage	179,510	1,440,693
Communication expenses	1,998,695	2,127,657
Electricity expenses	3,503,024	2,375,204
Insurance	1,207,175	719,980
Legal and professional charges - Others	12,038,601	11,271,722
Loss on discarding of assets	-	514,062
Marketing expenses	31,383,934	29,237,362
Office expenses	179,294	123,537
Bad debts and provision for expected credit losses	1,111,286	257,025
Postage and courier	305,374	424,627
Printing and stationery	373,378	381,359
Rates and taxes	466,486	621,834
Rent	256,000	671,949
Repairs and maintenance - Others	2,349,531	3,374,605
Repairs and maintenance - Plant and Equipment	2,127,352	1,431,913
Security charges	940,246	945,608
Travelling and conveyance	15,506,738	11,909,545
Total	**74,994,652**	**68,553,235**

2.24 Auditor's Remuneration

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Audit fees	368,885	246,949
Tax matters	25,000	-
Other Services	22,000	34,398
Total	**415,885**	**281,347**

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2.25 Tax Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Current tax	1,97,29,137	1,38,06,744
Short/(Excess) provision of tax of prior years	54,57,625	5,35,834
Deferred tax	6,81,006	2,87,251
Total	**2,58,67,768**	**1,46,29,829**

3 Earnings Per Share (EPS)

Basic Earnings Per Share and Diluted Earnings Per Share are calculated by dividing the Net Profit after Tax for the year attributable to the Equity Shareholders by the Weighted Average number of Equity Shares outstanding during the year.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic	Amount in ₹	
1. Opening number of shares	51,894	51,894
2. Closing number of shares	51,894	51,894
3. Weighted average number of shares	51,894	51,894
4. Profit available for equity shareholders (₹)	3,94,57,236	3,47,81,983
5. EPS (₹)	**760**	**670**
6. Nominal value of share (₹)	10.00	10.00

4 Contigent Liability

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
In respect of Income tax demands where the Company has filed appeal before various authorities *	10,831,560	10,831,560

* The amounts presented above is the gross estimated liability. Amount net of those paid under protest (wherever paid) is ₹ 43,28,870 (₹ 43,28,870).

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5 Reconciliation of tax expense and the accounting profit/ (Loss) multiplied by India's domestic tax rate for the year March 31, 2020 and March 31, 2019

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Accounting profit before income tax	65,325,003	49,411,812
Enacted tax rates in India	29.12%	27.82%
Computed tax expense	19,022,641	13,746,366
Add/(Less) Net Adjustment on account of:		
Tax on Dividend income exempt from Income Tax u/s 10 of Income Tax Act, 1961	31,677	37,427
Effect of different Tax rates in Indian Subsidiaries	-	-
Effect of different Tax rates in Foreign Subsidiaries	1,302,535	207,976
Tax on Other Non Deductible/(deductible) tax expenses, income taxable at different rates, etc	53,290	102,226
Tax on Short / (Excess) provision for earlier years	5,457,625	535,834
Tax expense as per Statement of Profit and Loss	25,867,768	14,629,829
Effective Tax Rate	39.60%	29.61%

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6 Related Party Disclosure

(a) Holding Company - TAKE Solutions Limited, India

(b) Fellow Subsidiaries - TAKE Enterprise Services Inc., USA
- Navitas Inc., USA

(c) Key Management Personnel

Mr. K. Vaidyanathan- Director & CEO
Mr. K. Ramakrishnan - Director & COO
Mr. Srinivasan H.R.- Vice Chairman and Managing Director
Ms. Subhasri Sriram- Executive Director & Chief Financial Officer
Ms. Shalini Chopra - Non-Executive Director

(d) Details of Transactions during the year and balances as at March 31, 2020

Name of the Party	Nature of Transactions	Amount in ₹
Mr. K. Vaidyanathan	Director's Remuneration	10,517,676
Mr. K. Ramakrishnan	Director's Remuneration	10,517,676
TAKE Solutions Limited	Guarantee Commission Charge	179,510
TAKE Solutions Limited	Deemed Capital - Corporate Guarantee	718,040
TAKE Solutions Limited	Dividend Income	4,895,800
Take Enterprises Services Inc	Revenue from Operations	4,317,502
Navitas Inc., USA	Cost of Revenue	248,30,050
Take Enterprises Services Inc	Trade Receivable	1,335,561

7 Leases

Class of Underlying Asset	Opening Balance of Lease Liabilities (Balance as on 01.04.2019)	Recognised on transition as on 01.04.2019 of IND As 116 - Leases	Additions to Lease Liabilities, made during the year	Reduction in Lease Liabilities due to termination of Lease agreement	Finance Cost Accrued during the period	Payment of lease Liabilities during the year	Amount of Lease Liabilities as on March 31, 2020
Buildings	-	22,32,281	-	-	2,07,056	5,66,364	18,72,973

The table below provides details regarding the contractual maturities of lease liabilities as on March 31, 2020

Particulars	Undiscounted Basis	Discounted Basis
Not later than one year	623,000	456,234
Later than one year but not later than five years	1,648,595	1,416,739
Later than 5 years	-	-
Total	**2,271,595**	**1,872,973**

Qualitative Disclosures - Lease Liability:

The leased building premises are used to carry out business operations and related support activities. The future cash outflows on lease payments are fixed in nature, subject to escalations. The lease agreements

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tenor extensions and termination conditions are subject to respective lease agreements. No restrictions or covenants are imposed by lease agreements.

8 Segment Reporting

Operating segments are reported in a manner consistent with the reporting to the Chief Operating Decision Maker (CODM). The CODM as identified by the Board of Directors include the Executive and the other Directors but do not include the Independent Directors.

The Company on a standalone basis operates in the business segment of Supply Chain Management and hence there is only one business segment and no specific disclosure is made.

9 Financial Instruments

(a) Capital Management

The Group's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimisation of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of the capital management, capital include issued equity capital, securities premium, all other reserves attributable to the equity shareholders and non-controlling interest of the Company. Net debt includes all the long-term and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

Particulars	As at March 31, 2020	As at March 31, 2019
Equity	248,253,864	221,207,513
Debt	-	24,349,850
Cash and cash equivalents	31,998,808	23,490,383
Net debt	(31,998,808)	859,467
Total capital (equity + net debt)	216,255,056	222,066,980
Net debt to capital ratio	NA	-

(a) Accounting Classification and Fair Values

Carrying amounts and fair values of financial assets and financial liabilities are presented below. It done not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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As at March 31, 2020	Carrying amount				Fair value			
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Financial assets								
Non-current								
(i) Long Term Loans and Advances								
Security deposits	-	-	749,633	749,633	-	-	-	-
Current								
(i) Investments								
Investments in mutual funds	58,255,028	-	-	58,255,028	58,255,028	-	-	58,255,028
(ii) Trade receivables	-	-	265,298,028	265,298,028	-	-	-	-
(iii) Cash and cash equivalents	-	-	31,998,808	31,998,808	-	-	-	-
(iv) Bank balances other than (iii) above	-	-	-	-	-	-	-	-
(v) Other financial assets	-	-	-	-	-	-	-	-
Total financial assets	**58,255,028**	**-**	**298,046,469**	**356,301,497**	**58,255,028**	**-**	**-**	**58,255,028**
Non-Financial liabilities								
(i) Lease liabilities	-	-	1,416,735	1,416,735	-	-	-	-
Current								
(i) Borrowings	-	-	-	-	-	-	-	-
(ii) Trade payables	-	-	194,666,653	194,666,653	-	-	-	-
(iii) Lease Liabilities	-	-	456,234	456,234	-	-	-	-
(iii) Other financial liabilities	-	-	4,325,283	4,325,283	-	-	-	-
Total financial liabilities	**-**	**-**	**200,864,905**	**200,864,905**	**-**	**-**	**-**	**-**

As at March 31, 2019	Carrying amount				Fair value			
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Financial assets								
Non-current								
(i) Loans					-	-	-	-
Security deposits			-	-				
Current								
(i) Investments								
Investments in mutual funds	36,207,800	-	-	36,207,800	36,207,800	-	-	36,207,800
(ii) Trade receivables	-	-	317,217,538	317,217,538	-	-	-	-
(iii) Cash and cash equivalents	-	-	23,490,383	23,490,383	-	-	-	-
(iv) Bank balances other than (iii) above	-	-	-	-	-	-	-	-
(v) Other financial assets	-	-	-	-	-	-	-	-
Total financial assets	**36,207,800**	**-**	**340,707,921**	**376,915,721**	**36,207,800**	**-**	**-**	**36,207,800**
Financial liabilities								
Current								
(i) Borrowings	-	-	24,349,850	24,349,850	-	-	-	-
(ii) Trade payables	-	-	228,222,469	228,222,469	-	-	-	-
(iii) Other financial liabilities	-	-	1,304,766	1,304,766				
Total financial liabilities	**-**	**-**	**253,877,085**	**253,877,085**	**-**	**-**	**-**	**-**

Fair value note:

Level- 1: Financial instruments are measured using quotes in active market

Level- 2: Inputs other than quote prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level- 3: Financial instruments are measured using unobservable market data.

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(b) Measurement of Fair value

Financial instrument	Valuation technique	Key inputs used	Sensitivity analysis
Investments in unquoted equity/preference instruments at Cost	Discounted Cash Flow Method (DCF) - Free Cash Flow to Equity (FCFE) Approach	DCF - FCFE valuation approach taking into consideration of the the followings: *Probable future business environment affecting the economy, industry and entity *Detailed forecasts of revenue, cost of taxes on income, capex, working capital investments and capital structure for the forecasted period *Cost of equity *Long-term sustainable growth rate *Long-term sustainable return on equity *Long-term return on reinvestment rate *All the operating & non-operating assets (tangible & intangible) and liabilities	*The Company's periodic cash flows to equity for the forecasted period and the perpetuity period have been arrived at after considering the expected periodic tax liability. *The Company's periodic free cash flows to equity are discounted at its cost of equity derived at 9.28% by applying Capital Asset Pricing Model, considering beta factor of 1.23x *Considered the long-term sustainable growth rate at 3.00% for the perpetuity period *The Company has cash & cash equivalents, which are added at book value to its total discounted FCFE

(c) Financial Risk Management Policies

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest risks, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial of the Group.

Item	Primarily affected by	Risk management policies
Market risk - Currency risk	Foreign currency outstanding balances and exposure towards trade payables, exports, and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps
Market risk - Interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies
Market risk - Price risk	Change in prices of commodity and value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities

(d) Market Risk

The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Exposure to Currency Risk (Exposure in different currencies converted to functional currency i.e. ₹)

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The currency profile of income and expenses for the year ended March 31, 2020 and March 31, 2019.

The following significant exchange rates have been applied during the year:

Particulars	Average exchange rates		Closing exchange rates	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
USD - INR	70.943	69.925	74.878	69.571

(e) Management of Credit Risk

Exposure to Credit Risk

The gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure.

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Investments	5,82,55,028	3,62,07,800
Trade receivables (net of allowance of doubtful debts)	26,52,98,028	31,72,17,538
Cash and cash equivalents and other bank balances	3,19,98,808	2,34,90,383
Total	**35,55,51,864**	**37,69,15,721**

(f) Financial Assets that are neither past due nor impaired

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Investments	5,82,55,028	3,62,07,800
Cash and cash equivalents and other bank balances	3,19,98,808	2,34,90,383
Total	**9,02,53,836**	**5,96,98,183**

Loans and advances given are monitored by the Company on a regular basis and these are neither past due nor impaired.

(g) Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and do not include interest payments.

As at March 31, 2020	Contractual cash flows					
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
	Amount in `					
Financial Liabilities						
Borrowings from banks	-	-	-	-	-	-
Trade payables	194,666,653	194,666,653	-	-	-	194,666,653
Lease liabilities	1,872,969	456,235	1,416,734	-	-	1,872,969
Other financial liabilities	4,325,283	4,325,283	-	-	-	4,325,283

ANNAMALAI & ASSOCIATES CHENNAI 600 017 CHARTERED ACCOUNTANTS

G.D. APTE & CO. Chartered Accountants

As at March 31, 2019	Contractual cash flows					
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
	Amount in `					
Financial Liabilities						
Borrowings from banks	2,43,49,850	2,43,49,850	-	-	-	2,43,49,850
Trade payables	22,82,22,469	22,82,22,469	-	-	-	22,82,22,469
Other financial liabilities	13,04,766	13,04,766	-	-	-	13,04,766

10 Note on COVID-19

The Novel Coronavirus (COVID-19), a Global Pandemic, is rapidly spreading throughout the world. Outbreak of COVID-19 has significantly affected the social and economic activities worldwide and, as result, could affect the operations and financial statement of the Group. In line with the advisories, orders and directions issued by the local and state government authorities to prevent and contain the spread of Coronavirus, the Management has taken necessary measures. 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 receivable, contract assets and certain investments in subsidiaries up to the date of approval of theses financial statements. In this assessment, the group has performed sensitivity analysis on the key assumptions used. Such review and analysis performed by the group did not reveal any impairment losses.

However, the impact assessment of COVID-19 is an ongoing process, given the uncertainties associated with its nature and duration. The impact of global health pandemic might be different from that estimated as at the date of approval of this financial statement and the Group will continue to closely monitor any significant impart on the group's financial position"

11 Comparative Figures

Corresponding figures for previous year presented have been regrouped, where necessary, to conform to the current year's classification.

For Annamalai Associates
Chartered Accountants
Firm's Registration No.: 000185S

CA A.L. Raghunathan
Partner
Membership No.: 208196
Place: Chennai
Date: June 10, 2020

For G.D. Apte & Co.
Chartered Accountants
Firm's Registration No.: 100515W

CA. Umesh. S. Abhyankar
Partner
Membership Number.: 113053
Place: Pune
Date: June 10, 2020

G.D. Apte & Co. ★ Chartered Accountants ★

For and on behalf of the Board of Directors

K. Vaidyanathan
Director
DIN: 000359293

K. Ramakrishnan
Director
DIN: 001760028

Place: Chennai
Date: June 10, 2020

Ecron Acunova Limited Consolidated Balance Sheet as at March 31, 2020				
	Particulars	Note	As at March 31, 2020	As at March 31, 2019
			Amount in ₹	
I.	ASSETS			
1.	Non-current assets			
	(a) Property, plant and equipment	2.01	604,039,469	387,147,769
	(b) Right of use assets	2.02	186,830,149	-
	(c) Capital work-in-progress	2.03	-	7,750,667
	(d) Goodwill	2.04	97,533,644	93,236,894
	(e) Other intangible assets			
	(i) Goodwill on business acquisition	2.05	593,719,624	562,598,377
	(ii) Other intangible assets	2.05	96,996,404	37,222,156
	(f) Intangible assets under development	2.06	-	39,900,000
	(g)Investments	2.07	1,000	-
	(h) Financial assets			
	Loans	2.08	39,907,704	28,670,140
	(i) Deferred tax asset	2.09 (a)	37,965,627	8,235,776
	(j) Income tax assets		6,133,148	10,924,226
	Total non-current assets		1,663,126,769	1,175,686,005
2.	Current assets			
	(a) Inventories	2.10	6,781,457	5,484,361
	(b) Financial assets			
	(i) Trade receivables	2.11	1,015,963,923	1,289,724,847
	(ii) Unbilled Receivables	2.12	391,033,993	595,730,982
	(iii) Cash and cash equivalents	2.13	30,974,254	43,592,748
	(iv) Bank balances other than (iii) above	2.14	31,810,707	47,381,492
	(v) Loans	2.15	329,179,882	345,211,302
	(vi) Other financial assets	2.16	3,516,505	5,974,214
	(c) Other current assets	2.17	112,464,513	101,108,774
	Total current assets		1,921,725,234	2,434,208,720
	TOTAL ASSETS		3,584,852,003	3,609,894,725
II.	EQUITY AND LIABILITIES			
1.	Equity			
	(a) Equity share capital	2.18	262,468,050	262,468,050
	(b) Other equity	2.19	1,192,636,163	1,074,128,521
	Equity attributable to shareholders of the Company		1,455,104,213	1,336,596,571
	(c) Non-Controlling Interests		(3,521,426)	(920,837)
	Total equity		1,451,582,787	1,335,675,734
2.	Liabilities			
	Non - current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.20	124,527,945	167,413,268
	(ii) Lease liability	2.21	139,125,493	-
	(b) Deferred tax liabilities	2.09 (b)	-	589,674
	(c) Provisions	2.22	9,989,230	2,579,894
	Total non-current liabilities		273,642,667	170,582,836
3.	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.23	578,547,190	1,098,137,981
	(ii) Trade payables	2.24	314,286,407	258,207,756
	(iii) Other financial liabilities	2.25	242,838,983	349,451,225
	(iv) Lease liability	2.26	55,694,910	-
	(b) Other current liabilities	2.27	630,019,997	311,902,375
	(c) Provisions	2.28	3,835,467	4,580,978
	(d) Income tax liabilities		34,403,595	81,355,840
	Total current liabilities		1,859,626,549	2,103,636,155
	TOTAL EQUITY AND LIABILITIES		3,584,852,003	3,609,894,725

Notes form an integral part of the Consolidated Financial Statements

As per our report attached

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No.: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
Place: Pune
Date : June 10, 2020

For and on behalf of the Board of Directors

Ayaaz Hussain Khan
Managing Director
DIN: 07820092

Subhasri Sriram
Director
DIN: 01998599

Y R Sachin Kumar Holla
Chief Financial Officer

Nrusingha Charan Beh
Company Secretary
Membership No.:A3623

Place: Bangalore
Date : June 10, 2020

G.D. APTE & CO. Chartered Accountants

ECRON ACUNOVA Bangalore

Ecron Acunova Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

	Particulars	Note	March 31, 2020	March 31, 2019
			Amount in ₹, except per share data	
I.	Revenue from operations	2.29	4,164,234,257	3,647,193,490
II.	Other income	2.30	127,257,021	8,597,542
III.	**Total income**		**4,291,491,279**	**3,655,791,032**
IV.	**Expenses**			
	Expenditure on Clinical Operations	2.31	1,430,521,667	878,481,098
	Laboratory consumables and chemicals consumed	2.32	41,579,160	59,380,914
	Employee benefits expenses	2.33	1,045,580,829	1,232,318,665
	Finance costs	2.34	104,280,243	90,815,853
	Depreciation and Amortisation	2.35	242,926,147	67,590,579
	Other expenses	2.36	1,310,419,422	765,936,860
	Total expenses		**4,175,307,467**	**3,094,523,969**
V.	**Profit before tax**		**116,183,812**	**561,267,063**
VI.	**Tax expense**			
	(i) Current tax	2.37	97,583,679	86,402,556
	(ii) Short/(Excess) provision of tax of prior years	2.37	(12,689,859)	-
	(iii) Deferred tax	2.37	(40,294,818)	3,578,977
VII.	**Profit for the year**		**71,584,810**	**471,285,530**
VIII.	**Other Comprehensive Income/(Loss)**			
	(a) Items that will not be reclassified to profit or loss		(9,241,861)	(2,323,848)
	(b) Income tax provision /(reversal) relating to items that will not be reclassified to profit or loss		766,696	676,705
	(c) Items that will be reclassified to profit or loss			
	(i) Exchange difference in translating the financial statements of foreign operations		48,113,782	(82,039,154)
	(ii) Deferred gain/(loss) on cash flow hedge		(6,076,778)	5,953,005
	(d) Income tax provision /(reversal) relating to items that will be reclassified to profit or loss		1,529,343	(1,733,515)
	Total Other Comprehensive Income for the year, net of tax		**35,091,182**	**(79,466,807)**
	Total Comprehensive Income for the year		**106,675,992**	**391,818,723**
IX.	**Profit attributable to**			
	Shareholders of the Company		73,972,912	474,947,399
	Non-controlling interest		(2,388,102)	(3,661,869)
			71,584,810	**471,285,530**
X.	**Other Comprehensive Income attributable to**			
	Shareholders of the Company		35,303,668	(79,407,663)
	Non-controlling interest		(212,487)	(59,144)
			35,091,182	**(79,466,807)**
XI.	**Total Comprehensive Income attributable to**			
	Shareholders of the Company		109,276,581	395,539,736
	Non-controlling interest		(2,600,589)	(3,721,013)
			106,675,992	**391,818,723**
	Earnings per equity share			
	Equity Shares of par value ₹ 10/- each			
	Basic		4.16	26.69
	Diluted		3.11	19.94

Notes form an integral part of the Consolidated Financial Statements

As per our report attached

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No.: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
Place: Pune
Date : June 10, 2020

G.D. APTE & CO. Chartered Accountants

For and on behalf of the Board of Directors

Ayaaz Hussain Khan
Managing Director
DIN: 07820092

Subhasri Sriram
Director
DIN: 01998599

Y R Sachin Kumar Holla
Chief Financial Officer

Nrusingha Charan Behera
Company Secretary
Membership No.:A36231

Place: Bangalore
Date : June 10, 2020

ECRON ACUNOVA LTD. Bangalore

Ecron Acunova Limited Consolidated Statement of Cash Flows for the year ended March 31, 2020		
Particulars	March 31, 2020	March 31, 2019
	Amount in ₹	
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ (LOSS) BEFORE TAX	116,183,812	561,267,063
Adjustments for		
Depreciation and amortization	242,926,147	67,590,579
Finance cost	104,280,243	90,815,853
Interest income	(3,998,911)	(3,959,491)
Employee stock option expense	7,943,072	10,551,433
Bad debts and provision for expected credit losses	829,263	1,532,421
Loss/(Profit) on disposal of Property, Plant and Equipment	148,114	929,001
Foreign exchange adjustments - loss/(gain)	(93,099,238)	(3,965,322)
Operating Profit before working Capital Changes	**375,212,502**	**724,761,537**
(Increase)/Decrease in loans & advances and other assets	515,498,675	(668,919,380)
Increase/ (Decrease) in liabilities and provisions	262,114,682	(155,907,057)
Cash flow from/ (used in) Operations	**1,152,825,860**	**(100,064,900)**
Interest - working capital loans	(14,450,885)	(2,570,865)
Direct Taxes (paid)/Received	(127,054,987)	(27,703,440)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	**1,011,319,988**	**(130,339,205)**
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(384,825,323)	(304,836,047)
Sale/Discard of fixed assets	126,316	11,698,386
Interest income	3,234,573	3,959,491
Reduction/ (Increase) of bank deposits	15,570,785	(10,187,090)
Loans to related parties	16,031,420	(22,319,137)
NET CASH FROM /(USED IN) INVESTING ACTIVITIES	**(349,862,230)**	**(321,684,397)**
C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings	(629,704,731)	379,541,370
Proceeds from Borrowings/(Repayment of borrowings)	48,228,616	67,188,472
Finance cost	(21,976,493)	(88,244,988)
Payment of lease liability	(71,757,273)	(389,651)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	**(675,209,881)**	**358,095,203**
Net Increase/(Decrease) in Cash & Cash equivalents	**(13,752,123)**	**(93,928,399)**
Add: Cash and Cash equivalents as at the beginning of the	43,592,748	135,937,683
Exchange difference on translation of foreign currency casl	1,133,629.23	1,583,464
Cash & Cash equivalents as at the end of the year - Note	**30,974,254**	**43,592,748**

Notes form an integral part of the Consolidated Financial Statements

As per our report attached

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No.: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
Place: Pune
Date : June 10, 2020

G.D. APTE & CO. Chartered Accountants

For and on behalf of the Board of Directors

Ayaaz Hussain Khan
Managing Director
DIN: 07820092

Subhasri Sriram
Director
DIN: 01998599

Sachin Kumar Holla
Chief Financial Officer

Nrusingha Charan Behera
Company Secretary
Membership No.:A36231

Place: Bangalore
Date : June 10, 2020

ECRON ACUNOVA LTD. Bangalore

Ecron Acunova Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2020

(a) Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Opening Balance	177,953,050	177,953,050
Changes during the year	-	-
Closing Balance	177,953,050	177,953,050

(b) Instruments entirely equity in nature - Preference Shares

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Opening Balance	84,515,000	84,515,000
Changes during the year	-	-
Closing Balance	84,515,000	84,515,000

(c) Other Equity

Particulars	Attributable to Owners of the Company									Non-Controlling Interest	Total Equity attributable to Equity Holders
	Reserves and Surplus					Other items of OCI					
	General Reserve	Securities Premium Reserve	Retained Earnings	Deemed Share Capital- ESOP	Deemed Share Capital- Corporate Guarantee	Foreign Currency Translation Reserve	Items of Other Comprehensive Income	Cash Flow Hedge Reserve	Total		
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Balance as at April 01, 2018	3,692,936	566,687,279	(33,888,439)	8,085,188	7,099,110	118,527,403	543,100	(2,765,561)	667,981,016	2,667,925	670,648,941
Profit for the year	-	-	474,947,399	-	-	-	-	-	474,947,399	(3,661,869)	471,285,530
Transferred to deemed share capital - ESOP	-	-	-	10,445,658	-	-	-	-	10,445,658	-	10,445,658
Transferred to deemed share capital - Corporate Guarantee	-	-	-	-	299,180	-	-	-	299,180	-	299,180
Transfer to General Reserve on exercise	(77,925)	-	-	-	-	-	-	-	(77,925)	-	(77,925)
Effective portion on Cash Flow Hedge	-	-	-	-	-	-	-	5,953,005	5,953,005	-	5,953,005
Items that will not be classified to Profit or Loss	-	-	-	-	-	-	-	(1,733,515)	(1,733,515)	-	(1,733,515)
Items that will not be classified to Profit or Loss	-	-	-	-	-	-	(2,323,848)	-	(2,323,848)	59,144	(2,264,704)
Income tax on above	-	-	-	-	-	-	676,705	-	676,705	-	676,705
Exchange differences on translation to foreign operations	-	-	-	-	-	(82,039,154)	-	-	(82,039,154)	13,963	(82,025,191)
Balance as at March 31, 2019	3,615,011	566,687,279	441,058,960	18,530,846	7,398,290	36,488,249	(1,104,043)	1,453,929	1,074,128,521	(920,837)	1,073,207,684
Balance as at April 01, 2019	3,615,011	566,687,279	441,058,960	18,530,846	7,398,290	36,488,249	(1,104,043)	1,453,929	1,074,128,521	(920,837)	1,073,207,684
Profit / (Loss) for the year	-	-	73,972,912	-	-	-	-	-	73,972,912	(2,388,102)	71,584,810
Transferred to deemed share capital - ESOP	-	-	-	8,624,921	-	-	-	-	8,624,921	-	8,624,921
Transferred to deemed share capital - Corporate Guarantee	-	-	-	-	450,000	-	-	-	450,000	-	450,000
Transfer to General Reserve on exercise	156,139	-	-	-	-	-	-	-	156,139	-	156,139
Effective portion on Cash Flow Hedge	-	-	-	-	-	-	-	(6,076,778)	(6,076,778)	-	(6,076,778)
Income tax on above	-	-	-	-	-	-	-	1,529,343	1,529,343	-	1,529,343
Items that will not be classified to Profit or Loss	-	-	-	-	-	-	(9,241,861)	-	(9,241,861)	-	(9,241,861)
Income tax on above	-	-	-	-	-	-	766,696	-	766,696	-	766,696
Exchange differences on translation to foreign operations	-	-	-	-	-	48,326,270	-	-	48,326,270	(212,487)	48,113,783
Balance as at March 31, 2020	3,771,150	566,687,279	515,031,872	27,155,767	7,848,290	84,814,519	(9,579,208)	(3,093,506)	1,192,636,163	(3,521,426)	1,189,114,738

Notes form an integral part of the Consolidated Financial Statements

As per our attached report of even date

For G.D.Apte & Co.
Chartered Accountants
Firm Registration No.: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
Place: Pune
Date : June 10, 2020

For and on behalf of the Board of Directors

Ayaaz Hussain Khan
Managing Director
DIN: 07820092

Subhasri Sriram
Director
DIN: 01998599

Y R Sachin Kumar Holla
Chief Financial Officer

Nrusingha Charan Behera
Company Secretary
Membership No.:A36231

Place: Bangalore
Date : June 10, 2020

G.D. APTE & CO. ★ Chartered Accountants ★

ECRON ACUNOVA LTD. Bangalore

Company Overview

Ecron Acunova Limited ('the Company') and its Subsidiaries are engaged in providing services in the field of Cellular Research, Clinical Trials, Contract Research, Clinical Data Management and Biostatistical Services.

Ecron Acunova Limited, the Company is held 100% by TAKE Solutions Limited, a Public Company, listed in India on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Financial Statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on June 10, 2020.

1 Significant Accounting Policies

1.1 Basis of Preparation of Consolidated Financial Statements

The Consolidated Financial Statements of Ecron Acunova Limited and its Subsidiaries ("the Group") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the Rules"). These financial statements for the year ended March 31, 2020 have been prepared in accordance with Ind AS.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer to accounting policy regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

1.2 Basis of Consolidation

Ecron Acunova Limited consolidates all entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain/loss from such transactions, are eliminated upon consolidation. These Consolidated Financial Statements are prepared by applying uniform accounting policies in use at the Group.

Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

1.3 Use of Estimates

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and

G.D. APTE & CO. Chartered Accountants

ECRON ACUNOVA LTD. Bangalore

liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Consolidated Financial Statements in the period in which changes are made and, if material, their effect are disclosed in the notes to the Consolidated Financial Statements.

1.4 Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

1.5 Critical Accounting Estimates

1.5.1 Revenue Recognition

The Group uses the percentage-of-completion method in the accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Group to estimate the efforts or costs to be expended till the reporting date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable, based on the expected contract estimates at the reporting date.

1.5.2 Income Taxes

The Group's major tax jurisdictions are India, USA, Europe, Russia and UK. Though the Group also files tax returns in other overseas jurisdictions, significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Also refer to Note No. 5.

1.5.3 Business Combinations and Intangible Assets

Business combinations are accounted for using Ind AS 103, *Business Combinations*, Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

1.5.4 Property, Plant and Equipment

Property, plant and equipment represents a significant proportion of the assets base of the Group. The charges in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

The useful lives and residual value of the Group's assets are determined by the Management at the time the assets are acquired and are reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

1.5.5 Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash-generating unit (CGU) is less than its carrying amount, based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of CGUs is determined based on the higher of value-in-use and

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fair value less cost to sell. The goodwill impairment test is performed at the level of the CGU or groups of CGUs which are benefiting from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes.

Market-related information and estimates are used to determine the recoverable amount. Key assumptions on which the Management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. The cash flow projections take into account past experience and represent the Management's best estimate about future developments.

1.5.6 Allowance for Trade Receivables and Other Financial Assets

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for expected credit loss. The Group recognises impairment loss allowance based on lifetime Expected Credit Losses at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

1.5.7 Share-Based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

1.5.8 Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity 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 and mortality rates. 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 reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The estimates of future salary increases take into account the inflation, seniority, promotion and other relevant factors.

1.5.9 Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.5.10 Assets Held for Sale

The Group has assessed the criteria as required by Ind AS 105 in respect of its assets and concluded that the conditions that exist as on reporting date does not indicate that any assets are held for sale.

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1.6 Revenue Recognition

The Group derives its revenue from Clinical trial and research services and laboratory testing and analysis services and clinical data management services. Revenue is recognised to the extent that the economic benefits will flow to the Group and the revenue can be reliably measured.

Life Science Sector:

Drug development is a lengthy and complex process. This process demands extensive collaboration among both internal and external stakeholders. Cross-functional groups within an organization—including research and development (R&D), clinical research, quality assurance, manufacturing, supply chain, marketing, and sales must work together to advance drug compounds from initial development to store shelves.

Clinical studies

The operational success and the long-term impact of a clinical trial depends on the ability to deliver high-quality data, quickly and cost-effectively, to enable timely and informed decision making by the study teams and sponsors. In addition, it has become essential to leverage trial data using analytics to improve decision-making capabilities. Quality by design and a risk-based approach are imperative to the success of clinical trials. An effective clinical trial requires a deep understanding of how to identify and mitigate risks from start to finish, how to identify the right parameters to drive trial progress and stay patient-centric, and how to set up trial endpoints to ensure a meaningful study.

i. Full-Service Clinical Trials

Serves as an integrated development partner for faster and more cost-effective management of Phase II-IV trials. Right from study start-up, to conduct, to closure. Our clinical trials services include feasibility, start-up, project management, traditional monitoring, centralized statistical monitoring driven by concepts of risk-based monitoring, data management and biostatistics, medical & PV services, and publishing and submissions.

ii. Medical Imaging Services

Medical Imaging Services are either bundled into our full service or delivered as stand-alone and provide high quality outcomes that speed up your global Phase I - IV clinical trials. Services also include Site and CRA training. We assist with study planning, setup, conduct, and central independent review (including safety and efficacy for primary and secondary endpoints).

iii. Non-Interventional Studies (NIS)

Services range from study setup - conduct - to closure, market surveys, pre-launch screenings, classical Non-Interventional Studies, post-authorisation safety studies, and post-authorisation effectiveness studies. Help collect prospective and retrospective data for marketed products; evaluate product effectiveness, patient compliance, patient/physician satisfaction etc., identified, characterised and quantified safety hazards; confirmed safety profile of the product; and even measured the effectiveness of risk-management measures.

iv. Clinical Data Services (CDS)

Provide sponsors the flexibility of either full-service or stand-alone Clinical Data Services, per their individual requirements. We deliver cost-effective data management services to address increasingly complex clinical data sets while conforming to the regulatory requirements of CDISC submissions. Cloud-enabled, clinical analytics platform is proven to deliver near real time, high-quality data for delivering better insights and enabling proactive decision making, resulting in successful outcomes. Designed for, and delivered via, cloud, and in compliance with regulatory and data privacy requirements, our technology platform enables end to end clinical trial data management, data visualization, analytics, monitoring and submission services.

Generics including Bio Availability and Bio Equivalence (BA/BE) Studies

Provide end-to-end services for BA/BE studies viz: Writing the protocol for a study by referring to Guidelines. Obtaining approval from regulatory for conducting the study, Conducting the study in

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own facility (clinic) located in Manipal, Mangalore, Chennai and Bangalore and analysing the samples in our lab.

Revenue from time and material service contracts is recognised as the services are provided under the terms of the contracts. Revenue from fixed price service contracts is recognised based on the proportionate completion method.

Reimbursements received for certain expenses incurred on projects invoiced separately to customers are included in revenues and amounts recoverable from customers at year end are reflected as sundry debtors.

Amounts billed or payments received, where all the conditions for revenue recognition have not been met, are recorded as deferred revenue under liabilities and are recognised as revenue when all revenue recognition criteria have been met.

Unbilled revenue represents revenues recognised for services rendered in accordance with contractual terms, which have not been billed to the customer at the Balance Sheet date. The related billings are performed within the next operating cycle.

1.6.1 Recognition:

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Revenue for services, as rendered, is recognised only after persuasive evidence of an arrangement exists, the sales price is fixed or determinable and collectability is reasonably assured.

i. Clinical trials management:

Revenue is recognised on a proportional performance method. Depending on the contractual terms revenue is either recognised on the percentage of completion method based on the relationship between hours incurred and the total estimated hours of the trial or on the unit of delivery method. Contract costs equate to the product of labour hours incurred and compensation rates. For the percentage of completion method, the input (effort expended) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. Contract revenue is the product of the aggregated labour hours required to complete the specified contract tasks at the agreed contract rates. The Company regularly reviews the estimate of total contract time to ensure such estimates remain appropriate taking into account actual contract stage of completion, remaining time to complete and any identified changes to the contract scope. Remaining time to complete depends on the specific contract tasks, the complexity of the contract and can include geographical site selection and initiation, patient enrolment, patient testing and level of results analysis required. While the Company may routinely adjust time estimates, the Company's estimates and assumptions historically have been accurate in all material respects in the aggregate. Where revenue is recognised on the unit of delivery method, the basis applied is the number of units completed as a percentage of the total number of contractual units.

ii. Clinical Data Services:

Revenue is recognised on a fee-for-service basis, over the time the related service is performed, or in the case of permanent placement, once the candidate has been placed with the client.

iii. Laboratory Services for Generics and Bio Availability and Bio Equivalence Studies

Revenue is recognised on a fee-for-service basis. The Company accounts for laboratory service contracts as multiple element arrangements, with contractual

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elements comprising laboratory kits and laboratory testing, each of which can be sold separately. Sales prices for contractual elements are determined by reference to objective and reliable evidence of their sales price. Revenues for contractual elements are recognised on the basis of the number of deliverable units completed in the period.

Other Income

Other income is comprised primarily of interest income, gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method.

Interest Income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

1.7 Property, Plant and Equipment and Depreciation

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 the Management. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset	Life (in years)
Computers and Purchased Softwares	3-6
Furniture, Fixtures and Office Equipments	4-10
Automobiles	4-10
Leasehold improvements, Right of use assets	Period of Lease
Buildings	60
Trade Marks	5-7

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets in situations where the work for development of that for development of that asset has not commenced or the asset, being a standard/ shelf product, is not delivered and ready for intended use as decided by the Group. In situations where the work for development of the asset has commenced, the cost of asset incurred till the reporting date is disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of

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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 recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

1.8 Business Combinations

Business combinations are accounted for using the acquisition method under the provisions of Ind AS 103, *Business Combinations*.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Business combinations between entities under common control are accounted for at carrying value. Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are not considered as part of the cost of acquisition.

1.9 Goodwill

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in net profit in the Statement of Profit and Loss. Goodwill is measured at cost less accumulated impairment losses.

1.10 Intangible Assets and Amortisation

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives ranging from 3 to 7 years on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, are known technological advances), and the level of maintenance expenditure required to obtain the expected future cash flows from the assets. Amortization methods, and useful lives are reviewed at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the projects is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the assets for its intended use.

1.11 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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Group as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the rightof-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

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1.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.13 Inventories

Inventories of related peripherals including stores and spares and consumables are valued at the lower of cost and estimated net realisable value. Cost is determined on first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.14 Provisions

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

1.15 Financial Instruments

1.15.1 Initial Measurement

The Group 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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not fair valued through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

1.15.2 Subsequent Measurement

i) Non-Derivative Financial Instruments

a) 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.

b) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates and by sale. Further, in cases where the Group has made an irrevocable election based on its

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business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income (OCI).

c) Financial Assets at Fair Value through Profit and Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

d) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

ii) Derivative Financial Instruments

a) Initial Recognition and Subsequent Measurement

The derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects the profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability.

Hedges that meet the criteria for hedge accounting are accounted for as described below:

Fair Value Hedges

The change in the fair value of a hedging instrument is recognised in the Statement of Profit and Loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the Statement of Profit and Loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

Cash Flow Hedges

The effective portion of the gain or loss on the hedging instrument is recognised is OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Statement of Profit or Loss.

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Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised.

1.15.3 Derecognition of Financial Instruments

The Group 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 Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.15.4 Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value results in general approximation of value, and such value may never actually be realized.

Refer to Note No. 9 (b) in for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.15.5 Financial Guarantee Contracts

Financial Guarantee contracts issued by the holding company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the debtor fails to make the payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as an asset at fair value adjusted for transaction costs, if any, that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

1.16 Impairment

a) Financial Assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to the lifetime ECL. The amount of ECL (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 the Statement of Profit or Loss.

b) Non-Financial Assets

i) Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to Group's CGU or groups of CGUs expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

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Total Impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro rata on the basis of the carrying amount of each assets in the CGU. An impairment loss on goodwill is recognized in the Statement of Profit and Loss.

ii) Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or change in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment of testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

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 assets.

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 if any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.17 Foreign Currency Transactions and Translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of transaction.

The translation of financial statement of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserve under other components of equity. When a subsidiary is disposed of, in full, the relevant amount is transferred to net profit in the Statement of Profit and Loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

1.18 Earnings Per Equity Share

Basic 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 outstanding during the

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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 on conversion of all dilutive potential equity shares are adjusted for the proceeds receivables had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus share issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.19 Income Taxes

Income tax expenses comprise current and deferred income tax. Income 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, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax asset and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit and loss at the time of the transaction.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to extent that it is probable future. The Group 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.

1.20 Cash and Cash Equivalents

Cash and cash equivalents comprises of cash on hand and short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments and deposits with the banks that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

1.21 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resource embodying economic benefit will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

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The Group does not recognise a contingent liability but discloses it as per Ind AS 37 in the financial statements unless the possibility of an outflow of resources embodying economic benefit is remote.

1.22 Employee Benefits

1.22.1 Gratuity

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Group. 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 Group.

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 method.

The Group 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 liability/ (assets) are recognized in the other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation, is recognized in other comprehensive income. The effect of any plan amendment is recognized in net profits in the Statement of Profit and Loss.

1.22.2 Provident Fund

In respect of Indian subsidiaries, eligible employees receive benefits from a provident fund, which is defined contribution plan. Both the eligible employee and the respective companies make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The Companies have no further obligation to the plan beyond its monthly contributions.

1.22.3 Compensated Absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment.

The Group records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Group recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

1.22.4 Share-Based Payments

The Group recognizes compensation expense relating to share based payments in net profit using fair value in accordance with Ind AS 102, *Share Based Payments*. The estimated fair value of awards in charged to the Statement of Profit and Loss on a straight-line basis over the requisite service period for each separately vesting portion of the award with the corresponding increase to share options outstanding account.

In respect of options issued to group entities, the Group has transferred the charge to the respective entities where the grantee is providing services.

1.22.5 Short-Term Employee Benefits

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All employee benefits payable wholly within twelve months of the rendering of services are classified as short- term employee benefits. Benefits such as salaries, allowances, expected cost of bonus etc., are recognised in the period in which the employee renders the related service.

1.23 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transaction 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 Group are segregated.

1.24 Segment Reporting

Operating Segments are reported in a manner consistent with the reporting to the Chief Operating Decision Maker (CODM). The CODM as identified by the Board of Directors include the Executive and other Directors but do not include the Independent Directors.

The Group is operating in a single business segment on a consolidated basis viz. Life Sciences.

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Ecron Acunova Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2020

2 Notes to Accounts
Non-Current Assets
2.01 Property, plant and equipment

Particulars	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Leasehold Improvements	Plant and Equipments	Total
	Amount in ₹						
Gross Carrying Value							
Balance as at April 01, 2018	17,556,907	15,441,074	4,308,863	65,917,278	2,313,874	165,197,325	270,735,321
Additions	119,112,949	10,706,550	-	109,484,500	-	15,795,121	255,099,120
Deductions/ disposals	(31,200)	(174,480)	-	(5,122,766)	-	(13,684,434)	(19,012,880)
Translation adjustment	(4,159,590)	(365,533)	(6,284)	(32,723,171)	-	-	(37,254,578)
Balance as at March 31, 2019	**132,479,066**	**25,607,611**	**4,302,579**	**137,555,841**	**2,313,874**	**167,308,012**	**469,566,983**
Balance as at April 01 2019	**132,479,066**	**25,607,611**	**4,302,579**	**137,555,841**	**2,313,874**	**167,308,012**	**469,566,983**
Additions	217,076,674	41,455,836	-	90,112,132	-	9,236,582	**357,881,224**
Deductions/ disposals	(17,966)	-	-	(3,812,050)	-	(363,296)	**(4,193,312)**
Translation adjustment	16,463,560	2,045,300	13,168	9,188,970	-	-	**27,710,998**
Balance as at March 31 2020	**366,001,335**	**69,108,747**	**4,315,747**	**233,044,893**	**2,313,874**	**176,181,298**	**850,965,894**
Accumulated Depreciation							
Balance as at April 01, 2018	8,405,919	445,531	717,290	8,646,713	973,529	29,953,172	49,142,154
Depreciation charge for the year	4,993,341	1,610,898	495,988	23,087,711	1,340,345	20,464,703	51,992,986
Reversal on disposal of assets	(13,193)	(171,949)	-	(5,019,955)	-	(12,797,521)	(18,002,618)
Translation adjustment	(187,469)	1,121	(6,282)	(520,678)	-	-	(713,308)
Balance as at March 31, 2019	**13,198,598**	**1,885,601**	**1,206,996**	**26,193,791**	**2,313,874**	**37,620,354**	**82,419,214**
Balance as at April 01, 2019	**13,198,598**	**1,885,601**	**1,206,996**	**26,193,791**	**2,313,874**	**37,620,354**	**82,419,214**
Depreciation charge for the year	74,416,024	8,299,655	497,358	58,006,051	-	20,857,704	162,076,793
Reversal on disposal of assets	(6,399)	-	-	(3,803,319)	-	(109,164)	(3,918,882)
Translation adjustment	3,720,323	276,138	12,587	2,339,641	-	-	6,348,689
Balance as at March 31, 2020	**91,328,546**	**10,461,394**	**1,716,941**	**82,736,164**	**2,313,874**	**58,368,894**	**246,925,813**
Net Carrying Value							
Balance as at March 31, 2019	**119,280,468**	**23,722,010**	**3,095,583**	**111,362,050**	-	**129,687,658**	**387,147,769**
Balance as at March 31, 2020	**274,672,789**	**58,647,353**	**2,598,806**	**150,308,729**	-	**117,812,404**	**604,039,469**

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2.02 Right of use assets

Particulars	Buildings
	Amount in ₹
Gross Carrying Value	
Balance as at April 01, 2019	-
Recognised on transition as on 01.04.2019 of IND AS 116 - Leases	227,476,067
Addition	20,316,174
Deductions due to termination of Lease agreement	-
Translation Adjustments	3,309,159
Balance as at March 31, 2020	**251,101,400**
Accumulated Amortisation	
Balance as at April 01, 2019	-
Amortisation charge for the year	63,213,901
Deductions due to termination of Lease agreement	-
Translation Adjustments	1,057,350
Balance as at March 31, 2020	**64,271,251**
Net Carrying Value	
Balance as at March 31, 2019	-
Balance as at March 31, 2020	**186,830,149**

2.03 Capital work in-progress

Particulars	Amount in ₹
Gross Carrying Value	
Balance as at April 01, 2018	**7,649,392**
Additions	12,945,626
Capitalised during the year	(12,844,351)
Balance as at March 31, 2019	**7,750,667**
Balance as at April 01, 2019	**7,750,667**
Additions	9,129,938
Capitalised during the year	(16,954,687)
Translation adjustment	74,083
Balance as at March 31, 2020	-

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2.04 Goodwill

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Goodwill on Consolidation		
Balance at the beginning of the year	93,236,894	95,381,289
Foreign currency exchange gain/(loss) - net	4,296,750	2,144,395
Balance at the end of the year	**97,533,644**	**93,236,894**

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2.05 Other Intangible assets

Other Intangible assets consists of the following:

Particulars	Computer Softwares	Technical Knowhow*	Total of other intangible assets	Goodwill on business acquisition
	Amount in ₹			
Gross Carrying Value				
Balance as at April 01, 2018	83,378,326	-	83,378,326	578,130,212
Additions	9,902,604	-	9,902,604	-
Deductions/ disposals	(18,604,519)	-	(18,604,519)	-
Translation adjustment	(1,820,191)	-	(1,820,191)	(15,531,835)
Balance as at March 31, 2019	**72,856,220**	-	**72,856,220**	**562,598,377**
Balance as at April 01. 2019	**72,856,220**	-	**72,856,220**	**562,598,377**
Additions	34,768,848	39,900,000	74,668,848	-
Deductions/ disposals	(4,662,479)	-	(4,662,479)	-
Translation adjustment	5,371,343	-	5,371,343	31,121,247
Balance as at March 31, 2020	**108,333,932**	**39,900,000**	**148,233,932**	**593,719,624**
Accumulated depreciation / amortisation				
Balance as at April 01, 2018	**28,065,461**	-	**28,065,461**	-
Depreciation charge for the year	15,597,594	-	15,597,594	-
Deductions/ disposals	(6,987,394)	-	(6,987,394)	-
Translation adjustment	(1,041,597)	-	(1,041,597)	-
Balance as at March 31, 2019	**35,634,064**	-	**35,634,064**	-
Balance as at April 01, 2019	**35,634,064**	-	**35,634,064**	-
Depreciation charge for the year	17,635,453	-	17,635,453	-
Deductions/ disposals	(4,662,479)	-	(4,662,479)	-
Translation adjustment	2,630,490	-	2,630,490	-
Balance as at March 31, 2020	**51,237,528**	-	**51,237,528**	-
Net Carrying Value				
Balance as at March 31, 2019	**37,222,156**	-	**37,222,156**	**562,598,377**
Balance as at March 31, 2020	**57,096,404**	**39,900,000**	**96,996,404**	**593,719,624**

*Note: No amortization has been charged on 'Technical Knowhow' during the year since it has been capitalized on March 31, 2020.

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2.06 Intangible Assets under Development

Particulars	Amount in ₹
Gross Carrying Value	
Balance as at April 01, 2018	**166,952**
Additions	39,900,000
Capitalised during the year	(166,952)
Balance as at March 31, 2019	**39,900,000**
Balance as at April 01, 2019	**39,900,000**
Additions	-
Capitalised during the year	(39,900,000)
Balance as at March 31, 2020	-

2.07 Investments

Investments consists of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current Investments	**Amount in ₹**	
Investment in Limited Liability Partnership - (at Cost) - Navitas LLP, India*	1,000	-
Total	**1,000**	-

*Note: During the current year Company has made Investment of Rs. 1,000 in Navitas LLP, India.

Financial Assets

2.08 Loans

Loans consists of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Unsecured, considered good		
Security deposits	39,907,704	28,670,140
Total	**39,907,704**	**28,670,140**

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2.09 Deferred Tax Assets/ (Liabilities) net

Deferred tax assets/ (liabilities) net consists of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Deferred Tax Assets		
Property, plant & equipment and intangible assets	947,752	4,487,671
Receivables, financial assets at amortised cost	33,704,281	-
Provision for employee benefits	3,479,399	1,675,012
Cash flow hedges	847,466	-
Initial/Subsequent measurement of financial instruments at fair value	452,230	3,806,608
Total	**39,431,128**	**9,969,291**
Deferred Tax Liabilities		
Cash flow hedges	-	1,733,515
Right of use assets and lease liability	676,510	-
Corporate Guarantee	788,990	-
Total	**1,465,500**	**1,733,515**
Deferred tax assets (net)	**37,965,628**	**8,235,776**

2.09 (b) Deferred tax liabilities (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Deferred Tax Liabilities		
Initial/Subsequent measurement of financial instruments at fair value	-	589,674
Total	-	**589,674**
Deferred Tax Assets		
Property, plant & equipment and intangible assets	-	-
Total	-	-
Deferred tax liabilities (Net)	-	**589,674**

Current Assets

2.10 Inventories

Inventories consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Stock-in-trade	6,781,457	5,484,361
Total	**6,781,457**	**5,484,361**

Note: Inventories are carried at lower of cost and net realisable value.

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Financial Assets

2.11 Trade Receivables

Trade receivables consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Debts outstanding		
Unsecured, considered good	1,015,963,923	1,289,724,847
Unsecured, considered doubtful	5,523,221	4,744,595
Less: Bad debts and provision for expected credit loss	(5,523,221)	(4,744,595)
Total	**1,015,963,923**	**1,289,724,847**

In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance ranging between from 0.05% to 12.00% is based on the aging of the receivables.

The ageing of receivables is given below:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Debts outstanding - unsecured, considered good (at gross)		
Trade receivables less than 180 days	844,571,517	1,254,730,727
Trade receivables more than 180 days	176,915,627	39,738,715
Total	**1,021,487,144**	**1,294,469,442**

2.12 Unbilled Receivables

Unbilled Receivables consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Unsecured, considered good		
Unbilled receivables	391,033,993	595,730,982
Total	**391,033,993**	**595,730,982**

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2.13 Cash and Cash Equivalents
Cash and cash equivalents consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Balances with banks - current accounts	25,662,970	43,227,411
Cash on hand	5,311,285	365,337
Total	**30,974,254**	**43,592,748**

2.14 Bank Balances other than (iii) above
Other bank balances consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
'Deposits against guarantees by bank	2,054,567	1,838,263
Margin money deposit having original maturity more than 3 months and up to 12 months	29,756,140	45,543,229
Total	**31,810,707**	**47,381,492**

2.15 Loans
Loans consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Loans to related parties - Unsecured, considered good		
Take Innovations Inc	329,163,688	305,903,687
Navitas Inc	-	39,307,615
Navitas LLP	16,194	-
Total	**329,179,882**	**345,211,302**

2.16 Other Financial Assets
Other financial assets consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Unsecured, considered good		
Interest receivables - Unsecured, considered good	79,743	410,653
Others - Unsecured, considered good	3,436,762	5,563,561
Total	**3,516,505**	**5,974,214**

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2.17 Other Current Assets

Other current assets consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Unsecured considered good		
Advance given to employees for expenses	3,271,295	3,535,833
Advance to suppliers	23,857,407	36,451,789
Other taxes receivables	10,306	12,553,289
Prepaid expenses	31,247,308	37,127,710
Others	54,078,196	11,440,153
Total	**112,464,513**	**101,108,774**

Equity

2.18 Share Capital

(a) The authorised, issued, subscribed and fully paid-up share capital and par value:

S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
		Amount in ₹	
(a)	**Authorised Share Capital**		
	19,186,100 (19,186,100 as at March 31 2019) Equity Shares of ₹ 10/- each	191,861,000	191,861,000
	108,139 (108,139 as at March 31, 2019) Preference Shares of ₹ 1000/- each	108,139,000	108,139,000
		300,000,000	**300,000,000**
(b)	**Issued, Subscribed and Paid up Share Capital**		
	17,795,305 (17,795,305 as at March 31, 2019) Equity Shares of ₹ 10/- each	177,953,050	177,953,050
	84,515 (84,515 as at March 31, 2019) Preference Shares of ₹ 1000/- each	84,515,000	84,515,000
		262,468,050	**262,468,050**

(b) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of reporting period:

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Equity Shares	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
At the beginning of the year	17,795,305	177,953,050	17,795,305	177,953,050
Add/(Less) : Shares issued during the year	-	-	-	-
At the end of the year	17,795,305	177,953,050	17,795,305	177,953,050

(c) The Company has only two classes of shares referred to as equity shares having face value of ₹ 10/- each and Preference Shares having face value of ₹ 1000/- each. Each holder of the equity shares is entitled to one vote per share.

(d) Equity Shareholder holding more than 5% of equity shares along with the number of equity shares held at the end of the year is given below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
TAKE Solutions Ltd., India	17,795,305	100.00%	17,795,305	100.00%

(e) The Company has not allotted any fully paid-up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the Balance Sheet date.

2.19 Other Equity

Other equity consists of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
General reserve	3,771,150	3,615,011
Security premium reserve	566,687,279	566,687,279
IND AS Deemed Share Capital Esop- TAKE Solutions Ltd	27,155,767	18,530,846
IND AS Deemed Share Capital TSL - CG	7,848,290	7,398,290
Foreign Currency Translation Reserve	84,814,519	36,488,250
Items of Other Comprehensive Income	(9,579,208)	(1,104,043)
Cash Flow Hedge Reserve	(3,093,506)	1,453,929
Retained earnings	515,031,872	441,058,959
Total	**1,192,636,163**	**1,074,128,521**

Nature of Reserves

(a) General Reserve

The Company may transfer a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the provisions of Companies Act, 2013.

(b) Securities Premium Reserve

The amount received in excess of face value of the equity shares is recognised in securities premium reserve. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(c) Share Options Outstanding Account

The shares options outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Options Plan and the Employee Stock Option Scheme, which are unvested or unexercised as on the reporting date.

(d) Foreign Currency Translation Reserve

Foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

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(e) Cash Flow Hedge Reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

(f) Other Items of Other Comprehensive Income

Other items of other comprehensive income consist of currency translation, FVTOCI financial assets and financial liabilities and re-measurement of net defined benefit liability/asset.

(g) Retained Earnings

Retained earnings comprise of the undistributed earnings after taxes.

Non-Current Liabilities

Financial Liabilities

2.20 Borrowings

Borrowings consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Secured		
Term Loans From Banks	124,527,945	167,413,268
Total	**124,527,945**	**167,413,268**

Term loans from banks represent amounts borrowed from:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in	
Borrowings in domestic currency (INR) (A)	**124,527,945**	**167,413,268**
Interest	1 Year MCLR plus 0.15% p.a.	1 Year MCLR plus 0.15% p.a.
Tenure	5 Years. Repayment from March 2018 to December 2022	5 Years. Repayment from March 2018 to December 2022
Security	Current Assets, Pledge of shares of a group company, Corporate Guarantee by a group company and fixed assets of a group Company	Current Assets, Pledge of shares of a group company, Corporate Guarantee by a group company and fixed assets of a group Company
Current maturities of long-term borrowings (B)	**66,000,000**	**85,000,000**
Total (C)=(A)+ (B)	**190,527,945**	**252,413,268**

There is no default in the repayment of the principal and interest amounts for the loans referred above.

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2.21 Lease liability
Lease liability consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Lease liability	139,125,493	-
Total	**139,125,493**	**-**

2.22 Provisions
Provisions consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Provision for employee benefits		
Gratuity	6,748,442	354,408
Leave encashment	3,240,788	2,225,486
Total	**9,989,230**	**2,579,894**

Current Liabilities

Financial Liabilities

2.23 Borrowings
Borrowings consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Loans Repayable on Demand - From Banks - Secured	142,513,327	94,284,711
Loan repayable on demand from related party - Unsecured	436,033,862	1,003,853,270
Total	**578,547,190**	**1,098,137,981**

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The loans repayable on demand represent:

Facility Name	As at March 31, 2020		As at March 31, 2019		Security
	Amount outstanding ₹	Interest Rate	Amount outstanding ▯	Interest Rate	
Cash Credit	142,513,327	6 Months MCLR + 0.35% p.a.	94,284,711	8.5% to 9.25 % p.a.	Secured against the current and future movables current assets of respective company and guarantee by Holding Company.
Loan From Holding Company	436,033,862	7%	1,003,853,270	7%	No security given
Total	**578,547,190**		**1,098,137,981**		

There is no default as on the Balance Sheet date in repayment of principal sum and interest for the above referred loans.

2.24 Trade Payables

Trade Payables consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Trade payables	314,286,407	258,207,756
Total	**314,286,407**	**258,207,756**

Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year-end together with interest paid/ payable are required to be furnished.
The average credit period for the creditors ranges between 30 to 35 days.

2.25 Other Financial Liabilities

Other financial liabilities consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Accrued expenses	35,551,094	189,139,109
Current Maturities of Long-Term Debt	66,000,000	85,000,000
Employee benefits payables	9,750,558	7,446,980
Interest accrued but not due on borrowings	112,226,668	65,774,856
Other payables	19,310,663	2,090,280
Total	**242,838,983**	**349,451,225**

*Obligations under finance lease are secured against property, plant and equipment obtained under finance lease arrangements.

2.26 Lease liability

Lease liability consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Lease liability	55,694,910	-
Total	**55,694,910**	**-**

2.27 Other Current Liabilities

Other current liabilities consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Advance received from customers	75,186,332	37,097,846
Deferred revenue	539,629,285	225,123,863
Statutory payables	15,204,379	49,680,666
Total	**630,019,997**	**311,902,375**

2.28 Provisions

Provisions consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Provision for employee benefits		
Gratuity	3,591,453	4,171,590
Leave encashment	244,014	409,388
Total	**3,835,467**	**4,580,978**

2.29 Revenue from Operations

Revenue from operations consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Income from Clinical Operations	4,155,086,595	3,647,193,490
Other Operating Revenue	9,147,662	-
Total	**4,164,234,257**	**3,647,193,490**

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2.30 Other Income

Other income consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
(a) Interest Income		
From bank deposits	2,903,662	2,627,920
From Income tax refund	1,678,095	496,713
From other financial assets	1,095,248	1,331,571
(b) Other non-operating Income		
Share of Profit from Navitas LLP	16,194	-
Rental Income	520,128	-
Liabilities no longer required written-back	27,439,573	176,016
Others	480,148	-
(c) Other Gain and Losses		
Foreign exchange loss/(gain) - net	93,099,238	3,965,322
Gain/(Loss) on Sale of Assets	24,734	-
Total	**127,257,021**	**8,597,542**

2.31 Expenditure on Clinical Operations

Expenditure on Clinical Operations consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Clinical Study and Research Subcontract Costs	1,430,521,667	878,481,098
Total	**1,430,521,667**	**878,481,098**

2.32 Laboratory consumables and chemicals consumed

Laboratory consumables and chemicals consumed consist of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Stores, Spares and Consumables	41,579,160	59,380,914
Total	**41,579,160**	**59,380,914**

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2.33 Employee Benefit Expenses
Employee benefit expenses consist of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Salaries and allowances	920,893,238	1,057,216,099
Contributions to provident fund and other funds	92,950,693	140,005,326
Gratuity and other retirement benefits	9,371,069	3,847,278
Expense on employee stock option scheme	7,943,072	10,551,433
Staff welfare expenses	14,422,757	20,698,529
Total	**1,045,580,829**	**1,232,318,665**

2.34 Finance Cost
Finance cost consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Interest expense		
(a) Finance Cost on Lease Liability	21,401,027	-
(b) Finance cost on loans from related party	51,613,129	63,861,303
(d) Interest expense on term loan	13,771,320	14,820,917
(e) Interest expense on cash credit	14,450,885	2,570,865
(f) Interest Expenses - Others	176,583	11,676,563
Other borrowing costs	2,255,962	1,466,012
(Gain)/loss arising on designated portion of hedging instrument in cash flow hedge	611,337	(3,579,807)
Total	**104,280,243**	**90,815,853**

2.35 Depreciation and Amortisation
Depreciation and Amortisation consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Depreciation of Property, Plant and Equipments	162,076,793	51,992,985
Amortization of intangible assets	17,635,453	15,597,594
Amortisation of right of use assets	63,213,901	-
Total	**242,926,147**	**67,590,579**

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2.36 Other Expenses

Other expenses consist of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Repairs and maintenance - Others	108,383,289	61,295,028
Repairs and maintenance - Plant and Equipment	5,659,335	25,573,384
Repairs and Maintenance - Building	9,308,381	-
Marketing expenses	66,381,942	85,876,988
Meeting and conference	57,872,831	42,375,678
Legal and professional charges	296,967,537	153,110,933
Rent	3,209,195	77,332,404
Rates and taxes	27,631,846	8,016,272
Communication expenses	176,585,570	67,934,154
Commission and brokerage	68,889,858	3,169,595
Insurance	92,206,702	9,581,169
Office expenses	101,636,551	16,400,771
Electricity expenses	26,691,901	28,196,136
Expenses on corporate social responsibility	2,245,000	1,709,000
Travelling and conveyance	180,669,291	130,537,084
Bad debts and provision for bad debts - ECL - net	829,263	1,532,421
Bank charges	1,876,172	1,653,664
Books and periodicals	68,175	23,455
Loss on sale of assets	172,848	929,001
Postage and courier	54,806,817	15,194,436
Printing and stationery	4,341,104	12,267,404
Subscription charges	20,585,813	19,847,883
Audit fees*	3,400,000	3,380,000
Total	**1,310,419,422**	**765,936,860**

Auditors' Remuneration

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
As Auditors:		
Audit fees	3,400,000	3,000,000
Other services	-	300,000
Reimbursement of expenses and levies	-	80,000
Total	**3,400,000**	**3,380,000**

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2.37 Tax Expense

Tax expense consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Current Tax		
In respect of current year	97,583,679	86,402,556
In respect of prior years	(12,689,859)	-
Total	**84,893,820**	**86,402,556**
Deferred Tax		
In respect of current year	(40,294,818)	3,578,977
Total	**(40,294,818)**	**3,578,977**
Total	**44,599,002**	**89,981,533**

3 Earnings Per Share (EPS)

Basic Earnings Per Share and Diluted Earnings Per Share are calculated by dividing the Net Profit after Tax for the year attributable to the Equity Shareholders by the Weighted Average number of Equity Shares outstanding during the year.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic		
1. Opening number of shares	17,795,305	17,795,305
2. Closing number of shares	17,795,305	17,795,305
3. Weighted average number of shares	17,795,305	17,795,305
4. Profit available for equity shareholders (₹)	73,972,912	474,947,399
5. EPS (₹)	**4.16**	**26.69**
6. Nominal value of share (₹)	10.00	10.00

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Diluted		
1. Weighted average number of potential equity shares	23,821,588	23,821,588
2. Profit available for potential equity shareholders (₹)	73,972,912	474,947,399
3. EPS (₹)	**3.11**	**19.94**
4. Nominal value of share (₹)	10.00	10.00

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4 Contingent Liabilities
There are no contingent liabilities as on the balance sheet date.

5 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

Particulars	31-Mar-20	31-Mar-19
	Amount in ₹	
Accounting profit before income tax	116,183,812	561,267,063
Enacted tax rates in India	25.17%	27.82%
Computed tax expense	29,241,142	156,144,497
Add/(Less) Net Adjustment on account of:		
Tax on income exempt from Income Tax u/s 10 of Income Tax Act, 1961	(4,076)	-
Tax on Effect of different tax rates in foreign subsidiaries	(32,640,497)	(80,894,420)
Tax on Donations expenditure not allowable for tax purpose	565,022	-
Tax Deduction under chapter VI A of the Income Tax Act, 1961	(282,511)	-
Other Non Deductible/(deductible) tax expenses, income taxable at different rates, etc	60,409,781	14,731,456
Tax on Short / (Excess) provision for earlier years	(12,689,859)	-
Tax expense as per Statement of Profit and Loss	44,599,002	89,981,533
Effective Tax Rate	38.39%	16.03%

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6 Related Party Disclosure

6.1 List of Related Parties

Holding Company

TAKE Solutions Limited, India

Subsidiaries (held directly)

1. Acunova Life Science Inc., USA
2. Acunova Life Sciences Limited, UK
3. Navitas Life Sciences Gmbh, Germany
4. Ecron Acunova Sdn. Bhd., Malaysia
5. Navitas Life Sciences Company Limited, Thailand

Subsidiaries (held indirectly)

6. Navitas Lifesciences Sp.Z.O.O. Poland
7. Ecron Acunova Limited, UK
8. Ecron LLC, Ukraine
9. Ecron Acunova LLC, Russia
10. Navitas Life Sciences A/S, Denmark
11. Navitas Life Sciences Pte Ltd, Singapore

Fellow Subsidiaries

12. Navitas LLP (India)
13. TAKE Solutions Global Holding Pte. Ltd, Singapore
14. TAKE Innovation Inc, USA
15. Navitas Inc, USA
16. Navitas Life Sciences Ltd. UK

Key Management Personnel

1. Dr. Ayaaz Hussain Khan - Managing Director
2. Mr. Y R Sachin Kumar Holla -Chief Financial Officer
3. Mr. Nrusingha Charan Behera (Appointed w.e.f. January 13, 2020)
4. Revathy Kumar - Company Secretary (Resigned w.e.f. November 15, 2019)

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6.2 Proportion of Ownership Interest

Particulars	Country of Incorporation	As at March 31, 2020	As at March 31, 2019
Acunova Life Science Inc., USA	US	100%	100%
Acunova Life Sciences Limited, UK	UK	100%	100%
Navitas Life Sciences Gmbh, Germany	Germany	100%	100%
Ecron Acunova Sdn. Bhd.	Malaysia	100%	100%
Navitas Life Sciences Company Limited, Thailand	Thailand	82%	82%

6.3 Transactions and the Balances outstanding with Related Parties

Particulars	Holding Company	Subsidiary	Fellow Subsidiary	Key Management Personnel
	Amount in ₹			
Revenue	-	-	**67,439,632**	-
	-	-	*(38,172,058)*	-
Other Income	-	-	**536,322**	-
	-	-	-	-
Other Expenses	-	-	**148,012,749**	-
	-	-	*(615,340)*	-
Cost of revenue	-	-	**156,623,581**	-
	-	-	*(13,727,050)*	-
Interest expense	**51,613,129**	-		-
	(63,861,303)	-		-
Remuneration to KMP	-	-		**14,709,682**
	-	-		*(13,977,123)*
Payables - Closing balance	**317,122,336**	-	**419,389,490**	-
	(1,034,056,854)	-	*(114,971,061)*	-
Receivables - Closing balance	-	-	**610,188,661**	-
	-	-	*(620,593,077)*	-

Previous year figures are shown in italics in brackets

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7 Lease

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.

7.1 Lease Liability

Reconciliation of Lease Liabilities

Class of Underlying Asset	Opening Balance of Lease Liabilities (Balance as on 01.04.2019)	Recognised on transition as on 01.04.2019 of IND As 116 - Leases	Additions to Lease Liabilities, made during the year	Finance Cost Accrued during the period	Payment of lease Liabilities during the year	Exchange Difference / Translation Reserve	Amount of Lease Liabilities as on March 31, 2020
Buildings	-	225,809,709	20,316,174	21,401,027	71,757,274	949,235	194,820,403

Particulars	Undiscounted Basis	Discounted Basis
Not later than one year	72,565,535	55,694,929
Later than one year but not later than five years	142,945,017	117,213,55
Later than 5 years	24,296,476	21,911,919
Total	**239,807,028**	**194,820,403**

7.2 Disclosure on Lease Liability

Qualitative Disclosures - Lease Liability:

The leased building premises are used to carry out business operations and related support activities. The future cash outflows on lease payments are fixed in nature, subject to escalations. The lease agreements tenor extensions and termination conditions are subject to respective lease agreements. No restrictions or covenants are imposed by lease agreements.

8. Note on COVID-19

The Novel Coronavirus (COVID-19), a Global Pandemic, is rapidly spreading throughout the world. Outbreak of COVID - 19 has significantly affected the social and economic activities worldwide and, as a result, could affect the operations and financial statements of the Group. In line with the advisories, orders and directions issued by the local and state government authorities to prevent and contain the spread of Coronavirus, the Management has taken necessary measures. 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 upto the date of approval of these financial statements. In this assessment, the group has performed sensitivity analysis on the key assumptions used. Such review and analysis performed by the group did not reveal any impairment losses.

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

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9. Financial Instruments

(a) Capital Management

The Group's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Group through the optimisation of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of the capital management, capital includes issued equity capital, securities premium, all other reserves attributable to the equity shareholders and non-controlling interest of the Group. Net debt includes all the long-term and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises of the capital of the Group:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Equity	**1,455,104,213**	**1,336,596,571**
Debt	703,075,134	1,265,551,249
Cash and cash equivalents	62,784,962	90,974,240
Net debt	**640,290,172**	**1,174,577,009**
Total capital (equity + net debt)	**2,095,394,385**	**2,511,173,580**
Net debt to capital ratio	0.44	0.88

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(b) Accounting Classification and Fair Values

Carrying amounts and fair values of financial assets and financial liabilities are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at March 31, 2020	Carrying amount			
Particulars	FVTPL	FVTOCI	Amortised Cost	Total
	Amount in ₹			
Financial assets				
Non-current				
(i) Loans				
Security deposits	-	-	39,907,704	39,907,704
Current				
(i) Trade receivables	-	-	1,015,963,923	1,015,963,923
(ii) Unbilled receivables			391,033,993	391,033,993
(iii) Cash and cash equivalents	-	-	30,974,254	30,974,254
(iv) Bank balances other than (iii) above	-	-	31,810,707	31,810,707
(v) Loans			329,179,882	329,179,882
(vi) Other financial assets	-	-	3,516,505	3,516,505
Total financial assets	-	-	**1,842,386,968**	**1,842,386,968**
Financial liabilities				
Non-current				
(i)Borrowings	-	-	124,527,945	124,527,945
(ii)Lease Liability			139,125,493	139,125,493
Current				
(i) Borrowings	-	-	578,547,190	578,547,190
(ii) Trade payables	-	-	314,286,407	314,286,407
(iii) Other financial liabilities	-	-	242,838,983	242,838,983
(iv) Lease Liability	-	-	55,694,910	55,694,910
Total financial liabilities	-	-	**1,399,326,018**	**1,399,326,018**

Ecron Acunova Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2020

As at March 31, 2019	Carrying amount			
Particulars	FVTPL	FVTOCI	Amortised Cost	Total
	Amount in ₹			
Financial assets				
Non-current				
(i) Loans				
Security deposits	-	-	28,670,140	28,670,140
Current				
(i) Trade receivables	-	-	1,289,724,847	1,289,724,847
(ii) Unbilled receivables	-	-	595,730,982	595,730,982
(iii) Cash and cash equivalents	-	-	43,592,748	43,592,748
(iv) Bank balances other than (iii) above	-	-	47,381,492	47,381,492
(v) Loans			345,211,302	345,211,302
(vi) Other financial assets	-	-	5,974,214	5,974,214
Total financial assets	-	-	**2,356,285,725**	**2,356,285,725**
Financial liabilities				
Non-current				
Borrowings	-	-	167,413,268	167,413,268
Current				
(i) Borrowings	-	-	1,098,137,981	1,098,137,981
(ii) Trade payables	-	-	258,207,756	258,207,756
(iii) Other financial liabilities	-	-	349,451,225	349,451,225
(iv) Lease Liability	-	-	-	-
Total financial liabilities	-	-	**1,873,210,230**	**1,873,210,230**

Fair value note:

Level - 1: Financial instruments are measured using quotes in active market

Level - 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level - 3: Financial instruments are measured using unobservable market data

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(c) Measurement of Fair Value

The following table shows the valuation technique and key inputs used for Level 3:

Financial instrument	Valuation technique	Key inputs used	Sensitivity analysis
Investments in unquoted equity/preference instruments at FVTPL	Discounted Cash Flow Method (DCF) - Free Cash Flow to Equity (FCFE) Approach	DCF - FCFE valuation approach taking into consideration of the following: *Probable future business environment affecting the economy, industry and entity *Detailed forecasts of revenue, cost of taxes on income, capex, working capital investments and capital structure for the forecasted period *Cost of equity *Long-term sustainable growth rate *Long-term sustainable return on equity *Long-term return on reinvestment rate *All the operating & non-operating assets (tangible & intangible) and liabilities	*The Company's periodic cash flows to equity for the forecasted period and the perpetuity period have been arrived at after considering the expected periodic tax liability. *The Company's periodic free cash flows to equity are discounted at its cost of equity derived at ranging between 6.77% to 10.13% by applying Capital Asset Pricing Model, considering beta factor of 1.23x *Considered the long-term sustainable growth rate at 3.00% for the perpetuity period *The Company has cash & cash equivalents, which are added at book value to its total discounted FCFE

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(d) Financial Risk Management Policies

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest risks, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financials of the Group.

Item	Primarily affected by	Risk management policies
Market risk - Currency risk	Foreign currency outstanding balances and exposure towards trade payables, exports and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps
Market risk - Interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies
Market risk - Price risk	Change in prices of commodity and value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio
Credit risk	Ability of customers or counter-parties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counter-party credit policies and limits; arrangements with financial institutions
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities

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Market Risk

The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Exposure to Currency Risk (Exposure in different currencies converted to functional currency i.e. ₹)

The currency profile of income and expenses for the year ended March 31, 2020 and March 31, 2019.

The following significant exchange rates have been applied during the year:

Particulars	Average exchange rates		Closing exchange rates	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
USD - INR	70.943	69.925	74.878	69.571
GBP - INR	90.239	91.812	92.699	90.721
EUR - INR	78.853	80.940	82.377	78.059
THB - INR	2.297	2.167	2.291	2.202
SGD - INR	51.734	51.491	52.597	51.327

Sensitivity Analysis:

A reasonably possible 5% strengthening (weakening) of foreign currencies against Indian Rupee during the year FY 2019-20 and FY 2018-19 would have affected profit or loss as per the amounts shown below

Effect in INR	Profit / (loss)	
	Forex strengthening	Forex weakening
	Amount in ₹	
During the year 2019-20		
Profit - increase/(decrease)	4,654,962	(4,654,962)
During the year 2018-19		
Profit - increase/(decrease)	198,266	(198,266)

Management of Interest Rate Risk

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Group. The interest rate profile of the Group's interest-bearing financial instruments are given below:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Fixed rate instruments		
Financial liabilities	437,582,869	297,000,000
Variable rate instruments		
Financial liabilities	331,492,265	1,053,551,249
Total	**769,075,134**	**1,350,551,249**

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Sensitivity Analysis:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
Variable rate instruments		
Interest expenses on variable rate borrowings	28,833,542	30,354,096
Increase		
1% increase on average interest rate	29,121,877	30,657,637
Impact on profit / (loss)	288,335	(303,541)
Decrease		
1% decrease on average interest rate	28,545,207	30,050,555
Impact on profit / (loss)	288,335	303,541

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates arises on borrowings with floating interest rate. The Group has considered 100 basis point increase or decrease, when the reporting interest rate risk internally represents management's assessment of the reasonably possible change in interest rates and thereby impact on the profit or loss during the year.

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Exposure to Interest Rate Risk

The Group's exposure to interest rate risks relates primarily to the Group's interest obligations on its borrowings. To mitigate this risk, the Group enters into cash flow hedge.

Cash Flow Hedge

Particulars	Deal No. 1	Deal No. 2
Nature of Derivative Arrangement	Cross Currency Swaps	Cross Currency Swaps
Deal Date	February 14, 2018	February 14, 2018
Maturity Date	December 30, 2022	December 30, 2022
Notional Amount - ₹	100,000,000	100,000,000
Counter Currency Amount (EUR in Mn)	1,263,584	1,263,584
Group to Receive	9.1% p.a. on the outstanding INR Notional amount, monthly	9.1% p.a. on the outstanding INR Notional amount, monthly
Group to Pay	3 Month EURIBOR + 270 bps p.a.on the outstanding EURO Notional amount, monthly	2.75% p.a. on the outstanding EUR Notional amount, monthly
Fair Value of Hedging Instrument as at March 31, 2020 [Gain/(Loss)] (₹)	(2,162,714)	(1,778,258)

Cash Flow Hedge Reserve

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
(i) The cumulative gain/ (loss) on the hedging instrument from inception of the hedge;	(3,940,973)	2,135,805
(ii) The cumulative change [Gain/ (Loss)] in fair value (present value) of the hedged item (ie the present value of the cumulative change in the hedged expected future cash flows) from inception of the hedge.	(5,851,650.89)	6,870,229
Effective Portion of Cash flow Hedge Lower of (I) and (ii) above recognised as Cash flow Hedge Reserve	(3,940,972.59)	2,135,805

G.D. APTE & CO. Chartered Accountants

ECRON ACUNOVA LTD. Bangalore

Management of Credit Risk

Exposure to Credit Risk

The gross carrying amount of financial assets, net of any impairment losses recognised, represents the maximum credit exposure.

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Trade receivables (net of allowance of doubtful debts)	1,015,963,923	1,289,724,847
Unbilled receivables	391,033,993	595,730,982
Cash and cash equivalents and other bank balances	62,784,962	90,974,240
Loans	369,087,586	373,881,442
Other financial assets	3,516,505	5,974,214
Total	**1,842,386,968**	**2,356,285,725**

Financial Assets that are neither past due nor impaired

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in ₹	
Unbilled receivables	391,033,993	595,730,982
Cash and cash equivalents and other bank balances	62,784,962	90,974,240
Loans	369,087,586	373,881,442
Other financial assets	3,516,505	5,974,214
Total	**435,389,053**	**470,829,896**

Loans and advances given are monitored by the Group on a regular basis and these are neither past due nor impaired.

Management of Liquidity Risk

Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and do not include interest payments.

G.D. APTE & CO. ★ Chartered Accountants ★

ECRON ACUNOVA LTD. ★ Bangalore

Ecron Acunova Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2020

As at March 31, 2020	Contractual cash flows					
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
	Amount in ₹					
Financial Liabilities						
Borrowings from banks and financial institutions	333,041,272	208,513,327	67,549,007	56,978,938	-	333,041,272
Borrowings from related parties	436,033,862	436,033,862	-	-	-	436,033,862
Trade payables	314,286,407	314,286,407	-	-	-	314,286,407
Other financial liabilities	176,838,983	176,838,983	-	-	-	176,838,983
Lease liability	194,820,402	55,694,929	9,666,748	107,546,787	21,911,938	194,820,402

As at March 31, 2019	Contractual cash flows					
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
	Amount in ₹					
Financial Liabilities						
Borrowings from banks and financial institutions	346,697,979	179,284,711	134,400,000	33,013,268	-	346,697,979
Borrowings from related parties	1,003,853,270	1,003,853,270			-	1,003,853,270
Trade payables	258,207,756	258,207,756	-	-	-	258,207,756
Other financial liabilities	264,451,225	264,451,225	-	-	-	264,451,225

Ecron Acunova Limited
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2020

Quantitative Disclosures pertaining to financial instruments are given below:

Interest income/ (expenses), Gains / (losses) recognised on Financial Assets and Liabilities

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in ₹	
On Financial Assets at amortised cost		
Interest income on bank deposits	2,903,662	2,627,920
Interest income on other financial assets	1,095,248	1,331,571
Bad debts and provision for expected credit loss	(829,263)	(1,532,421)
Sub total	**3,169,648**	**2,427,070**
On Financial Assets at Fair Value through Profit and Loss (FVTPL)		
Gain/(loss) arising on designated portion of hedging instrument in cash flow hedge	(611,337)	3,579,807
Sub total	**(611,337)**	**3,579,807.00**
On Financial Liabilities at Amortised Cost		
Interest expenses on borrowings, overdrafts and Inter corporate deposits	-	(17,930,811)
Other borrowing costs	(2,255,962)	(1,466,012)
Sub total	**(2,255,962)**	**(19,396,823)**
Total	**302,349**	**(13,389,946)**

G.D. APTE & CO. Chartered Accountants

ECRON ACUNOVA LTD. Bangalore

10 Segment Reporting

Ecron Acunova Limited and its Subsidiaries ('the Group') operates in a single business segment namely life sciences, hence no disclosure is made in the financial statements.

Operating Segments are reported in a manner consistent with the reporting to the Chief Operating Decision Maker (CODM). The CODM as identified by the Board of Directors include the Executive and other Directors but do not include the Independent Directors.
The Group is operating in a single business segment on a consolidated basis viz. Life Sciences.

12 Statement of Net Assets and Profit and Loss and Other Comprehensive Income attributable to Owners and Non-Controlling Interest

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in □	As % of consolidated other comprehensive income	Amount in □	As % of consolidated total other comprehensive income	Amount in □
Parent								
Ecron Acunova Limited	47.12%	1,055,799,372	218.18%	156,184,847	-19.49%	(8,536,446)	127.97%	147,648,402
Foreign Subsidiaries								
Navitas Life Sciences, GmbH	22.49%	503,843,020	278.20%	199,151,731	54.05%	23,667,533	193.13%	222,819,264
Acunova Life Science Inc	31.07%	696,279,051	-375.66%	-268,916,246	68.38%	29,942,923.92	-207.13%	(238,973,322)
Acunova Life Sciences Ltd	0.46%	10,330,241	-0.07%	(51,176)	0.11%	49,695	0.00%	(1,481)
Navitas Life Sciences Company Limited	-0.83%	(18,555,108)	-18.53%	(13,267,233)	-2.70%	(1,180,482)	-12.52%	(14,447,716)
Navitas Life Sciences Pte Ltd	-0.31%	(6,906,603)	-2.12%	(1,517,112)	-0.35%	(154,833)	-1.45%	(1,671,945)
(a) Total	100.00%	2,240,789,972	100.00%	71,584,811	100.00%	43,788,390	100.00%	115,373,201
(b) Adjustments arising out of consolidation		(782,164,333)				(28,618,311)		(28,618,311)
Non-controlling interest								
Foreign Subsidiary								
Naviitas Life Sciences Company Limited, Thailand		(3,521,426)		2,388,102		212,487		2,600,589
(c) Total		(3,521,426)		2,388,102		212,487		2,600,589
Consolidated Net Assets/Profit for the year (d=a-b-c)		1,455,104,213		73,972,913		15,382,566		89,355,479

11 Comparative Figures

Corresponding figures for previous year presented have been regrouped, where necessary, to conform to the current year's classification.

For G.D.Apte & Co.

Chartered Accountants

Firm Registration Number: 100515W

Anagha M. Nanivadekar
Partner

Membership Number: 121007

Place: Pune

Date : June 10, 2020

For and on behalf of the Board of Directors

Ayaaz Hussain Khan
Managing Director
DIN: 07820092

Subhasri Sriram
Director
DIN: 01998599

Y R Sachin Kumar Holla
Chief Financial Officer

Nrusingha Charan Behera
Company Secretary
Membership Number: A36231

Place: Bangalore

Date : June 10, 2020

TAKE Solutions Limited-ESOP Trust				
Balance Sheet as at				
Particulars	31st March 2020 In Rs.		31st March 2019 In Rs.	
TRUST FUND & LIABILITIES				
TRUST FUND				
Opening Balance	7,47,58,660		7,25,89,935	
Add: Excess of Income over Expenditure	5,48,851	7,53,07,511	21,68,725	7,47,58,660
Liabilities				
Long term borrowings from TAKE Solutions Limited		5,14,15,000		5,79,15,000
Trade Payable		-		-
Provision		12,069		3,65,852
		12,67,34,580		13,30,39,512
ASSETS				
Investment in Equity Shares		12,60,36,346		13,26,38,442
(17,09,016 Equity Shares of TAKE Solutions Limited)				
Current Assets				
Loans & Advances (Asset)				1,26,972
Cash at Bank		6,98,234		2,74,098
		12,67,34,580		13,30,39,512

"As per my report of even date attached"

V.S.Saptharishi
Chartered Accountant
Membership No.: 024123

V.S. SAPTHARISHI CHENNAI - 61 CHARTERED ACCOUNTANT

For TAKE Solutions Limited ESOP Trust

Managing Trustee

Trustee

Place : Chennai
Date : June 10, 2020

TAKE Solutions Limited ESOP Trust		
Income and Expenditure Account for the year ended		
Particulars	**31st March 2020 In Rs.**	**31st March 2019 In Rs.**
INCOME		
Dividend Income	6,88,766	29,89,847
	6,88,766	**29,89,847**
EXPENDITURE		
Audit Fees	10,000	10,000
Bank Charges	2	102
Demat Charges	-	1,308
Loss on Sale of Investments	1,26,516	5,80,833
Professional Fee	-	-
Rates & Taxes	-	21,936
Income Tax	-	2,06,944
Printing And Stationary	1,746	-
Repairs and Maintenance - Others	1,651	-
Excess of Income over Expenditure	5,48,851	21,68,725
	6,88,766	**29,89,847**

"As per my report of even date attached"

For TAKE Solutions Limited ESOP Trust

S. SAPTHARISHI ★ CHARTERED ACCOUNTANT ★ CHENNAI - 61

V.S.Saptharishi
Chartered Accountant
Membership No.: 024123

Managing Trustee **Trustee**

Place : Chennai
Date : June 10, 2020

TAKE Solutions Limited ESOP Trust

Notes forming part of Financial Statements for the year ended March 31, 2020

Significant Accounting Policies and Notes on Accounts

1. **Disclosure of Accounting Policies**

   Basis of preparation of financial statements
   The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles under historical cost convention on the accrual basis of accounting.

2. **Use of Estimates**
   The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions the trust may undertake in future, actual results ultimately may differ from the estimates. Any revision to accounting estimates is recognized prospectively in future periods.

3. **Dividend Income**

   Dividend income is recognized when the company's right to receive dividend is established.

4. **Investments**

   a) Long-term investments are carried at cost. Cost comprises of transfer fee, stamp paper, brokerage etc. Cost of investments in overseas subsidiaries comprises the consideration paid for the investment translated in rupee terms.

   Any decline in the value of the long-term investments, other than a temporary decline, is recognized and charged to the Income and Expenditure Account.

   b) Current Investments are carried at the lower of cost (determined on the specific identification basis) and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

   c) Profit or Loss on sale of investments is determined on specific identification basis.

V.S. SAPTHARISHI * CHARTERED ACCOUNTANT * CHENNAI - 61

V.S. Saptharishi
Chartered Accountant
Membership No.: 024123

For TAKE Solutions Limited ESOP Trust

Managing Trustee **Trustee**

Place : Chennai
Date : June 10, 2020

Navitas LLP Statement of Assets and Liabilities as at			
Particulars	Notes	March 31, 2020	March 31, 2019
		Amount in ₹	
CONTRIBUTION & LIABILITIES			
Partners' Funds			
Contribution - Capital Account	2.1	1,00,00,000	1,00,00,000
Partners' Current Account	2.2	1,08,40,03,640	95,00,19,462
Loan Funds			
Secured Loan - ICICI Cash Credit A/c		26,86,07,801	21,83,65,239
Other Liabilities			
Finance Lease Obligation		14,62,39,919	2,19,892
Sundry Creditors - Trade / Services / Others		19,73,17,187	51,14,87,980
Deferred Revenue		2,92,08,662	3,25,52,848
Other Payable	2.3	1,51,67,265	1,26,14,287
Provisions			
a. Income Tax Liability (net)		7,50,68,701	(89,73,055)
b. Deferred Tax		6,05,21,473	8,71,32,138
c. Employee Benefits		5,25,17,975	3,89,55,480
Total		**1,93,86,52,623**	**1,85,23,74,271**
ASSETS			
Fixed Assets	2.4(a)		
Gross Block		89,84,31,419	89,26,55,606
Less: Accumulated Depreciation		(49,21,96,548)	(33,96,52,607)
Net Block		**40,62,34,871**	**55,30,02,999**
Capital work in progress	2.4(a)	-	6,00,000
Intangible assets under development	2.4(a)	6,00,000	-
Right of use assets	2.4(b)	14,99,56,940	-
Current Assets			
Sundry Debtors	2.5	1,04,45,13,548	1,11,61,47,372
Cash & Bank Balances	2.6	28,43,685	75,64,155
Loans & Advances	2.7	33,45,03,579	17,50,59,745
Total		**1,93,86,52,623**	**1,85,23,74,271**

As per our report attached

For G.D Apte & Co
Chartered Accountants
Firm Registration No.: 100515W

G. D. APTE & CO. Chartered Accountants

Umesh S. Abhyankar
Partner
Membership No.: 113053
Pune, June 10, 2020

For Navitas LLP

Subhasri Sriram
Designated Partner
DIN: 01998599

Praveen R
Designated Partner
DIN: 01266645

Place: Chennai
Date : June 10, 2020

Navitas LLP			
Statement of Income & Expenditure for the year ended			
Particulars	Notes	March 31, 2020	March 31, 2019
		Amount in ₹	
Income			
Export Revenue		68,62,34,670	1,16,89,97,743
Domestic Revenue		51,29,27,868	39,43,32,616
Other Income		7,54,09,807	5,29,35,692
Total		**1,27,45,72,345**	**1,61,62,66,051**
Expenses			
Cost of Licenses and Services		28,21,66,881	60,95,17,588
Personnel Expenses	2.8	34,72,93,949	30,10,70,062
Administrative Expenses	2.9	81,11,148	67,12,588
Electricity Expenses		1,84,11,838	2,43,71,489
Brokerage & Commission		5,27,54,334	3,65,72,500
Repairs & Maintenance		4,37,81,818	5,27,01,984
Audit Fees		27,50,000	31,37,500
Depreciation and Amortisation	2.10	18,56,96,492	15,47,07,383
Interest & Finance Charges		2,67,34,391	46,57,497
Other Expenses			
Professional Chages		8,60,33,179	20,46,92,903
Rent, Rates & Taxes		73,82,164	3,51,92,562
Travelling & Conveyance		1,81,01,380	2,15,63,522
Exchange Fluctuation Loss/(Gain) - Net		(5,83,58,212)	(8,46,980)
Total		**1,02,08,59,362**	**1,45,40,50,598**
Profit before Tax		**25,37,12,983**	**16,22,15,453**
Less: Provision for Tax including arrears of earlier years		11,46,27,000	3,81,96,000
Less: Deferred Tax		(2,39,38,160)	(37,21,938)
Less: Short/(Excess) Provsion for earlier years		10,81,360	-
Profit After Tax		**16,19,42,783**	**12,77,41,391**
Profit Transferred to Partners' Current Account		**16,19,42,783**	**12,77,41,391**
Profit Transferred to Reserves & Surplus		-	-

As per our report attached

For G.D Apte & Co
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053
Pune, June 10, 2020

G. D. APTE & CO. Chartered Accountants

For Navitas LLP

Subhasri Sriram
Designated Partner
DIN: 01998599

Praveen R
Designated Partner
DIN: 01266645

Place: Chennai
Date : June 10, 2020

Navitas LLP Cash Flow Statement for the year ended		
Particulars	Amount in ₹	
	March 31, 2020	March 31, 2019
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	25,37,12,983	16,22,15,453
Adjustments for		
Depreciation & Amortisation	18,56,96,492	15,47,07,383
Bad debts	3,67,850	(9,98,551)
Interest Income	(13,14,579)	(42,630)
Interest Expense	2,67,34,391	46,57,497
Guarantee Commission	6,74,630	5,38,520
Expense on Employee Stock Option Scheme	12,88,367	38,94,593
Operating Profit before working Capital Changes	**46,71,60,134**	**32,49,72,265**
(Increase)/Decrease in Current Assets other than cash & cash equivalents	(9,48,44,037)	(83,29,16,968)
Increase/ (Decrease) in Current Liabilities	(30,90,47,675)	47,69,56,080
Direct Taxes paid	(3,16,66,401)	(2,59,51,542)
NET CASH USED IN OPERATING ACTIVITIES	**3,16,02,021**	**(5,69,40,165)**
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(51,75,811)	(26,04,977)
Sale of Fixed Assets	-	-
Interest Income	44,757	42,630
Increase in Capital Work in Progress/Intangible assets under development	(6,00,000)	(6,00,000)
NET CASH USED IN INVESTING ACTIVITIES	**(57,31,054)**	**(31,62,347)**
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(2,19,70,763)	(46,57,497)
Net Increase in partner's contribution	-	-
Increase / (Decrease) in Borrowings	5,02,42,562	15,54,43,304
Increase / (Decrease) in Unsecured Loans	-	-
Additions to / (Withdrawal from) partners' current account	(2,49,46,144)	(11,33,57,386)
Payment of Lease Liability	(3,39,17,093)	-
NET CASH FLOW FROM FINANCING ACTIVITIES	**(3,05,91,437)**	**3,74,28,421**
Net Increase/(Decrease) in Cash & Cash equivalents	(47,20,470)	(2,26,74,091)
Add: Cash and Cash equivalent as at the beginning of the year	75,64,155	3,02,38,246
Cash & Cash equivalent as at the end of the year - Note no 2.6	**28,43,685**	**75,64,155**

As per our report attached

For G.D Apte & Co
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053
Pune, June 10, 2020

For Navitas LLP

Subhasri Sriram
Designated Partner
DIN: 01998599

Praveen R
Designated Partner
DIN: 01266645

Place: Chennai
Date : June 10, 2020

1. Significant Accounting Policies and Notes on Accounts

1.1 Disclosure of Accounting Policies

Basis of preparation of financial statements

The financial statements have been prepared in accordance with the recognition and measurement principle laid down in Indian Accounting Standards notified by Ministry of Corporate Affairs and the relevant provisions of the Limited Liability Partnership Act, 2008. The financial statements have been prepared under the historical cost convention on the accrual basis of accounting except for certain financial instruments which are measured at fair values.

Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions the LLP may undertake in future, actual results ultimately may differ from the estimates. Any revision to accounting estimates is recognized prospectively in future periods.

1.2 Depreciation Accounting

Fixed assets are depreciated on Straight Line Method (SLM) over the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013. For the assets acquired / disposed during the year, depreciation has been charged on pro-rata basis.

1.3 Revenue Recognition

Software & Consultancy Revenue

The Contracts between the LLP and its customers are either time or material contracts or fixed price contracts.

a) Revenue from fixed-price contracts is recognized according to the milestones achieved as specified in the contracts on the Proportionate Completion Method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the period in which such changes are identified.

b) In respect of time and material contract, revenue is recognized in the period in which the services are provided. Unbilled revenue represents cost and earnings in excess of billings while deferred revenue represents the billing in excess of cost and earnings.

c) Revenue from product sale and licensing arrangements are recognized on delivery and installation.

1.4 Accounting for Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation. Fixed assets are capitalized at acquisition cost, which comprises of freight, installation cost, duties, taxes, and other directly attributable cost of bringing the assets to its working condition for the intended use.

1.5 Accounting for effects in foreign exchange rates

a) Conversion - All monetary items denominated in foreign currency are reflected at the closing exchange rates prevailing on the Statement of Assets and Liabilities date; the resultant exchange differences are recognized in the Statement of Income & Expenditure. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

b) Initial Recognition - Income and Expenditure items involving foreign exchange are translated at the exchange rate prevailing on the dates of transaction.

c) Exchange Differences - Exchange differences arising on foreign exchange transactions settled during the period are recognized in the Statement of Income & Expenditure for the period.

G. D. APTE & CO. Chartered Accountants

1.6 Accounting for Retirement Benefits

a. Provident Fund

The LLP makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the services are rendered by the employee.

b. Gratuity

Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the Statement of Assets and Liabilities date, carried out by an independent actuary.

c. Leave Encashment

Provision for leave encashment benefits is made based on the actuarial valuation as at the Statement of Assets and Liabilities date.

1.7 Accounting for taxes on income

Current Tax

Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax

Deferred tax reflects the effect of timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. Deferred Tax Assets are recognized only if there is reasonable certainty of their realization.

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Components of Deferred Tax Liability / (Asset)		
Fixed Assets	7,95,00,340	101,871,760
Provision for gratuity and leave encashment	(18,351,881)	(13,612,603)
Ind AS 116	12,98,875	-
Others	(19,25,870)	(1,127,019)
Net Deferred Tax Liability / (Asset)	**(60,521,473)**	**87,132,138**

Deferred Tax Liability provided/(reversed) during the FY 2019-20 ₹ (2,39,38,160) & FY 2018-19 ₹ (37,21,938)

1.8 Intangible Assets

Software Product Development Cost

Internally developed software products are valued based on costs directly attributable to the development of such software and allocated indirect cost and they are capitalized individually once their technical feasibility is established. Expenses incurred during research phase till the establishment of commercial feasibility is charged off to Statement of Income & Expenditure. Products capitalized are being amortized over a period of three years from the launch date and the unamortized product costs as at Statement of Assets and Liabilities are shown under Assets separately.

G. D. APTE & CO. Chartered Accountants

1.9 Provisions

A provision is recognised when the LLP has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

1.10 Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

1.11 Leases

The LLP as a lessee

The LLP's lease asset classes primarily consist of leases for buildings. The LLP 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 LLP assesses whether:

(i) The contract involves the use of an identified asset
(ii) The LLP has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) The LLP has the right to direct the use of the asset.

At the date of commencement of the lease, the LLP 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 LLP 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.

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 interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. After the commencement date, the lease liability is adjusted by increasing the carrying amount to reflect interest on the lease liability; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications. The lease liability is also remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the LLP's estimate of the amount expected to be payable under a residual value guarantee, or if the LLP changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The interest on the lease liability is recognised in the statement of Profit & Loss except to the extent that it can be allocated to any Property, Plant & Equipment.

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In the comparative period, leases under which the LLP assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and receipts under operating leases are recognised as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The LLP as a lessor

Leases for which the LLP is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the LLP is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

1.12 Financial Instruments

1.12.1 Initial Measurement

The LLP 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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not fair valued through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

1.12.2 Subsequent Measurement

i) Non-Derivative Financial Instruments

a) 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.

b) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates and by sale. Further, in cases where the LLP has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income (OCI).

c) Financial Assets at Fair Value through Profit and Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit and loss.

d) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently

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measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short-term maturity of these instruments.

ii) Derivative Financial Instruments

a) Initial Recognition and Subsequent Measurement

The derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects the profit or loss.

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability.

At present no hedging instrument is used by the LLP.

1.12.3 Derecognition of Financial Instruments

The LLP 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 LLP's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.12.4 Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the LLP uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value results in general approximation of value, and such value may never actually be realized.

1.12.5 Financial Guarantee Contracts:

Financial Guarantee contracts issued by the LLP are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value adjusted for transaction costs, if any, that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

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2. Notes to the accounts

2.1 Contribution - Capital Account

Particulars	As at March 31, 2020 ₹	As at March 31, 2019 ₹
Partner's Contribution		
TAKE Solutions Ltd	99,99,000	99,99,000
TAKE Business Cloud Private Limited, India	-	1,000
Ecron Acunova Limited, India	1,000	-
Total	**1,00,00,000**	**1,00,00,000**

Note: As on April 1, 2019, TAKE Business Cloud Private Limited, India sold its share in Navitas LLP to Ecron Acunova Limited, India a fellow subsidiary of Navitas LLP.

2.2 Partners' Current Account

Particulars	As at March 31, 2020 ₹	As at March 31, 2019 ₹
IND AS - General Reserve	41,82,452	28,31,440
IND AS - Other Comprehensive Income	61,77,902	1,11,53,361
IND AS - Deemed Capital	4,90,15,422	4,84,03,437
Opening Balance	88,76,31,224	87,32,47,219
Current year additions	16,19,42,783	12,77,41,391
(Withdrawal from)/Additions to Current Account	(2,49,46,144)	(11,33,57,386)
Closing Balance	**1,08,40,03,640**	**95,00,19,462**

2.3 Other Payable

Particulars	As at March 31, 2020 ₹	As at March 31, 2019 ₹
Statutory payables	1,37,52,802	96,31,536
Advance received from customers	14,14,463	29,82,751
Total	**1,51,67,265**	**1,26,14,287**

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NAVITAS LLP
Notes forming part of Financial Statements
For the year ended March 31, 2020

2.4(a) Fixed Asset

FY 2019-2020

Sr. No	Particulars	Gross Block: Balance as at April 01, 2019	Gross Block: Additions	Gross Block: Deductions / Transfer	Gross Block: Balance as at Mar 31, 2020	Depreciation Block: Balance as at April 01, 2019	Depreciation Block: Depreciation/ Amortisation	Depreciation Block: On disposals	Depreciation Block: Balance as at Mar 31, 2020	Net Block: Balance as at Mar 31, 2020
a	**Tangible Assets**									
	Office Equipments	40,00,617	44,750	-	40,45,367	28,53,346	5,27,888	-	33,81,234	6,64,133
	Furniture and Fixtures	3,67,49,521	-	-	3,67,49,521	2,19,29,428	73,79,653	-	2,93,09,081	74,40,440
	Computers & System Software	83,78,50,317	57,31,061	-	84,35,81,378	30,94,90,626	14,23,43,718	-	45,18,34,344	39,17,47,035
	Total	**87,86,00,455**	**57,75,811**	-	**88,43,76,266**	**33,42,73,400**	**15,02,51,258**	-	**48,45,24,658**	**39,98,51,608**
b	**Intangible Assets**									
	Computer software	1,40,55,153	-	-	1,40,55,153	53,79,207	22,92,682	-	76,71,889	63,83,264
	Total	**1,40,55,153**	-	-	**1,40,55,153**	**53,79,207**	**22,92,682**	-	**76,71,889**	**63,83,264**
	Grand Total	**89,26,55,608**	**57,75,811**	-	**89,84,31,419**	**33,96,52,607**	**15,25,43,941**	-	**49,21,96,548**	**40,62,34,871**
c	Capital work in progress	6,00,000	51,61,061	57,61,061	-	-	-	-	-	-
	Intangible Asset under Development	-	6,00,000	-	6,00,000	-	-	-	-	6,00,000
	Total	**6,00,000**	**57,61,061**	**57,61,061**	**6,00,000**	-	-	-	-	**6,00,000**

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NAVITAS LLP
Notes forming part of Financial Statements
For the year ended March 31, 2020

FY 2018-2019

Sr.No.	Particulars	Gross Block				Depreciation Block				Net Block
		Balance as at April 01, 2018	Additions	Deductions / Transfer	Balance as at Mar 31, 2019	Balance as at April 01, 2018	Depreciation/ Amortisation	On disposals	Balance as at Mar 31, 2019	Balance as at Mar 31, 2019
a	**Tangible Assets**									
	Office Equipments	31,87,667	8,12,950	-	40,00,617	22,26,170	6,27,176	-	28,53,346	11,47,271
	Furniture and Fixtures	3,60,27,259	7,22,260	-	3,67,49,519	1,46,09,966	73,19,462	-	2,19,29,428	1,48,20,091
	Computers & System Software	83,77,94,317	56,000	-	83,78,50,317	16,53,24,332	14,41,66,294	-	30,94,90,626	52,83,59,691
	Total	**87,70,09,243**	**15,91,210**	-	**87,86,00,453**	**18,21,60,468**	**15,21,12,932**	-	**33,42,73,400**	**54,43,27,053**
b	**Intangible Assets**									
	Computer software	1,30,41,386	10,13,767	-	1,40,55,153	27,84,756	25,94,451	-	53,79,207	86,75,946
	Total	**1,30,41,386**	**10,13,767**	-	**1,40,55,153**	**27,84,756**	**25,94,451**	-	**53,79,207**	**86,75,946**
	Grand Total	**89,00,50,629**	**26,04,977**	-	**89,26,55,606**	**18,49,45,224**	**15,47,07,383**	-	**33,96,52,607**	**55,30,02,999**
c	**Capital work in progress**	-	6,00,000	-	6,00,000	-	-	-	-	6,00,000
	Intangible Assets under Development	-		-	-					-
	Total	-	**6,00,000**	-	**6,00,000**	-	-	-	-	**6,00,000**

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2.4(b) Right of use assets

Particulars	₹ Buildings
Gross Carrying Value	
Balance as at April 01, 2019	-
Recognised on transition as on 01.04.2019 of IND AS 116 - Leases	2,52,60,080
Addition	15,78,49,412
Deductions due to termination of Lease agreement	(2,52,60,080)
Translation Adjustments	
Balance as at March 31, 2020	**15,78,49,412**
Accumulated Depreciation	
Balance as at April 01, 2019	-
Amortisation charge for the year	3,31,52,552
Deductions due to termination of Lease agreement	(2,52,60,080)
Translation Adjustments	
Balance as at March 31, 2020	**78,92,472**
Net Carrying Value	
Balance as at March 31, 2019	-
Balance as at March 31, 2020	**14,99,56,940**

2.5 Sundry Debtors

Particulars	As at March 31, 2020 ₹	As at March 31, 2019 ₹
Unsecured, considered good	1,04,45,13,548	1,11,61,47,372
Unsecured, considered doubtful	9,54,160	5,86,310
Less: Provision for Doubtful debts	(9,54,160)	(5,86,310)
Total	**1,04,45,13,548**	**1,11,61,47,372**

2.6 Cash & Cash Equivalents

Particulars	As at March 31, 2020 ₹	As at March 31, 2019 ₹
Balances with bank in current and deposit accounts	26,43,326	73,16,724
Cash on hand	2,00,359	2,47,431
Total	**28,43,685**	**75,64,155**

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2.7 Loans & Advances

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Unsecured, considered good		
Security deposits	1,96,54,634	1,76,15,973
Unbilled Receivable	24,89,78,721	12,02,99,265
Prepaid Expense	5,27,28,547	2,48,76,249
Taxes Receivable	1,00,76,374	1,00,76,374
Advance to suppliers	9,15,129	2,28,158
Advance to employees	20,28,645	18,00,312
Other Advances	1,21,529	1,28,499
Deferred Finance Charges	-	13,656
Interest Receivable	-	21,259
Total	**33,45,03,579**	**17,50,59,745**

2.8 Personnel Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Salaries and incentives	30,67,88,512	26,09,53,629
Contributions to provident fund	1,30,63,372	1,14,19,295
Gratuity and other benefits	1,00,49,492	77,81,201
Expense on employee stock option scheme	12,88,367	38,94,593
Staff welfare expenses	1,61,04,206	1,70,21,344
Total	**34,72,93,949**	**30,10,70,062**

2.9 Administrative Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Communication Expenses	21,19,552	42,19,853
Insurance	4,21,644	3,97,900
Bank Charges	5,77,032	3,48,299
Other Expenses	49,92,920	16,76,275
Selling & Marketing Expenses	-	70,261
Total	**81,11,148**	**67,12,588**

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2.10 Depreciation and Amortisation

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Depreciation of tangible assets	15,02,51,258	15,21,12,932
Amortization of intangible assets	22,92,682	25,94,451
Amortization on right of use assets	3,31,52,552	-
Total	**18,56,96,492**	**15,47,07,383**

3. Related Party Disclosure for the year ended March 31, 2020:

List of Related Parties

Name of the Related Party	Relationship
TAKE Solutions Limited, India	Partner
Ecron Acunova Limited, India - admitted as a partner w.e.f April 1, 2019	Partner
TAKE Business Cloud Private Limited, India - ceased to be a partner w.e.f April 1, 2019	Partner
Navitas, Inc., USA	Fellow Subsidiary
TAKE Enterprise Services Inc., USA	Fellow Subsidiary
Navitas Life Sciences Limited, UK	Fellow Subsidiary
Navitas Life Sciences Inc, USA (Merged with Navitas Inc. USA w.e.f. Feb 25, 2019)	Fellow Subsidiary
TAKE Solutions Global Holdings Pte Ltd	Fellow Subsidiary
TAKE Solutions Information Systems Pte Ltd, Singapore	Fellow Subsidiary
Intelent Inc, USA	Fellow Subsidiary
TAKE Innovations Inc, USA	Fellow Subsidiary
Navitas Life Sciences Gmbh	Fellow Subsidiary
Acunova Life Sciences Inc, USA	Fellow Subsidiary

Transactions details with related parties:

Share of profit for the year

Name of the Partner	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
TAKE Solutions Limited, India	16,19,26,591	12,77,28,619
Ecron Acunova Limited, India	16,194	-
TAKE Business Cloud Private Limited, India	-	12,774

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Revenue

Name of the Related Party	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Navitas, Inc., USA	23,38,83,417	48,69,24,074
TAKE Enterprise Services Inc., USA	-	4,21,292
Navitas Life Sciences Limited, UK	30,67,400	70,17,045
Navitas Life Sciences, Inc., USA	-	4,21,292
Ecron Acunova Limited, India	90,29,856	1,37,27,050
Take Innovations Inc., USA	6,90,81,000	46,51,74,108
Acunova Life Sciences Inc., USA	7,13,30,000	-

Other Income

Name of the Related Party	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Navitas, Inc., USA	6,53,53,720	5,16,62,540

Expenses

Name of the Related Party	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹	₹
Ecron Acunova Limited, India	5,20,128	-
Navitas Life Sciences Gmbh	5,27,54,334	3,81,72,058
Navitas, Inc., USA	-	29,74,74,465
TAKE Solutions Global Holdings Pte Ltd	6,05,67,300	8,39,10,000

Loans and Advances to related parties

Name of the Related Party	As at March 31, 2020	As at March 31, 2019
	₹	₹
Navitas, Inc., USA	36,24,264	-

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Accounts Receivable and Unbilled Receivables

Name of the Related Party	As at March 31, 2020	As at March 31, 2019
	₹	₹
Navitas, Inc., USA	60,42,21,219	53,08,80,341
Navitas Life Sciences Limited, UK	30,74,678	69,47,950
Ecron Acunova Limited, India	63,57,490	1,82,87,991
TAKE Innovations Inc, USA	27,42,15,441	46,51,74,108
Acunova Life Sciences Inc., USA	7,48,78,000	-
Navitas Life Sciences Inc., USA	-	4,21,292

Accounts Payable and Unbilled Payables

Name of the Related Party	As at March 31, 2020	As at March 31, 2019
	₹	₹
TAKE Solutions Global Holdings Pte Ltd	-	8,34,85,200
Navitas, Inc., USA	20,96,80,286	29,74,43,784
Ecron Acunova Limited, India	5,61,735	-
Navitas Life Sciences Gmbh	1,81,38,756	2,81,12,324

4. Note on COVID-19

The Novel Coronavirus (COVID-19), a Global Pandemic, is rapidly spreading throughout the world. Outbreak of COVID- 19 has significantly affected the social and economic activities worldwide and, as a result, could affect the operations and financial statements of the LLP. In line with the advisories, orders and directions issued by the local and state government authorities to prevent and contain the spread of Coronavirus, the Management has taken necessary measures. 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 and contract assets upto the date of approval of these financial statements. In this assessment, the LLP has performed sensitivity analysis on the key assumptions used. Such review and analysis performed by the group did not reveal any impairment losses.

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

5. Segment Reporting:

LLP operates in a single business segment viz life sciences, hence no disclosure is made in financial statements.

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6. Leases:

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.

Class of Underlying Asset	Opening Balance of Lease Liabilities (Balance as on 01.04.2019)	Recognised on transition as on 01.04.2019 of IND As 116 - Leases	Additions to Lease Liabilities, made during the year	Reduction in Lease Liabilities due to termination of Lease agreement	Finance Cost Accrued during the period	Payment of lease Liabilities during the year	Amount of Lease Liabilities as on March 31, 2020
Buildings	-	2,44,08,325	15,09,85,059	-	47,63,628	3,39,17,093	14,62,39,919

The table below provides details regarding the contractual maturities of lease liabilities as on March 31, 2020

Particulars	Undiscounted Basis	Discounted Basis
Not later than one year	3,56,11,776	2,19,76,829
Later than one year but not later than five years	15,03,52,372	12,42,63,090
Later than five years	-	-
Total	**18,59,64,148**	**14,62,39,919**

7. Deferred Tax

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Components of Deferred Tax Liability / (Asset)		
Fixed Assets	7,95,00,340	101,871,760
Provision for gratuity and leave encashment	(18,351,881)	(13,612,603)
Ind AS 116	12,98,875	-
Others	(19,25,870)	(1,127,019)
Net Deferred Tax Liability / (Asset)	**(60,521,473)**	**87,132,138**

8. Due to Micro Small and Medium Enterprises

Based on the intimation received by the LLP, none of the suppliers have confirmed to be registered under "the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid/ payable are required to be furnished.

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9. Contingent liabilities not provided for is FY 2019-20 Rs 5,85,34,839 & FY 2018-19 (Rs. Nil) in respect of Income Tax demands where the LLP has filed appeal before various authorities.

10. Previous year figures have been regrouped / reclassified wherever necessary to conform to the current year presentation.

For G.D Apte & Co
Chartered Accountants
Firm Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053
Pune, June 10, 2020

G. D. APTE & CO. ★ Chartered Accountants ★

For Navitas LLP

S. Subhasri
Subhasri Sriram
Designated Partner
DIN: 01998599

Praveen R
Designated Partner
DIN: 01266645

Place: Chennai
Date : June 10, 2020

TAKE Solutions Global Holdings Pte Ltd

Consolidated Balance Sheet as at March 31, 2020

	Particulars	Note	As at March 31, 2020	As at March 31, 2019
			Amount in USD	
I.	ASSETS			
1.	Non-current assets			
	(a) Property, plant and equipment	2.01(a)	24,173,071	23,430,968
	(a) Right to use assets	2.01(b)	1,496,622	
	(b) Goodwill	2.02	23,203,747	24,044,668
	(c) Capital Work-In-Progress	2.03	102,685	83,505
	(d) Other Intangible assets		-	-
	(i) Goodwill on Business acquisition	2.04	35,912,006	35,946,048
	(ii) Other Intangiable assets	2.04	42,458,061	40,930,758
	(e) Intangible assets under development	2.05	-	5,152,620
	(f) Financial assets			
	(i) Investments	2.06	1,558,902	950,000
	(ii) Loans	2.07	90,540	240,850
	(g) Deferred tax asset (net)	2.08	1,719,766	55,678
	(h) Income tax assets (net)		-	7,064
	(i) Other non-current assets	2.09	350,000	350,000
	Total non-current assets		131,065,400	131,192,159
2.	Current assets			
	(a) Inventories	2.10	-	1,911,736
	(b) Financial assets			
	(i) Trade receivables	2.11	78,036,176	56,201,826
	(ii) Unbilled receivable	2.12	10,570,490	19,855,324
	(ii) Cash and cash equivalents	2.13	4,624,010	4,667,880
	(iv) Loans	2.14	2,181,255	905,834
	(v) Other financial assets	2.15	19,803,356	28,920,327
	(c) Other current assets	2.16	22,697,923	22,731,641
	Total current assets		137,913,210	135,194,568
	TOTAL ASSETS		268,978,610	266,386,727
	EQUITY AND LIABILITIES			
II.	Equity			
1.	(a) Equity share capital	2.17	63,607,000	63,607,000
	(b) Other equity	2.18	82,085,383	89,007,681
	Total equity		145,692,383	152,614,681
	Liabilities			
2.	Non-current liabilities			
	(a) Financial liabilities			
	Borrowings	2.19	21,512,199	3,182,690
	Lease Liability	2.20	1,267,538	11,000
	(b) Deferred tax liabilities (net)	2.08	1,582,693	4,827,411
	Total non-current liabilities		24,362,430	8,021,101
	Current liabilities			
3.	(a) Financial liabilities			
	(i) Borrowings	2.21	52,646,000	56,350,000
	(ii) Trade payables	2.22	15,996,997	13,896,685
	(iii) Other financial liabilities	2.23	26,237,129	28,736,658
	(iv) Lease Liability	2.24	283,486	-
	(b) Other current liabilities	2.25	2,335,078	2,795,690
	(c) Income tax liabilities (net)		1,425,107	3,971,912
	Total current liabilities		98,923,797	105,750,946
	TOTAL EQUITY AND LIABILITIES		268,978,610	266,386,727

Notes form an inegral part of the Consolidated Financial Statements

As per our report attached

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No.: 100515W

G.D. APTE & CO. ★ Chartered Accountants ★

Umesh S. Abhyankar
Partner
Membership No.: 113053
Place: Pune, June 10, 2020

For and on behalf of the Board of Directors

Venkatesan V
Director

Sridharan P
Director

Place: Chennai
Date : June 10, 2020

TAKE Solutions Global Holdings Pte Ltd

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

	Particulars	Note	March 31, 2020	March 31, 2019
			Amount in USD	
I.	Revenue from operations	2.26	227,993,332	214,281,293
II.	Other income	2.27	697,611	60,502
III.	**Total income**		**228,690,943**	**214,341,795**
IV.	Expenses			
	Cost of revenue	2.28	63,568,190	59,659,155
	Employee benefits expenses	2.29	79,055,165	60,054,743
	Finance costs	2.30	5,090,570	3,734,562
	Depreciation and amortization	2.31	17,097,618	18,560,705
	Other expenses	2.32	73,122,291	53,504,666
	Total expenses		**237,933,834**	**195,513,830**
V.	**Profit/(Loss) before tax**		**(9,242,891)**	**18,827,965**
VI.	**Tax expense**			
	(i) Current tax		2,298,881	2,263,979
	(ii) Short/(Excess) provision of tax of prior years		(33,839)	31,390
	(iii) Deferred tax		(4,910,469)	744,209
VII.	**Profit/(Loss) for the year**		**(6,597,464)**	**15,788,387**
VIII.	**Other Comprehensive Income/(Loss)**			
	(a) Items that will not be reclassified to profit or loss		-	-
	(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
	(c) Items that will be reclassified to profit or loss		(1,103,310)	(1,195,110)
	(d) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive Income for the year, net of tax		**(1,103,310)**	**(1,195,110)**
	Total Comprehensive Income for the year		**(7,700,774)**	**14,593,277**
IX.	**Profit/(Loss) attributable to**			
	Owners of the Company		(6,597,464)	15,788,387
	Non-controlling interest		-	-
			(6,597,464)	**15,788,387**
X.	**Other Comprehensive Income attributable to**			
	Owners of the Company		(1,103,310)	(1,195,110)
	Non-controlling interest		-	-
			(1,103,310)	**(1,195,110)**
XI.	**Total Comprehensive Income attributable to**			
	Owners of the Company		(7,700,774)	14,593,277
	Non-controlling interest		-	-
			(7,700,774)	**14,593,277**
	Earnings per equity share			
	Equity Shares of par value SGD 1/- each			
	Basic		**(0.11)**	**0.28**
	Diluted		**(0.11)**	**0.28**

Notes form an inegral part of the Consolidated Financial Statements

As per our report attached

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053
Place: Pune, June 10, 2020

For and on behalf of the Board of Directors

Venkatesan V
Director

Sridharan P
Director

Place: Chennai
Date : June 10, 2020

G.D. APTE & CO. Chartered Accountants

TAKE Solutions Global Holdings Pte Ltd Consolidated Statement of Cash Flows for the year ended March 31, 2020		
Particulars	March 31, 2020	March 31, 2019
	Amount in USD	
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ (LOSS) BEFORE TAX	(9,242,891)	18,827,965
Adjustments for		
Depreciation	12,114,731	5,128,998
Amortisation of software product costs & Right of use assets	4,982,887	13,431,707
Expense on employee stock opetion scheme	157,109	81,890
Interest expense	5,090,570	3,734,562
Interest income	(2,094)	(11,594)
(Profit)/Loss on sale of fixed assets	382	(7,500)
Profit on disposal of subsidiary	251	-
Profit on fair valuation of financial instruments	863,185	-
Bad debts written off	2,167,928	183,191
Operating Profit before Working Capital Changes	16,132,057	41,369,219
(Increase)/Decrease in loans & advances, trade receivables and other assets	4,188,464	(33,288,047)
Increase/ (Decrease) in trade payables, liabilities and provisions	(3,734,830)	28,034,986
Cash flow from/ (used in) Operations	16,585,691	36,116,157
Interest - working capital loans	(3,622,977)	(2,867,902)
Direct taxes paid, net of refunds	(4,804,781)	(597,306)
NET CASH FROM /(USED) IN OPERATING ACTIVITIES	8,157,933	32,650,949
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(10,383,634)	(80,999,814)
Product development expenses	(3,500,955)	(8,585,765)
Sale / Discard of fixed assets	(381)	130,021
(Increase) / Decrease in Goodwill on consolidation	-	-
Disposal / merger of subsidiary net of adjustments	-	1,899,894
Interest income	2,094	11,594
(Purchase) / sale on account of Business Combinations	(10,000,000)	-
Reduction/ (Increase) of bank deposits	-	111,834
NET CASH FROM /(USED) IN INVESTING ACTIVITIES	(23,882,876)	(87,432,236)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Net movement in short-term borrowings	(3,704,000)	15,600,000
Proceeds from issue of share capital	-	20,463,800
Proceeds of long-term borrowings	21,204,509	(1,321,671)
Payment of Lease Liability	(483,104)	-
Interest - short and long-term loans	(1,295,287)	(866,659)
NET CASH FROM /(USED) IN FINANCING ACTIVITIES	15,722,118	33,875,469
Net Increase/(Decrease) in Cash & Cash equivalents	(2,825)	(20,905,818)
Add: Cash and cash equivalents as at the beginning of the year	4,667,880	25,629,019
Exchange difference on translation of foreign currency cash and cash equivalents	(41,045)	(55,321)
Cash & Cash equivalents as at the end of the year - Note No. 2.13	4,624,010	4,667,880

Notes form an inegral part of the Consolidated Financial Statements

As per our report attached

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053
Place: Pune, June 10, 2020

For and on behalf of the Board of Directors

Venkatesan V
Director

Sridharan P
Director

Place: Chennai
Date : June 10, 2020

G. D. APTE & CO. ★ Chartered Accountants ★

TAKE Solutions Global Holdings Pte Ltd

Consolidated Statement of Changes in Equity for the year ended March 31, 2020

(a) Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Opening Balance	63,607,000	43,143,200
Changes during the year	-	20,463,800
Closing Balance	63,607,000	63,607,000

(b) Other Equity

Particulars	Attributable to Owners of the Company								
	Reserves and Surplus				Other items of OCI		Total	Non-Controlling Interest	Total Equity attributable to Equity Holders
	Deemed Share Capital - Corporate Guarantee	Deemed Share Capital - ESOP	Capital Reserve on Consolidation	General Reserve	Retained Earnings	Foreign Currency Translation Reserve			
	USD	USD	USD	USD	USD	USD	USD	USD	USD
Balance as at April 01, 2018	438,540	-	419,972	-	72,525,898	524,915	73,909,325	-	73,909,325
Profit / (Loss) for the year	-	-	-	-	15,788,386	-	15,788,386	-	15,788,386
Transfer to Deemed Share Capital - Corporate Guarantee	149,625	-	-	-	-	-	149,625	-	149,625
Transfer to Deemed Share Capital - ESOP	-	81,890		-			81,890		81,890
Variation on account of change in ownership interest	-	-	(230,587)	-	-	-	(230,587)	-	(230,587)
On account of restructuring of subsidiaries	-	-	-	-	487,915	-	487,915	-	487,915
Exchange differences on transalation to foreign operations	-	(373)	(24)	-	-	(1,178,476)	(1,178,873)	-	(1,178,873)
Balance as at March 31, 2019	588,165	81,517	189,361	-	88,802,199	(653,560.72)	89,007,681	-	89,007,681
Balance as at April 01, 2019	588,165	81,517	189,361	-	88,802,199	(653,561)	89,007,681	-	89,007,681
Profit / (Loss) for the year	-	-	-	-	(6,597,464)	-	(6,597,464)	-	(6,597,464)
Adjustment on account of lapse of stock options pertaining to subsidiaries	-	(34,171)	-	34,171	-	-	-	-	-
Transfer to Deemed Share Capital - Corporate Guarantee	555,000	-	-	-	-	-	555,000	-	555,000
Transfer to Deemed Share Capital - ESOP	-	157,109	-	-	-	-	157,109	-	157,109
On account of restructuring of subsidiaries	-	-	-	-	66,367	-	66,367	-	66,367
Exchange differences on transalation to foreign operations	-	15	(66)	-	-	(1,103,259)	(1,103,310)	-	(1,103,310)
Balance as at March 31, 2020	1,143,165	204,470	189,295	34,171	82,271,102	(1,756,819)	82,085,383	-	82,085,383

Notes form an inegral part of the Consolidated Financial Statements

As per our report attached

For G.D. Apte & Co.
Chartered Accountants
Firm's Registration No.: 100515W

G. D. APTE & CO. ★ Chartered Accountants ★

Umesh S. Abhyankar
Partner
Membership No.: 113053
Place: Pune, June 10, 2020

Place: Chennai
Date : June 10, 2020

For and on behalf of the Board of Directors

Venkatesan V
Director

Sridharan P
Director

Company Overview

TAKE Solutions Global Holdings Pte Ltd (referred to as 'TAKE' or 'the Company') and its subsidiaries provide domain-intensive services and solutions in Life Sciences and Supply Chain Management.

In the fast-growing Life Sciences space, TAKE offers clients a unique combination of full-service Clinical, Regulatory and Safety services backed by unique technology expertise. Our range of services span from clinical trials to regulatory submissions to post-marketing safety, all backed by insights derived through proprietary industry networks forums. With a team of leading Life Sciences experts, best-in-class systems and processes, and bespoke, industry-specific technology and analytics, TAKE delivers successful outcomes for clients. Our global roster of clients includes large and small innovator biopharmaceutical companies as well as generics manufacturers.

In Supply Chain Management, TAKE focuses on niche in engineering services, supply chain collaboration and product re-engineering. Our IP-led approach enables its clients to automate supply chain processes, track, trace & control at item level, mandate supplier compliance, and streamline material & shipment movement, and thus optimize their processes.

As of March 31, 2020, TAKE Solutions Limited owned 100.00% of the Company's equity share capital and has the ability to control its operating and financial policies.

The Consolidated Financial Statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on June 10, 2020

1 Significant Accounting Policies

1.1 Basis of Preparation of Consolidated Financial Statements

The Consolidated Financial Statements of TAKE Solutions Global Holdings Pte Ltd and its Subsidiaries ("the Group") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the Rules"). These financial statements for the year ended March 31, 2020 have been prepared in accordance with Ind AS.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer to accounting policy regarding financial instruments). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Consolidated Financial Statements are presented in USD.

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

1.2 Basis of Consolidation

TAKE Solutions Global Holdings Pte Ltd consolidates all entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the Company, its controlled trust and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has ability to affect those returns by using its power over the entity.

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Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain/loss from such transactions, are eliminated upon consolidation. Consolidated Financial Statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

1.3 Use of Estimates

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Application of accounting policies require critical accounting estimates involving complex and subjective judgements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Consolidated Financial Statements in the period in which changes are made and, if material, their effect are disclosed in the notes to the Consolidated Financial Statements.

1.4 Recent Accounting Developments

The Ministry of Corporate Affairs has not notified any new Indian Accounting Standard or amendments to the existing Indian Accounting Standards effective from April 1, 2020 which would impact the financial statements of the company for Financial year 2020-21.

1.5 Critical Accounting Estimates

1.5.1 Revenue Recognition

The Group uses the percentage-of-completion method in the accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Group to estimate the efforts or costs to be expended till the reporting date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable, based on the expected contract estimates at the reporting date.

1.5.2 Income Taxes

The Group's two major tax jurisdictions are India and the US. Though the Group also files tax returns in other overseas jurisdictions, significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

1.5.3 Business Combinations and Intangible Assets

Business combinations are accounted for using Ind AS 103, *Business Combinations*, Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

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1.5.4 Property, Plant and Equipment

Property, plant and equipment represents a significant proportion of the assets base of the Group. The charges in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

The useful lives and residual value of the Group's assets are determined by the Management at the time the assets are acquired and are reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

1.5.5 Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash-generating unit (CGU) is less than its carrying amount, based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of CGUs is determined based on the higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the CGU or groups of CGUs which are benefiting from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes.

Market-related information and estimates are used to determine the recoverable amount. Key assumptions on which the Management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. The cash flow projections take into account past experience and represent the Management's best estimate about future developments.

1.5.6 Allowance for Trade Receivables and Other Financial Assets

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for expected credit loss. The Group recognises impairment loss allowance based on lifetime Expected Credit Losses at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

1.5.7 Share-Based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

1.5.8 Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity 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 and mortality rates. 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 reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The estimates of future salary increases take into account the inflation, seniority, promotion and other relevant factors.

1.5.9 Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.5.10 Assets Held for Sale

The Group has assessed the criteria as required by Ind AS 105 in respect of its assets and concluded that the conditions that exist as on reporting date does not indicate that any assets are held for sale.

1.6 Revenue Recognition

The Group earns revenue primarily from providing Services in Life Sciences sector across the spectrum of Clinical, Regulatory, Safety and Pharmacovigilance, Networks and Consulting to deliver transformative end-to-end solutions and services across processes, technology and analytics to both domestic and global clients. The group also earns revenue from IT Infrastructure and support, Supply Chain Management, Engineering, designing and sourcing services.

Life Science Sector:

Drug development is a lengthy and complex process. This process demands extensive collaboration among both internal and external stakeholders. Cross-functional groups within an organization—including research and development (R&D), clinical research, quality assurance, manufacturing, supply chain, marketing, and sales must work together to advance drug compounds from initial development to store shelves.

Clinical studies

The operational success and the long-term impact of a clinical trial depends on the ability to deliver high-quality data, quickly and cost-effectively, to enable timely and informed decision making by the study teams and sponsors. In addition, it has become essential to leverage trial data using analytics to improve decision-making capabilities. Quality by design and a risk-based approach are imperative to the success of clinical trials. An effective clinical trial requires a deep understanding of how to identify and mitigate risks from start to finish, how to identify the right parameters to drive trial progress and stay patient-centric, and how to set up trial endpoints to ensure a meaningful study.

i. Full-Service Clinical Trials

Serves as an integrated development partner for faster and more cost-effective management of Phase II-IV trials. Right from study start-up, to conduct, to closure. Our clinical trials services include feasibility, start-up, project management, traditional monitoring, centralized statistical monitoring driven by concepts of risk-based monitoring, data management and biostatistics, medical & PV services, and publishing and submissions.

ii. Medical Imaging Services

Medical Imaging Services are either bundled into our full service or delivered as stand-alone and provide high quality outcomes that speed up your global Phase I - IV clinical trials. Services also include Site and CRA training. We assist with study planning, setup, conduct, and central independent review (including safety and efficacy for primary and secondary endpoints).

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iii. Non-Interventional Studies (NIS)

Services range from study setup - conduct - to closure, market surveys, pre-launch screenings, classical Non-Interventional Studies, post-authorisation safety studies, and post-authorisation effectiveness studies. Help collect prospective and retrospective data for marketed products; evaluate product effectiveness, patient compliance, patient/physician satisfaction etc., identified, characterised and quantified safety hazards; confirmed safety profile of the product; and even measured the effectiveness of risk-management measures.

iv. Clinical Data Services (CDS)

Provide sponsors the flexibility of either full-service or stand-alone Clinical Data Services, as per their individual requirements. We deliver cost-effective data management services to address increasingly complex clinical data sets while conforming to the regulatory requirements of CDISC submissions. Cloud-enabled, clinical analytics platform is proven to deliver near real time, high-quality data for delivering better insights and enabling proactive decision making, resulting in successful outcomes. Designed for, and delivered via, cloud, and in compliance with regulatory and data privacy requirements, our technology platform enables end to end clinical trial data management, data visualization, analytics, monitoring and submission services.

Generics including Bio Availability and Bio Equivalence (BA/BE) Studies

Provide end-to-end services for BA/BE studies viz: Writing the protocol for a study by referring to Guidelines. Obtaining approval from regulatory for conducting the study, Conducting the study in own facility (clinic) located in Manipal, Mangalore Chennai and Bangalore and analysing the samples in our lab.

Regulatory Services

In each phase of development, drug companies are obligated to demonstrate the safety and efficacy of their drugs for human use. This requires near-constant correspondence between regulatory affairs departments and external health authorities through the delivery of many dossiers called regulatory submissions.

A regulatory submission is a series of documents sent by a drug company to a health authority as evidence of compliance. Laws and regulations influence many aspects of the drug development processes. They impact how drug companies manufacture their drugs, design clinical trials, report safety findings, and create promotional material.

Regulatory submissions begin in preclinical development, years before an investigational drug is given to a human subject. They are not only common throughout the various stages of clinical development but also when the investigational drug become a marketed product, can continue as long as the product remains in the market.

Services include providing, submission of an original IND, NDA or ANDA, an amendment or supplement, submission of a variation to an existing application, converting an existing application to eCTD format, ANDAs, 510Ks, DMFs, IMPDs, Annual Reports, Amendments, Orphan Drug Designation Requests, Clinical Study Reports, Investigator Brochures, Clinical Protocols, Case Report Forms, SOPs, publishing activities included formatting, proofreading and correction of typographical and grammatical errors, insertion of appendix pieces into documents, scanning, clean-up of PDF files, QC of each publishing step as well as published product, documents and dossiers for submission to clients and regulatory authorities, compilation, printing, print QC, page numbering, tab creation, assembly/binding, label creation and application and packing for shipment to clients and/or regulatory authorities.

Pharmacovigilance Services (PV)

A full-service Pharmacovigilance provider, offering Services along the PV Value chain right from Case Intake to Safety Risk Management.

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Consulting

To the life sciences industry to guide them in developing their global strategies, evolving their organizational structures, identifying technology solutions and optimizing their operations.

Nets Forum

Hosting unique ten neutral platforms for various requirement and challenges facing the industry, like workload balancing with rising resource constraints, managing divergent global regulatory requirements, implementing continuous benefit risk management, leveraging new tools and big data and modernizing PV in the context of Industry shifts.

1.6.1 Application of Ind AS 115, 'Revenue from Contracts with Customers'

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018).

1.6.2 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Revenue for services, as rendered, is recognised only after persuasive evidence of an arrangement exists, the sales price is fixed or determinable and collectability is reasonably assured.

i. **Clinical trials management:**

Revenue is recognised on a proportional performance method. Depending on the contractual terms revenue is either recognised on the percentage of completion method based on the relationship between hours incurred and the total estimated hours of the trial or on the unit of delivery method. Contract costs equate to the product of labour hours incurred and compensation rates. For the percentage of completion method, the input (effort expended) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. Contract revenue is the product of the aggregated labour hours required to complete the specified contract tasks at the agreed contract rates. The Company regularly reviews the estimate of total contract time to ensure such estimates remain appropriate taking into account actual contract stage of completion, remaining time to complete and any identified changes to the contract scope. Remaining time to complete depends on the specific contract tasks, the complexity of the contract and can include geographical site selection and initiation, patient enrolment, patient testing and level of results analysis required. While the Company may routinely adjust time estimates, the Company's estimates and assumptions historically have been accurate in all material respects in the aggregate. Where revenue is recognised on the unit of delivery method, the basis applied is the number of units completed as a percentage of the total number of contractual units.

ii. **Clinical Data Services:**

Revenue is recognised on a fee-for-service basis, over the time the related service is performed, or in the case of permanent placement, once the candidate has been placed with the client.

iii. **Laboratory Services for Generics and Bio Availability and Bio Equivalence Studies**

Revenue is recognised on a fee-for-service basis. The Company accounts for laboratory service contracts as multiple element arrangements, with contractual elements comprising laboratory kits and laboratory testing, each of which can be sold separately. Sales prices for contractual elements are determined by reference to objective and reliable evidence of their sales price. Revenues for contractual elements are recognised on the basis of the number of deliverable units completed in the period.

G.D. APTE & CO. Chartered Accountants

iv. **Regulatory Services**

a) **Time and Material Contracts:**

Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

b) **Fixed Price Contracts:**

Revenue related to fixed price contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance. In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with corresponding contract costs incurred determining the degree of completion of the performance obligation.

c) **License Sale:**

Revenue from the sale of distinct internally developed life sciences software and systems is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the life science software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.

d) **Operation and Maintenance Contracts:**

Revenues from operation and maintenance contracts are recognised pro-rata over the period of the contract and when services are rendered.

v. **Consulting Services:**

Revenue is recognised on a fee-for-service basis as each hour of the related service is performed.

vi. **Nets Subscription:**

Revenue generated from this service is a subscription based model and fee is fixed in nature. Revenue is recognised over the tenure of the subscription.

vii. **E Business Solutions and Technology Services**

Revenue is recognised when invoices are raised and are accounted net of trade discounts, rebates, taxes and duties. Informatics revenue is recognised on a fee-for-service basis. Informatics contracts are treated as multiple element arrangements, with contractual elements comprising license fee revenue, support fee revenue and revenue from software services, each of which can be sold separately. Sales prices for contractual elements are determined by reference to objective and reliable evidence of their sales price.

viii. **Sale of IT Infrastructure and Support Services:**

Revenue from sale of hardware and incidental peripherals goods is recognised in the statement of profit and loss when the significant risks and rewards in respect of ownership have been transferred to the buyer as per the terms of the respective sales order. Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances and discounts. The transaction price usually represents the fair value unless otherwise disclosed in the financial statements. Revenue from software services is recognised using the percentage of completion method based on the relationship between hours incurred and the total estimated hours required to perform the service.

Contracts generally contain provisions for renegotiation in the event of changes in the scope, nature, duration, or volume of services of the contract. Renegotiated amounts are recognised as revenue by revision to the total contract value arising as a result of an authorised customer change order.

Other Income

Other income is comprised primarily of interest income, dividend income, gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest rate method.

Interest Income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend Income

Dividend income from investments is recognised when the right to receive the payment is established.

1.6.3 Measurement:

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract or arrangements with the customer which create rights and performance obligations and are legally enforceable. Revenue excludes taxes collected from customers. Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for. The Group disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

1.6.4 Principal versus Agent Considerations in Revenue from Operations

The Group has recorded revenue on gross basis when it has the primary responsibility to provide the service, has the right or determines the vendors and contracts independent of the customer, bears the risk of unsold stock and has the latitude in determination of price.

1.6.5 Billed/ Unbilled Trade Receivable and Deferred Revenue:

Billed trade receivables represent amounts invoiced to clients based on contract terms. In general, pre-requisites for billings and payments are established by contractual provisions including predetermined payment schedules, which may or may not correspond to the timing of the performance of services under the contract. Unbilled services arise when services have been rendered for which revenue has been recognized but the customers have not been billed. Deferred revenue, represents payments received in excess of revenue recognized. These payments received in advance of services being provided are classified as deferred revenue/ customer advance in the consolidated balance sheet and include amounts

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billed based on contractual provisions such as milestone payments or customer advances at the beginning of a project. As the contracted services are subsequently performed and the associated revenue is recognized, the deferred revenue balance is reduced by the amount of the revenue recognized during the period. The Group maintains a provision for losses on receivables based on historical collectability and specific identification of potential problem accounts. Uncollectible receivables are written off when collection efforts have been exhausted.

1.6.6 Billable/Unbillable Costs

Costs directly associated with revenue mainly comprise of cost of resources in the nature of employee benefits, professional fees, logistics, infrastructure and IT related services and supplies. The billable costs are recognised as revenue when incurred according to the terms and conditions of the contracts or the customary practices accepted by the clients. The Unbillable costs are treated as expenditure as and when incurred.

1.7 Property, Plant and Equipment and Depreciation

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 the Management. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows;

Asset	Life (in years)
Computers and Purchased Software	3-6
Furniture, Fixtures and Office Equipments	4-10
Automobiles	4-10
Buildings	60
Plant and Equipments	5-10
Leasehold improvements	Period of Lease

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets in situations where the work for development of that for development of that asset has not commenced or the asset, being a standard/ shelf product, is not delivered and ready for intended use as decided by the Group. In situations where the work for development of the asset has commenced, the cost of asset incurred till the reporting date is disclosed under 'Capital work-in-progress'.
Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Consolidated 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 recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

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1.8 Business Combinations

Business combinations are accounted for using the acquisition method under the provisions of Ind AS 103, *Business Combinations*.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Business combinations between entities under common control are accounted for at carrying value.
Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are not considered as part of the cost of acquisition.

1.9 Goodwill

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in net profit in the Statement of Profit and Loss. Goodwill is measured at cost less accumulated impairment losses.

1.10 Intangible Assets and Amortisation

Intangible assets are stated at cost less accumulated amortization and impairment. 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 estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, are known technological advances), and the level of maintenance expenditure required to obtain the expected future cash flows from the assets. Amortization methods, and useful lives are reviewed at each financial year end. The estimated useful lives of assets are as follows:

Particulars	Life (in years)
Customer relationship	15
Technology, Technical Knowhow	7
Customer contract	5
Computer Softwares and Software Product Costs	3 to 7

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the projects is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the assets for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted in the Statement of Profit and Loss.

1.11 Leases

Lease:

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. 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.

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 interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. After the commencement date, the lease liability is adjusted by increasing the carrying amount to reflect interest on the lease liability; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications. The lease liability is also remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The interest on the lease liability is recognised in the statement of Profit & Loss except to the extent that it can be allocated to any Property, Plant & Equipment.

In the comparative period, leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments and receipts under operating leases are recognised as an expense and income respectively, on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or

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operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

1.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.13 Inventories

Inventories of hardware, related peripherals including stores and spares and consumables are valued at the lower of cost and estimated net realisable value. Cost is determined on first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.14 Provisions

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

1.15 Financial Instruments

1.15.1 Initial Measurement

The Group 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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not fair valued through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

1.15.2 Subsequent Measurement

i) Non-Derivative Financial Instruments

a) 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.

b) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates and by sale. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income (OCI).

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c) Financial Assets at Fair Value through Profit and Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

d) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

ii) Derivative Financial Instruments

a) Initial Recognition and Subsequent Measurement

The derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects the profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability.

Hedges that meet the criteria for hedge accounting are accounted for as described below:

Fair Value Hedges

The change in the fair value of a hedging instrument is recognised in the Statement of Profit and Loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the Statement of Profit and Loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.
If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

Cash Flow Hedges

The effective portion of the gain or loss on the hedging instrument is recognised is OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Statement of Profit or Loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised.

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1.15.3 Derecognition of Financial Instruments

The Group 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 Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.15.4 Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date.
The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value results in general approximation of value, and such value may never actually be realized.

Refer to Note No. 6(b) in for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.15.5 Financial Guarantee Contracts

Financial Guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value adjusted for transaction costs, if any, that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

1.16 Impairment

a) Financial Assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to the lifetime ECL. The amount of ECL (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 the Statement of Profit or Loss.

b) Non-Financial Assets

i) Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to Group's CGU or groups of CGUs expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

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Total Impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro rata on the basis of the carrying amount of each assets in the CGU. An impairment loss on goodwill is recognized in the Statement of Profit and Loss.

ii) Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or change in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

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 assets.

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 if any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.17 Foreign Currency Transactions and Translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of transaction.

The translation of financial statement of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserve under other components of equity. When a subsidiary is disposed of, in full, the relevant amount is transferred to net profit in the Statement of Profit and Loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.
Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

1.18 Earnings Per Equity Share

Basic 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 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

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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 on conversion of all dilutive potential equity shares are adjusted for the proceeds receivables had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus share issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.19 Income Taxes

Income tax expenses comprise current and deferred income tax. Income 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, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax asset and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit and loss at the time of the transaction.
Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.
The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to extent that it is probable future. The Group 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.

1.20 Cash and Cash Equivalents

Cash and cash equivalents comprises of cash on hand and short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments and deposits with the banks that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

1.21 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resource embodying economic benefit will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognise a contingent liability but discloses it as per Ind AS 37 in the financial statements unless the possibility of an outflow of resources embodying economic benefit is remote.

1.22 Employee Benefits

1.22.1 Compensated Absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment.

The Group records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Group recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

1.22.2 Share-Based Payments

The Group recognizes compensation expense relating to share based payments in net profit using fair value in accordance with Ind AS 102, *Share Based Payments*. The estimated fair value of awards is charged to the Statement of Profit and Loss on a straight-line basis over the requisite service period for each separately vesting portion of the award with the corresponding increase to share options outstanding account.

1.22.3 Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of the rendering of services are classified as short term employee benefits. Benefits such as salaries, allowances, expected cost of bonus etc., are recognised in the period in which the employee renders the related service. We have savings plans in the U.S. that qualify under Section 401(k) of the Internal Revenue Code, and a number of savings plans in international locations. Eligible U.S. employees may contribute a portion of their salary into the savings plans, subject to certain limitations.

1.23 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transaction 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 Group are segregated.

1.24 Segment Reporting

Operating Segments are reported in a manner consistent with the reporting to the Chief Operating Decision Maker (CODM). The CODM as identified by the Board of Directors include the Executive and other Directors but do not include the Independent Directors.

The Group has identified business segment on a consolidated basis viz. Life Sciences and Supply Chain Management.

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TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2020

2 Notes to Accounts

Non-Current Assets2.01(a) Property, plant and equipment

Particulars	Buildings	Office Equipments	Plant and Equipments	Furniture and Fixtures	Vehicles	Computers	Total
	USD	USD	USD	USD	USD	USD	USD
Gross Carrying Value							
Balance as at April 01, 2018	-	7,394,564	-	5,556,878	-	11,083,828	24,035,270
Additions		2,103,726	3,350,522	2,866,094		2,640,908	10,961,250
Additions on account of acquisiiton	36,000.00		470,000	883,062	6,553	-	1,395,615
Deductions/ disposals	-	-	-	-	-	(118,231)	(118,231)
Translation Adjustments	-	-	-	(474)	-	(3,651)	(4,125)
Balance as at March 31, 2019	**36,000**	**9,498,290**	**3,820,522**	**9,305,560**	**6,553**	**13,602,854**	**36,269,778**
Additions	-	1,777,958	2,109,651	1,603,321	-	2,650,404	8,141,333
Additions on account of acquisiiton	-	-	-	-	-	-	-
Deductions/ disposals	-	-	(43,113)	-	-	-	(43,113)
Translation Adjustments	-	(12,363)	-	(11,972)	-	(25,403)	(49,738)
Balance as at March 31 2020	**36,000**	**11,263,884**	**5,887,059**	**10,896,909**	**6,553**	**16,227,855**	**44,318,260**
Accumulated Depreciation							
Balance as at April 01, 2018	-	2,999,805	-	1,083,743	-	2,620,481	6,704,029
Additions on account of acquisiiton	36,000.00		202,000	864,462	-		1,102,462
Depreciation charge for the year	-	2,873,155	572,041	1,251,291	6,553	331,870	5,034,910
Deductions/ disposals	-	-	-	-	-	-	-
Translation Adjustments	-	-	-	(83)	-	(2,507)	(2,590)
Balance as at March 31, 2019	**36,000**	**5,872,960**	**774,041**	**3,199,413**	**6,553**	**2,949,844**	**12,838,811**
Depreciation charge for the year	-	3,039,919	991,315	1,924,153	-	1,394,168	7,349,555
Additions on account of acquisiiton	-	-	-	-	-	-	-
Deductions/ disposals	-	-	(43,113)	-	-	-	(43,113)
Translation Adjustments	-	(13)	0	(22)	-	(28)	(63)
Balance as at March 31, 2020	**36,000**	**8,912,866**	**1,722,244**	**5,123,544**	**6,553**	**4,343,984**	**20,145,190**
Net Carrying Value							
Balance as at March 31, 2019	-	3,625,330	3,046,480	6,106,148	(0)	10,653,010	23,430,968
Balance as at March 31, 2020	-	2,351,019	4,164,815	5,773,365	(0)	11,883,871	24,173,071

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2.01 (b) Right of use Assets

Amount in USD

Particulars	Buildings
Gross Carrying Value	
Balance as at April 01, 2019	-
Recognised on transition as on 01.04.2019 of IND As 116 - Leases	1,895,293
Additions	-
Deductions due to termination of Lease agreement	-
Translation Adjustments	-
Balance as at March 31, 2020	**1,895,293**
Accumulated Depreciation	
Balance as at April 01, 2019	-
Amortisation charge for the year	398,671
Deductions due to termination of Lease agreement	-
Translation Adjustments	-
Balance as at March 31, 2020	**398,671**
Net Carrying Value	
Balance as at March 31, 2019	-
Balance as at March 31, 2020	**1,496,622**

2.02 Goodwill

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Goodwill on Consolidation		
Balance at the beginning of the year	24,044,668	26,923,895
On account of disposal/ merger of subsidiaries	-	(1,630,587)
Foreign currency exchange gain/(loss) - net	(840,921)	(1,248,640)
Balance at the end of the year	**23,203,747**	**24,044,668**

2.03 Capital work-in-progress

Particulars	Amount in USD
Balance as at April 01, 2018	-
Additions	83,505
Deductions/Transfer	-
Translation Adjustments	-
Balance as at March 31, 2019	**83,505**
Additions	21,546
Deductions/Transfer	(2,366)
Translation Adjustments	-
Balance as at March 31, 2020	**102,685**

2.04 Other Intangible Assets

Particulars	Other Intangible Assets							
	Computer Softwares	Software Product Costs	Customer relationship	Technology	Customer contract	Technical Knowhow*	Total Other Intangible Asstes	Goodwill
	USD	USD	USD	USD	USD	USD	USD	USD
Gross Carrying Value								
Balance as at April 01, 2018	117,418	25,943,694	-	-	-	-	26,061,112	2,852,618
Additions	3,373,960	9,836,064	-	-	-	-	13,210,024	-
Additions on account of acquisiton			19,886,384	6,628,795	6,628,795		33,143,973	33,143,973
Deductions/ disposals	(4,290)	-	-	-	-	-	(4,290)	-
Translation Adjustments	-	-	-	-	-	-	-	(50,543)
Balance as at March 31, 2019	3,487,089	35,779,758	19,886,384	6,628,795	6,628,795	-	72,410,820	35,946,048
Additions	2,223,121	3,500,955	-	-	-	5,152,620	10,876,695	-
Translation Adjustments	-	-	-	-	-	-	-	(34,042)
Balance as at March 31, 2020	5,710,209	39,280,713	19,886,384	6,628,795	6,628,795	5,152,620	83,287,515	35,912,006
Accumulated depreciation / amortisation							-	
Balance as at April 01, 2018	117,418	17,836,849	-	-	-	-	17,954,267	-
Depreciation charge for the year	94,088	13,431,707	-	-	-	-	13,525,795	-
Balance as at March 31, 2019	211,506	31,268,556	-	-	-	-	31,480,062	-
Depreciation charge for the year	768,017	4,982,887	1,325,759	946,971	1,325,759	-	9,349,392	-
Balance as at March 31, 2020	979,523	36,251,443	1,325,759	946,971	1,325,759	-	40,829,454	-
Net Carrying Value								
Balance as at March 31, 2019	3,275,583	4,511,202	19,886,384	6,628,795	6,628,795	-	40,930,758	35,946,048
Balance as at March 31, 2020	4,730,687	3,029,270	18,560,625	5,681,824	5,303,036	5,152,620	42,458,061	35,912,006

*No amortization has been charged on 'Technical Knowhow' during the year since it has been capitalized on March 31, 2020.

2.05 Intangible Assets under Development

Particulars	Amount in USD
Balance as at April 01, 2018	6,402,919
Additions	-
Capitalised during the year	(1,250,299)
Translation Adjustments	-
Balance as at March 31, 2019	**5,152,620**
Additions	-
Capitalised during the year	(5,152,620)
Translation Adjustments	-
Balance as at March 31, 2020	**-**

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Financial Assets

2.06 Investments

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Investments carried at Fair value through Consolidated Statement of Profit and Loss		
(a) Investments in Equity Instruments (Unquoted, Fully Paid)		
Solaris Pharma Corporation, USA	567,500	250,000
Int Energy LLC, USA	607,873	500,000
	1,175,373	**750,000**
(b) Investments in Preference Shares (Unquoted, Fully Paid)		
Spectra MD USA, Inc	383,529	200,000
	383,529	**200,000**
Total	**1,558,902**	**950,000**

2.07 Loans

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Unsecured, considered good		
Security deposits	90,540	240,850
Total	**90,540**	**240,850**

2.08 Deferred Tax Assets/ (Liabilities) net

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
A. Deferred Tax Liabilities		
Property, plant & equipment and Intangible assets	1,617,883	4,827,411
Receivables, financial assets at amortised cost	(35,190)	-
Total	**1,582,693**	**4,827,411**
B. Deferred Tax Assets		
Receivables, financial assets at amortised cost	1,697,430	55,678
Fair value of Right of use / Lease Liabilities	22,336	
Total	**1,719,766**	**55,678**
Deferred Tax Assets/ (Liabilities) - net	**137,073**	**(4,771,733)**

2.09 Other Non-Current Assets

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Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Unsecured, considered good		
Capital advances	350,000	350,000
Total	**350,000**	**350,000**

Current Assets

2.10 Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Stock-in-trade	-	1,911,736
Total	-	**1,911,736**

Inventories are valued at lower of cost or net realizable value

Financial Assets

2.11 Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Debts outstanding		
Unsecured, considered good	78,036,176	56,201,826
Unsecured, considered doubtful	1,496,274	178,802
Less: Bad debts and provision for expected credit loss	(1,496,274)	(178,802)
Total	**78,036,176**	**56,201,826**

The ageing of receivables is given below:

Trade Receivables Ageing

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Debts outstanding - unsecured, considered good (at gross)		
Trade receivables less than 180 days	55,580,230	53,276,533
Trade receivables more than 180 days	23,952,220	3,104,095
Total	**79,532,450**	**56,380,628**

In determining the allowances for doubtful trade receivables , the group has used practical expedient by computing credit loss allowances for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for looking forward information. The expected credit loss allowance ranging between from 0.5% to 12.00% is based on the aging of receivables.

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2.12 Unbilled receivable

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Unsecured, considered good	10,570,490	19,855,324
Total	**10,570,490**	**19,855,324**

2.13 Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Balances with banks		
On current accounts	2,874,762	4,661,911
Cash on hand	957	2,238
Funds in transit	291	-
Margin Money	1,748,000	-
Cheques/Drafts on Hand	-	3,731
Total	**4,624,010**	**4,667,880**

2.14 Loans

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Unsecured, considered good		
Security Deposits	-	1,500
Loans and Advances to related parties Considered Good	2,181,255	594,660
Others	-	309,674
Total	**2,181,255**	**905,834**

2.15 Other Financial Assets

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Unsecured, considered good		
Others	19,803,356	28,920,327
Total	**19,803,356**	**28,920,327**

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2.16 Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Unsecured considered good		
Advance given to employees for expenses	70,610	123,440
Advance to consultants	2,375,521	2,175,521
Advance to suppliers	16,211,017	16,303,592
Other advances	1,601,507	2,013,622
Other taxes receivables	10,488	7,556
Prepaid expense	2,428,781	2,107,910
Total	**22,697,923**	**22,731,641**

Equity

2.17 Share Capital

(a) The authorised, issued, subscribed and fully paid-up share capital and par value:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Authorised Share Capital		
58,651,050 (58,651,050 as at March 31, 2019) Equity Shares of SGD 1/- each	63,607,000	63,607,000
	63,607,000	**63,607,000**
Issued, Subscribed and Paid up Share Capital		
58,651,050 (58,651,050 as at March 31, 2019) Equity Shares of SGD 1/- each fully paid	63,607,000	63,607,000
Total	**63,607,000**	**63,607,000**

(b) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount in USD	No. of Shares	Amount in USD
Outstanding at the beginning of the year	58,651,050	63,607,000	55,054,600	43,143,200
Add: Shares issued during the year	-	-	3,596,450	20,463,800
Outstanding at the end of the year	**58,651,050**	**63,607,000**	**58,651,050**	**63,607,000**

During the previous year ended on 31 March, 2019,the company has alloted 3,596,450 ordinary shares of SGD 1 each fully paid to its Holding company (Take solutions Limited) on conversion of loan.

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(c) The Company has only one class of shares referred to as equity shares having face value of SGD 1/- each.

Each holder of equity share is entitled to one vote per share and to receive interim/ final dividend as and when declared by the Board of Directors/ at the Annual General meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

(d) Equity Shareholder holding more than 5% of equity shares along with the number of equity shares held at the end of the year is given below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% holding	No. of Shares	% holding
TAKE Solutions Limited, India	58,651,050	100%	58,651,050	100%

(e) The Company has not allotted any fully paid-up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the Balance Sheet date.

2.18 Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Capital reserve	-	-
Capital reserve on consolidation	189,295	189,361
Foreign currency translation reserve	(1,756,819)	(653,561)
Deemed capital - corporate guarantee	1,143,165	588,165
Deemed share capital - ESOP	204,470	81,517
General Reserve	34,171	
Retained earnings	82,271,101	88,802,199
Total	**82,085,383**	**89,007,681**

Nature of Reserves

(a) Capital Reserve on Consolidation
If the value of investment in subsidiary is less than the book value of the net asset acquired, the difference represents Capital reserve on consolidation.

(b) Foreign Currency Translation Reserve
Foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

(c) Deemed Capital - Corporate Guarantee
This is used to recognise the deemed liability towards the guarantee given by the Holding Company for the banking facilities availed by the Company

(d) Deemed Capital - ESOP
The deemed share capital ESOP outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Options Plan and the Employee Stock Option Scheme.

(e) Retained Earnings
Retained earnings comprise of the Company's undistributed earnings after taxes.

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(f) General Reserve

The Company may transfer a portion of the net profit of the Company before declaring dividend to general reserve and it includes adjustment on account of lapse of employee stock options.

Non-Current Liabilities

Financial Liabilities

2.19 Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Secured		
Term loans from banks	21,512,199	3,182,690
Total	**21,512,199**	**3,182,690**

Term loans from banks represent amounts borrowed from:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Loan Amount (A)	**21,512,199**	**3,182,690**
Name of the bank	IndusInd Bank	IndusInd Bank
Interest	6 months LIBOR plus 1.86% p.a. & 3 months LIBOR plus 1.9% p.a. for additional facility availed during the year.	6 months LIBOR plus 1.86% p.a
Tenure	Indusind Bank: 5 years. Repayment from August 2017 to May 2022. Standard Chartered Bank Repayment from Octoer 2020 to July 2024.Morotorium from September 2019 to September 2020.	5 years. Repayment from August 2017 to May 2022
Security	Current Assets, Pledge of shares in certain group companies, Corporate Guarantee by a Group company, fixed assets of certain group companies	Current Assets, Pledge of shares in certain group companies, Corporate Guarantee by a Group company, fixed assets of certain group companies
Current maturities of long-term borrowings (B)	**4,337,600**	**1,462,600**
Total (A) + (B)	**25,849,799**	**4,645,290**

There is no default in the repayment of the principal and interest amounts for the loans referred above.

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TAKE Solutions Global Holdings Pte Ltd
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2020

2.20 Lease Liability

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Long-term maturities of lease liability	1,267,538	-
Long-term maturities of finance lease obligations - Unsecured	-	11,000
Total	1,267,538	11,000

Current Liabilities

Financial Liabilities

2.21 Borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Secured		
Loan repayable on demand from banks	40,000,000	55,000,000
Unsecured		
Loans repayable on demand from related parties	12,646,000	1,350,000
Total	52,646,000	56,350,000

*As at March 31, 2020, loans repayable on demand from related parties represent amount borrowed from the Holding Company. This is an unsecured loan carrying an interest @ 7.00% p.a.

The loans repayable on demand from banks - secured represent:

Short-term borrowings

The loans repayable on demand from banks - secured represent:

Facility Name	As at March 31, 2020		As at March 31, 2019		Security
	Amount outstanding in USD	Interest Rate	Amount outstanding in USD	Interest Rate	
Working Capital Demand Loan	10,000,000	6 month LIBOR + 2.1% P.a.	25,000,000	6 month LIBOR + 2.1% P.a.	Secured against the current and future assets of respective company, pledge of shares and fixed assets. Guarantee by Holding Company
Working Capital Demand Loan	30,000,000	3 month LIBOR + 2.1% P.a.	30,000,000	6 month LIBOR + 2.1% P.a.	Secured against the current and future assets of respective company, pledge of shares and fixed assets. Guarantee by Holding Company
Total	40,000,000		55,000,000		

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2.22 Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Trade payables	15,996,997	13,896,685
Total	**15,996,997**	**13,896,685**

The average credit period for the creditors ranges between 30 to 35 days.

2.23 Other Financial Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Accrued expenses	4,157,297	409,666
Current maturities of long-term debt	4,337,600	1,462,600
Employee benefits payables	1,573,019	1,279,187
Interest accrued and due on borrowings	514,117	392,704
Other payables	15,655,095	24,946,151
Creditors for Capital Goods	-	246,350
Total	**26,237,129**	**28,736,658**

2.24 Lease Liability

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Current Maturities of Lease liability	283,486	-
Total	**283,486**	**-**

2.25 Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Advance received from customers	68,644	-
Deferred revenue	2,044,977	2,760,934
Statutory payables	221,458	34,756
Total	**2,335,078**	**2,795,690**

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2.26 Revenue from Operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in USD	
Income from Life Science Services	227,643,332	213,931,293
Income from sale of IT infrastructure and support services	350,000	350,000
Total	**227,993,332**	**214,281,293**

2.27 Other Income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in USD	
a. Interest Income		
From bank deposits	1,198	11,594
From Income tax refund	16	206
From Other Financial Assets	897	
b. Other non - operating Income		
Others	82,127	41,202
c. Other Gain and Losses		
Gain/(Loss) on Sale of Assets	-	7,500
Gain/(Loss) on Fair Valuation of Mutual Funds	608,902	
Net gain on foreign currency transactions and translation	4,472	-
Total	**697,612**	**60,502**

2.28 Cost of Revenue

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in USD	
Cost of Life Science Services	63,568,190	59,659,155
Total	**63,568,190**	**59,659,155**

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2.29 Employee Benefit Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in USD	
Salaries and allowances	75,424,965	57,976,892
Contributions to provident fund and other employee benefit scheme	525,256	1,013,006
Expense on Employee Stock Option Scheme	157,109	81,890
Staff welfare expenses	2,947,835	982,954
Total	**79,055,165**	**60,054,743**

2.30 Finance Cost

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in USD	
Interest expense	3,679,895	2,803,711
Other borrowing costs	1,238,369	930,851
Interest expense on Lease Liability	172,306	
Total	**5,090,570**	**3,734,562**

2.31 Depreciation and Amortisation

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in USD	
Depreciation of Property, Plant and Equipments	7,349,555	5,034,910
Amortization of intangible assets	9,349,392	13,525,795
Amortisation of right of use assets	398,671	-
Total	**17,097,618**	**18,560,705**

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2.32 Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in USD	
Repairs and maintenance - Building	-	1,190
Repairs and maintenance - Plant and Equipment	4,696,024	5,148,669
Repairs and maintenance - Others	4,166,536	3,636,874
Marketing expenses	9,190,756	8,503,780
Meeting and conference	4,297,954	2,294,540
Legal and professional charges	13,545,155	9,319,221
Rent	844,200	1,534,579
Rates and taxes	1,177,404	1,119,081
Commission and brokerage	3,272,553	3,272,682
Communication expenses	7,009,382	4,621,201
Insurance	2,695,595	1,175,601
Office expenses	1,608,235	1,053,084
Electricity expenses	117,625	207,589
Charity (Others)	7,046	185
Travelling and conveyance	12,385,671	8,474,474
Printing and stationery	1,151,551	1,068,832
Foreign exchange loss	66,943	99,119
Audit fees	28,148	595
Bad debts and provision for expected credit loss	2,167,928	183,191
Bank charges	44,541	41,094
Books and Periodicals	135	
Loss on sale of assets	382	-
Loss on Sale of Investments	251	-
Postage and courier	3,399,259	384,801
Subscription charges	1,249,018	1,364,285
Total	**73,122,291**	**53,504,666**

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*Auditors' Remuneration

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in USD	
As Auditors:		
Audit fees	28,148	595
Total	**28,148**	**595**

3 Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic		
1. Opening number of shares	58,651,050	55,054,600
2. Closing number of shares	58,651,050	58,651,050
3. Weighted average number of shares	58,651,050	55,517,705
4. Profit available for equity shareholders	-6597464.75	15788386.16
5. EPS (USD)	**-0.11**	**0.28**
6. Nominal value of share (SGD)	1	1

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Diluted		
1. Weighted average number of potential equity shares	58,651,050	55,517,705
2. Profit available for potential equity shareholders	-6597464.75	15788386.16
3. EPS (USD)	**-0.11**	**0.28**
4. Nominal value of share (SGD)	1	1

4 Related Party Disclosure

4.1 List of Related Parties

Holding Company

TAKE Solutions Limited, India

Subsidiaries (held directly)

1. TAKE Solutions Information Systems Pte Ltd, Singapore

2. TAKE Enterprise Services Inc., USA

3. TAKE Innovations Inc., USA

4. Navitas Life Sciences Holdings Limited, UK

Subsidiaries (held indirectly)

5. Million Star Technologies Limited, Mauritius

6. Intelent Inc., USA

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7. Navitas Life Sciences Limited, UK

8. Navitas, Inc., USA

9. TAKE Supply Chain De Mexico S De Rl Cv, Mexico (dissolved on 4th July 2019)

10. Navitas Lifesciences S.A.S., Colombia

Key Managerial Person of Holding Company and Independent Director

1. Mr. Srinivasan H.R. - Vice Chairman and Managing Director
2. Mr. Ram Yeleswarapu - Executive Director (President and Chief Executive Officer)
3. Ms. N.S. Shobana - Executive Director
4. Mr. Venkataraman Murali - Independent Director

4.2 Proportion of Ownership Interest

Particulars	Country of Incorporation	As at March 31, 2020	As at March 31, 2019
TAKE Solutions Information Systems Pte Ltd	Singapore	100%	100%
TAKE Enterprise Services Inc	USA	100%	100%
TAKE Innovations Inc	USA	100%	100%
Navitas Life Sciences Holdings Limited	UK	100%	100%

4.3 Transactions and the Balances outstanding with Related Parties

Particulars	Amount in USD		
	Ultimate Holding Company	Holding Company	Fellow Subsidiary
Revenue		-	**4,481,813**
			(5,895,690)
Interest Expense		**458,573**	
		(611,744)	
Trade Payables		**2,406,150**	**10,486,463**
		(1,388,087)	*(14,281,635)*
Trade Receivables	-	-	**5,252,580**
			(5,476,800)
Other Receivables		-	**449,707**
			(22,875)
Interest accrued and due on borrowings		**514,117**	
Cost of Revenue		**1,710,750**	**5,281,028**
			(14,513,931)
Advance Given			**1,948,078**
			(594,660)

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	-		**4,397,000**
Other Payables	*(519,687)*	-	*(4,961,376)*
		82,688	**4,251,400**
Unbilled Payables			*(4,515,840)*
		254,283	
Guarantee Commission Charge		*(174,933)*	
		1,143,165	
Deemed Capital - Corporate Guarantee		*(588,165)*	
		378,750	
Prepaid Expenses		*(78,033)*	
		12,646,000	
Advance Taken		*(1,742,704)*	
Deemed Capital-ESOP		**200,470**	
Managerial Renumeration(Executive Director)			**620000** -

Previous year figures are shown in italics in brackets

5 Leases

Lease Liability **USD**

Class of Underlying Asset	Opening Balance of Lease Liabilities (Balance as on 01.04.2019)	Recognised on transition as on 01.04.2019 of IND As 116 - Leases	Additions to Lease Liabilities, made during the year	Reduction in Lease Liabilities due to termination of Lease agreement	Finance Cost Accrued during the period	Payment of lease Liabilities during the year	Translation Differernce	Amount of Lease Liabilities as on March 31, 2020
Buildings	-	1,865,102	-	-	172,306	483,104	(3,280)	1,551,024

The table below provides details regarding the contractual maturities of lease liabilities as on March 31, 2020

USD

Particulars	Undiscounted Basis	Discounted Basis
Not later than one year	423,148	282,156
Later than one year but not later than five years	1,466,292	1,178,507
Later than 5 years	90,519	89,030
Total	1,979,959	1,549,693

Disclosure on Lease Liability

Qualitative Disclosures - Lease Liability:

The leased building premises are used to carry out business operations and related support activities. The future cash outflows on lease payments are fixed in nature, subject to escalations. The lease agreements tenor extensions and termination conditions are subject to respective lease agreements. No restrictions or covenants are imposed by lease agreements.

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6 Financial Instruments

(a) Capital Management

The Group's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Group through the optimisation of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of the capital management, capital includes issued equity capital, securities premium, all other reserves attributable to the equity shareholders of the Group. Net debt includes all the long-term borrowings as reduced by cash and cash equivalents.

The following table summarises of the capital of the Group:

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Equity	**145,692,382**	**152,614,681**
Debt	78,495,799	60,995,290
Cash and cash equivalents	4,624,010	4,667,880
Net debt	**73,871,789**	**56,327,410**
Total Capital (equity + net debt)	**219,564,171**	**208,942,090**
Net debt to capital ratio	**0.34**	**0.27**

(b) Accounting Classification and Fair Value

Carrying amounts and fair values of financial assets and financial liabilities are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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As at March 31, 2020	Carrying amount				Fair value			
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Amount in USD				Amount in USD			
Financial assets								
Non-current								
(i) Investments								
Investments in Equity Instruments	1,175,373	-	-	1,175,373	-	-	1,175,373	1,175,373
Investments in Preference Shares	383,529	-	-	383,529	-	-	383,529	383,529
(ii) Loans								
Security Deposits	-	-	90,540	90,540	-	-	-	-
Current								
(i) Trade receivables	-	-	78,036,176	78,036,176	-	-	-	-
(ii) Unbilled receivable	-	-	10,570,490	10,570,490	-	-	-	-
(iii) Cash and cash equivalents	-	-	4,624,010	4,624,010	-	-	-	-
(iv) Bank balances other than (ii) above	-	-	-	-	-	-	-	-
(v) Loans	-	-	2,181,255	2,181,255	-	-	-	-
(vi) Other financial assets	-	-	19,803,355	19,803,355	-	-	-	-
Total financial assets	1,558,902	-	115,305,828	116,864,729	-	-	1,558,902	1,558,902
Financial Liabilities								
Non-current								
Borrowings	-	-	21,512,199	21,512,199	-	-	-	-
Current								
(i) Borrowings	-	-	52,646,000	52,646,000	-	-	-	-
(ii) Trade Payables	-	-	15,996,997	15,996,997	-	-	-	-
(iii) Other financial liabilities								
Current matruities of long-term debts	-	-	4,337,600	4,337,600	-	-	-	-
Others	-	-	21,899,529	21,899,529	-	-	-	-
Total financial liabilities	-	-	116,392,325	116,392,325	-	-	-	-

As at March 31, 2019	Carrying amount				Fair value			
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Amount in USD				Amount in USD			
Financial assets								
Non-current								
(i) Investments								
Investments in Equity Instruments	750,000	-	-	750,000	-	-	750,000	750,000
Investments in Preference Shares	200,000	-	-	200,000	-	-	200,000	200,000
(ii) Loans								
Security Deposits	-	-	240,850	240,850	-	-	-	-
Current								
(i) Trade receivables	-	-	56,201,826	56,201,826	-	-	-	-
(ii) Unbilled receivable	-	-	19,855,324	19,855,324	-	-	-	-
(ii) Cash and cash equivalents	-	-	4,667,880	4,667,880	-	-	-	-
(iv) Bank balances other than (ii) above	-	-	-	-	-	-	-	-
(v) Loans	-	-	905,834	905,834	-	-	-	-
(iv) Other financial assets	-	-	28,920,327	28,920,327	-	-	-	-
Total financial assets	950,000	-	110,792,041	111,742,041	-	-	950,000	950,000
Financial Liabilities								
Non-current								
Borrowings	-	-	3,182,690	3,182,690	-	-	-	-
Current								
(i) Borrowings	-	-	56,350,000	56,350,000	-	-	-	-
(ii) Trade Payables	-	-	13,896,685	13,896,685	-	-	-	-
(iii) Other financial liabilities								
Current matruities of long-term debts	-	-	1,462,600	1,462,600	-	-	-	-
Others	-	-	27,274,058	27,274,058	-	-	-	-
Total financial liabilities	-	-	102,166,033	102,166,033	-	-	-	-

Fair value note:

Level 1: Financial instruments are measured using quotes in active market

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Financial instruments are measured using unobservable market data

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(c) Measurement of Fair Value

Financial instrument	Valuation technique	Key inputs used	Sensitivity analysis
Investments in unquoted equity/preference instruments at FVTOCI	Discounted Cash Flow Method (DCF) - Free Cash Flow to Equity (FCFE) Approach	DCF - FCFE valuation approach taking into consideration of the following: *Probable future business environment affecting the economy, industry and entity *Detailed forecasts of revenue, cost of taxes on income, capex, working capital investments and capital structure for the forecasted period *Cost of equity *Long-term sustainable growth rate *Long-term sustainable return on equity *Long-term return on reinvestment rate *All the operating & non-operating assets (tangible & intangible) and liabilities	*The Company's periodic cash flows to equity for the forecasted period and the perpetuity period have been arrived at after considering the expected periodic tax liability. *The Company's periodic free cash flows to equity are discounted at its cost of equity derived at, ranging between 5.51% to 8.06% by applying Capital Asset Pricing Model, considering beta factor of ranging between 0.88x to 1.23x *The Company has cash & cash equivalents, which are added at book value to its total discounted FCFE

(d) Financial Risk Management Policies

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest risks, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financials of the Group.

Item	**Primarily affected by**	**Risk management policies**
Market risk - Currency risk	Foreign currency outstanding balances and exposure towards trade payables, exports, and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps
Market risk - Interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies
Market risk - Price risk	Change in prices of commodity and value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio

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Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities

Market Risk

The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Exposure to Currency Risk (Exposure in different currencies converted to functional currency i.e.USD)

The currency profile of income and expenses for the year ended March 31, 2020 and March 31, 2019.

The following significant exchange rates have been applied during the year:

Particulars	Average exchange rates		Closing exchange rates	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31,	For the year ended March 31, 2019
GBP - USD	1.272	1.313	1.238	1.304

Sensitivity Analysis:

A reasonable possible 5% strengthening (weakening) of foreign currencies against United States Dollar during the year FY 2019-20 and FY 2018-19 would have affected profit or loss after the amounts shown below:

Effect in INR	Profit / (loss)	
	Forex strengthening	Forex weakening
	Amount in USD	
During the year 2019-20		
Profit - increase/(decrease)	(3,347)	3,347
During the year 2018-19		
Profit - increase/(decrease)	(4,956)	4,956

Management of Interest Rate Risk

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Group. The interest rate profile of the Group's interest-bearing financial instruments is given below;

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Fixed rate instruments		
Financial liabilities	-	-
Variable rate instruments		
Financial liabilities	78,495,799	60,995,290
Total	**78,495,799**	**60,995,290**

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Sensitivity Analysis on Interest Rate

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount in USD	
Variable rate instruments		
Interest expenses on variable rate borrowings	4,918,264	3,734,562
Increase		
1% increase on average interest rate	4,967,446	3,771,907
Impact on profit / (loss)	(49,183)	(37,346)
Decrease		
1% decrease on average interest rate	4,869,081	3,697,216
Impact on profit / (loss)	49,183	37,346

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates arises on borrowings with floating interest rate.

The Group has considered 100 basis point increase or decrease when the reporting interest rate risk internally represents management's assessment of the reasonably possible change rates and thereby impact on the profit or loss during the year.

Management of Credit Risk

Exposure to Credit Risk

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Trade receivables (net of allowance of doubtful debts)	78,036,176	56,201,826
Unbilled receivable	10,570,490	19,855,324
Cash and cash equivalents and other bank balances	4,624,010	4,667,880
Loans	2,181,255	905,834
Other financial assets	19,803,356	28,920,327
Total	**115,215,287**	**110,551,191**

Financial Assets that are neither past due nor impaired

Particulars	As at March 31, 2020	As at March 31, 2019
	Amount in USD	
Unbilled receivable	10,570,490	19,855,324
Cash and cash equivalents and other bank balances	4,624,010	4,667,880
Loans	2,181,255	905,834
Other financial assets	19,803,356	28,920,327
Total	**37,179,112**	**54,349,365**

Loans and advances given are monitored by the Group on a regular basis and these are neither past due nor impaired.

Management of Liquidity Risk

Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and do not include interest payments.

As at March 31, 2020	Contractual cash flows					
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
	Amount in USD					
Financial Liabilities						
Borrowings from banks and financial institutions	65,849,799	44,337,600	13,060,479	8,451,720	-	65,849,799
Borrowings from related parties	12,646,000	12,646,000	-	-	-	12,646,000
Trade payables	15,996,997	15,996,997	-	-	-	15,996,997
Other financial liabilities	21,899,529	21,899,529	-	-	-	21,899,529

As at March 31, 2019	Contractual cash flows					
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
	Amount in USD					
Financial Liabilities						
Borrowings from banks and financial institutions	59,645,290	56,462,600	2,925,200	257,490	-	59,645,290
Borrowings from related parties	1,350,000	1,350,000	-	-	-	1,350,000
Trade payables	13,896,685	13,896,685	-	-	-	13,896,685
Other financial liabilities	27,274,058	27,274,058	-	-	-	27,274,058

7 Segment Reporting

Segment Report for the year ended March 31, 2020

Particulars	Business Segments		Total
	Life Sciences	Supply Chain Management	
	Amount in USD		
Revenue	**227,993,332**	-	**227,993,332**
Segment result	(4,849,931)	-	(4,849,931)
Unallocated corporate income			697,611
Unallocated corporate expenses			-
Operating profit			**(4,152,320)**
Interest expenses			5,090,570
Income taxes			(2,645,426)
Net profit before non-controlling interest			**(6,597,464)**
Non-controlling interest			-
Net profit after non-controlling interest			**(6,597,464)**

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Segment Report for the year ended March 31, 2019

Particulars	Business Segments		Total
	Life Sciences	Supply Chain Management	
	Amount in USD		
Revenue	**211,822,243**	**2,459,050**	**214,281,293**
Segment result	34,243,748	60,544	**34,304,292**
Unallocated corporate income			60,502
Unallocated corporate expenses			11,802,268
Operating profit			**22,562,526**
Interest expenses			3,734,562
Income taxes			3,039,578
Net profit before non-controlling interest			**15,788,386**
Non-controlling interest			-
Net profit after non-controlling interest			**15,788,386**

8.Note on Covid 19

The Novel Coronavirus (COVID-19), a Global Pandemic, is rapidly spreading throughout the world. Outbreak of COVID - 19 has significantly affected the social and economic activities worldwide and, as a result, could affect the operations and financial statements of the Group. In line with the advisories, orders and directions issued by the local and state government authorities to prevent and contain the spread of Coronavirus, the Management has taken necessary measures. 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 upto the date of approval of these financial statements. In this assessment, the group has performed sensitivity analysis on the key assumptions used. Such review and analysis performed by the group did not reveal any impairment losses.

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

TAKE Solutions Global Holdings Pte Ltd and its Subsidiaries ('the Group') provide services offerings in Life Sciences and Supply Chain Management domain. The revised business segments will now be classified as Life Sciences and Supply Chain Management.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Other income and expenses which are not attributable or allocable to segments have been disclosed as unallocated corporate income and unallocated corporate expenses.

Segregation of assets and liabilities into various primary segments has not been carried out as the assets are used interchangeably between segments. Accordingly, no disclosures relating to segmental assets and liabilities has been made.

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9 Comparative Figures

Corresponding figures for previous year presented have been regrouped, where necessary, to conform to the current year's classification.

As per our report attached

For G.D.Apte & Co.
Chartered Accountants
Firm's Registration No.: 100515W

Umesh S. Abhyankar
Partner
Membership No.: 113053
Place: Pune, June 10, 2020

Place: Chennai
Date : June 10, 2020

For and on behalf of the Board of Directors

Venkatesan V
Director

Sridharan P
Director