

INDEPENDENT AUDITOR'S REPORT

**To the Members of Lifesurge Biosciences Private Limited
Report on the Financial Statements**

Opinion

We have audited the accompanying financial statements of Lifesurge Biosciences Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at , 31st March 2021 , Its Loss including Other Comprehensive Income and its Cash flows, and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

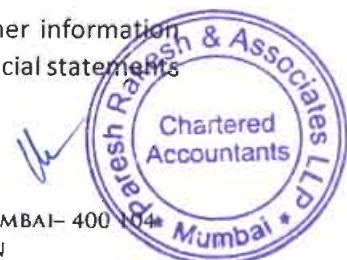
Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears, to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that we are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact on its financial position.

ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Paresh Rakesh & Associates LLP

Chartered Accountants

FRN: 119728W/W100743

Rakesh Chaturvedi

Partner

M. no: 102075

UDIN: 21102075 AAAA Mx7573



Date: June 30, 2021

Place: Mumbai

Lifesurge Biosciences Private Limited

“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.

1. In respect of its Fixed Assets :

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) According to explanation provided to us the company has carried out physical verification of fixed assets, which in our opinion appears to be reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification
- c) According to the information, explanations and records given to us, we report that the Company does not hold any immovable property.

2. In respect of its Inventories :

- a) According to the information’s and explanation given to us, Physical verification of inventory has been conducted, at reasonable intervals by the management .Stock not in possession of the Company are certified by the Company to be correct.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c). The Company has maintained proper records of inventories. As per records provided to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records, having regards to the size of the operations of the company

3. Since, the Company has not granted any Loans to parties covered in in the register maintained under Section 189 of the Companies Act, 2013 , the clause (iii) of paragraph 3 of the Order is not applicable to the Company.

4. Since, the Company has not granted any Loans, made Investments or provided guarantees , the clause (iv) of paragraph 3 of the Order is not applicable to the Company.

5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

6. To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.



7(a). According to the records examined by us, the Company has regularly deposited, undisputed statutory dues including Direct Taxes, Indirect Taxes and any other statutory dues with appropriate authorities and there were no outstanding dues as at 31st March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Direct or Indirect Taxes on account of any dispute, which have not been deposited.

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.

9. According to Information and explanations as produced before us, the amount raised via Term Loan during the year have been applied for the purpose for which it was obtained.

10. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

11. The company is a private limited company and hence provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.

12. In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.

13. In our opinion and according to the information and explanations given to us, in respect of transactions with related parties :

a) Section 177 of the Act is not applicable to the Company.

b) Company is in compliance with the section 188 of the Act and details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records of the company, the company has made allotment of Debentures during the year and in respect of which the Company complied with section 42 of the Act.




15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Paresh Rakesh & Associates LLP

Chartered Accountants

FRN: 119728W/W100743



Rakesh Chaturvedi

Partner

M. no: 102075

UDIN: 21162075AANAAN7573



Date: June 30, 2021

Place: Mumbai

“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Control over financial reporting of Lifesurge Biosciences Private Limited (“the company”) as of 31st March 2021, in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, considering nature of business, size of operations and organizational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021 based on the Internal Control over Financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the ICAI.

For Paresh Rakesh & Associates LLP
Chartered Accountants
FRN: 119728W/W100743


Rakesh Chaturvedi
Partner

M. no: 102075

UDIN: 21102075AAAAAX9793



Date: June 30, 2021

Place: Mumbai

LIFESURGE BIOSCIENCES PRIVATE LIMITED

CIN: U24304MH2018PTC307496

Balance Sheet as at

Particulars	Note No.	Amounts in Rs Mar 31, 2021	Amounts in Rs March 31, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	5,46,273	10,01,903
Intangible asset	2	2,088	5,669
Deferred tax Asset [Net]	3	2,03,65,235	1,23,13,153
		<u>2,09,13,596</u>	<u>1,33,20,725</u>
Current Assets			
Inventories	4	50,30,166	50,70,459
Financial Assets			
Trade Receivables	5	45,28,911	61,30,076
Cash and Cash Equivalents	6	1,01,196	80,597
Other Current Assets	7	22,06,657	22,06,149
		<u>1,18,66,929</u>	<u>1,34,87,281</u>
Total Assets		<u><u>3,27,80,525</u></u>	<u><u>2,68,08,006</u></u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	1,00,000	1,00,000
Other Equity	9	(2,02,94,612)	(7,15,82,572)
		<u>(2,01,94,612)</u>	<u>(7,14,82,572)</u>
Liabilities			
Non-Current Liabilities			
Provisions	10	1,22,846	64,752
		<u>1,22,846</u>	<u>64,752</u>
Current Liabilities			
Financial Liabilities			
Borrowings	11	4,81,51,812	9,48,05,300
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	12	-	-
Total outstanding dues creditors other than micro enterprises and small enterprises	12	12,16,040	16,41,664
Other Financial Liabilities	13	19,64,595	4,10,688
Provisions	14	3,59,410	3,59,230
Other Current Liabilities	15	11,60,434	10,08,944
		<u>5,28,52,291</u>	<u>9,82,25,826</u>
Total Equity and Liabilities		<u><u>3,27,80,525</u></u>	<u><u>2,68,08,006</u></u>

Significant Accounting Policies

1

Notes to the Financial Statements

2 to 36

Significant Accounting Policies and Notes attached thereto form an integral part of Financial Statements

As per our attached report of even date

For Paresh Rakesh & Associates LLP

Chartered Accountants

Firm Registration No.: 119728W/W100743

Rakesh Chaturvedi

Partner

Membership No: 102075

Place :- Mumbai

Date :- 30th June, 2021

UDIN :-



For and Behalf of the Board

LIFESURGE BIOSCIENCES PRIVATE LIMITED

Abhishek Bansal

Director

DIN : 01445730

Paras Shah

Director

DIN : 08190544

LIFESURGE BIOSCIENCES PRIVATE LIMITED
Statement of Profit and Loss

Particulars	Note No.	Amount in Rs for the period ended Mar 31, 2021	Amount in Rs for the year ended March 31, 2020
REVENUE			
Revenue from Operations	16	48,08,641	1,68,18,182
Other Income	17	4,24,196	-
Total Revenue (A)		52,32,837	1,68,18,182
EXPENDITURE			
Purchases		47,85,024	55,00,885
Change in inventory	18	40,293	17,67,107
Employee Benefits Expense	19	1,54,41,578	3,29,55,045
Finance Costs	20	1,02,77,994	74,74,280
Depreciation and Amortization Expenses	2	4,59,211	10,81,971
Other Expenses	21	54,87,564	1,57,87,460
Total Expenses (B)		3,64,91,663	6,45,66,748
Profit Before Exceptional Item and Tax [C = (A-B)]		(3,12,58,826)	(4,77,48,566)
Less: Tax Expense:			
Current Tax			-
Deferred Tax		(80,51,021)	(1,24,47,586)
Total (D)		(80,51,021)	(1,24,47,586)
Profit After Tax (C-D)		(2,32,07,805)	(3,53,00,980)
OTHER COMPREHENSIVE INCOME:			
Items not to be reclassified to profit or loss in subsequent periods			-
- Remeasurement Gain / (Loss) on defined benefit plan		(4,081)	(4,426)
Income tax relating to items that will not be reclassified to profit or loss		1,061	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods			
Income tax relating to items that will be reclassified to profit or loss			
Other Comprehensive Income for The Year, Net of Tax		(3,020)	(4,426)
Total Comprehensive Income for The Year, Net of Tax		(2,32,10,825)	(3,53,05,406)
Basic Earnings per Share of Face Value of Rs. 10 each (Rs.)		(2,320.78)	(3,530.10)
Diluted Earnings per Share of Face Value of Rs. 10 each (Rs.)		(2,320.78)	(3,530.10)
Refer Note No. 32			

Significant Accounting Policies

Notes to Accounts

Significant Accounting Policies and Notes attached thereto form an integral part of Financial Statements.

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2 to 36

As per our attached report of even date
For Paresh Rakesh & Associates
Chartered Accountants
Firm Registration No.: 119728W/W100743

Rakesh Chaturvedi
Partner
Membership No: 102075
Place :- Mumbai
Date :- 30th June, 2021
UDIN :-



For and Behalf of the Board
LIFESURGE BIOSCIENCES PRIVATE LIMITED

Abhishek Bansal
Director
DIN : 01445730

Paras Shah
Director
DIN : 08190544

LIFESURGE BIOSCIENCES PRIVATE LIMITED

Cash Flow Statement

Particulars	Amount in Rs March 31, 2021	Amount in Rs March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit and Loss	(3,12,58,826)	(4,77,48,566)
Adjustment for:		
Depreciation/ Amortisation	4,59,211	10,81,971
Employee defined benefit plan expenses	54,193	4,19,556
Interest Expenses	1,02,59,305	74,67,549
Operating Profit before Working Capital Changes	(2,04,36,117)	(3,87,79,490)
Adjusted for :		
(Increase)/Decrease in Other Current Assets	(508)	3,61,974
(Increase)/Decrease in Inventories	40,293	17,67,107
(Increase)/Decrease in Trade Receivables	16,01,165	(27,39,680)
Increase/(Decrease) in Trade Payables	(4,25,624)	11,06,662
Increase/(Decrease) in Other Current Liabilities	17,05,398	(45,38,119)
Cash Generated from Operations	(1,75,65,393)	(4,28,21,546)
Net Cash from/(used in) Operating Activities (A)	(1,75,65,393)	(4,28,21,546)
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-----	(8,999)
Net Cash from Investing Activities (B)	-----	(8,999)
CASH FLOW FROM FINANCING ACTIVITIES:		
Issue of equity shares	-----	-----
Short term borrowings	2,78,45,297	5,01,09,763
Interest expenses	(1,02,59,305)	(74,67,549)
Net Cash from Financing Activities (C)	1,75,85,992	4,26,42,214
Net cash and cash equivalents (A + B + C)	20,599	(1,88,331)
Cash and cash equivalents at beginning of the period	80,597	2,68,928
Cash and cash equivalents at end of the period	1,01,196	80,597

Notes:-

- Cash flow statement has been prepared under Indirect method as set out in Ind AS 7 as per the Companies (Indian Accounting Standards) Rule 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rule, 2016.
- Previous years figures have been restated and regrouped wherever necessary.
- Figures in bracket indicates cash outflow.
- Components of cash and cash equivalents at the year end comprise of;

	March 31, 2021	March 31, 2020
Balances with bank	1,01,196	80,597
Total	1,01,196	80,597

As per our attached report of even date
For Paresh Rakesh & Associates
Chartered Accountants
Firm Registration No.: 119728W/W100743

Rakesh Chaturvedi
Partner
Membership No: 102075
Place :- Mumbai
Date :- 30th June, 2021
UDIN :-



For and Behalf of the Board
LIFESURGE BIOSCIENCES PRIVATE LIMITED

Abhishek Bansal
Director
DIN : 01445730

Paras Shah
Director
DIN : 08190544

LIFESURGE BIOSCIENCES PRIVATE LIMITED

Statement of Change in Equity

A Equity Share Capital:

	No of shares	Amount In Rs.
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:		
As at April 01, 2019	10,000	1,00,000
Issued during the period	-	-
As at March 31, 2020	10,000	1,00,000
Issued during the period	-	-
As at June 30, 2020	10,000	1,00,000

B Other Equity:

Particulars	Equity component of compound financial instrument - Compulsory		Items of Other Comprehensive	Total (In Rs.)
	Convertible Debenture	Retained Earnings	Income	
As at April 01, 2019	-	(3,62,77,166)	-	(3,62,77,166)
Add: Profit for the year		(3,53,00,980)		(3,53,00,980)
Addition during the year ended 2019-2020				-
Employee defined benefit obligation - (net of tax)			(4,426)	(4,426)
As at March 31, 2020	-	(7,15,78,146)	(4,426)	(7,15,82,572)
Add: Profit for the period ended		(2,32,07,805)		(2,32,07,805)
Addition during the year ended 2020-2021	7,44,98,785			7,44,98,785
Employee defined benefit obligation - (net of tax)			(3,020)	(3,020)
As at mar 31, 2021	7,44,98,785	(9,47,85,952)	(7,446)	(2,02,94,612)

As per our attached report of even date
For Paresh Rakesh & Associates
Chartered Accountants
Firm Registration No.: 119728W/W100743



Rakesh Chaturvedi
Partner
Membership No: 102075
Place :- Mumbai
Date :- 30th June, 2021
UDIN :-



For and Behalf of the Board
LIFESURGE BIOSCIENCES PRIVATE LIMITED



Abhishek Bansal
Director
DIN : 01445730



Paras Shah
Director
DIN : 08190544



Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2021.

1) Nature of Operations

LifeSurge Biosciences Pvt. Ltd was incorporated in April 2018 and engages in to dealing in Pharmaceutical product. The company is a wholly-owned subsidiary of Abans Enterprises Ltd. and operates its business from Mumbai.

2) Summary of the significant accounting policies

(a) Basis of Preparation

The Financial Statement is prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended. The Company is a wholly owned subsidiary of an entity whose Equity shares are listed on recognised stock exchanges and accordingly it has prepared it's Financial Statement under Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended

The Financial Statement have been prepared under historical cost convention basis except the following assets and liabilities which have been measured at fair value or revalued amounts.

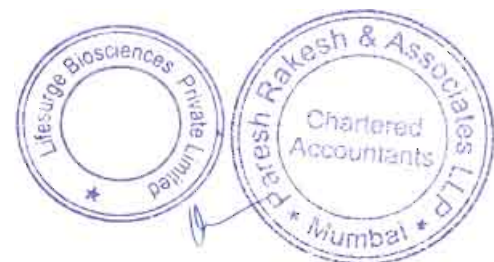
1. Certain Financial instruments measured at fair value through other comprehensive income (FVTOCI);
2. Certain Financial instruments measured at fair value through Profit and Loss (FVTPL);
3. Defined Benefit Plan asset measured at fair value;

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

(b) Use of estimates

The preparation of this financial Statement in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates, judgments and assumptions. This estimates, judgments and assumptions affect application of accounting policies and the reported amount of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial Statement and the reported amount of income and expenses for the periods presented. Although this estimates are based on the management's best knowledge of current events and actions, uncertainty about this assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Accounting estimates could change from period to period. Any revision to accounting estimates is recognised prospectively. Actual results could differ from the estimates. Any difference between the actual results and estimates are recognised in the period in which the results are known/materialize. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial Statement are as below:

1. Valuation of Financial Instruments;
2. Valuation of inventories;
3. Evaluation of recoverability of deferred tax assets;
4. Useful lives of property, plant and equipment and intangible assets;
5. Obligations relating to employee benefits;
6. Provisions and Contingencies;
7. Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions; and
8. Recognition of Deferred Tax Assets.



Note :- 1.**Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2021.****(c) Property, plant and equipment (PP&E)**

An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost. Cost comprises of the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. Cost also includes direct cost and other related incidental expenses.

Depreciation is provided from the date the assets are ready to be put to use, as per written down value (WDV) method over the useful life of the assets, as prescribed under Part C of Schedule II of the Companies Act, 2013.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss within 'other income' or 'other expenses' respectively.

<u>Type of Asset</u>	<u>Estimated useful life</u>
Buildings	60 years
Air Conditioner	5 years
Motor Car	10 years
Furniture and fittings	10 years
Office Equipments	5 years

(d) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use.

All finite-lived intangible assets, are accounted for using the cost model whereby intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised over the useful life. Residual values and useful lives are reviewed at each reporting date.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss within 'other income' or 'other expenses' respectively.

(e) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal /external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.



Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2021.

(f) Inventories

Items of Inventory are measured at lower of the cost and Net Realizable value. Cost of inventory comprises of cost of purchase and other cost incurred to acquire it. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Provisions and Contingencies

A provision is recognised when:

1. The Company has a present obligation as a result of a past event;
2. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
3. A reliable estimate can be made of the amount of the obligation.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

(i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition, initial measurement and derecognition :-

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

1. The rights to receive cash flows from the asset have expired, or
2. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2021.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

1. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at fair value through profit or loss : FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2. Debt instruments at Amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

Classification and subsequent measurement of financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, other payables, loans and borrowings

The Company classifies all financial liabilities as subsequently measured at amortised cost.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2021.

(j) Fair value measurement

The Company measures financial instruments such as, investment in equity shares, at fair value on initial recognition

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1. In the principal market for the asset or liability, or
2. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial Statement are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1. Level 1 – Inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
2. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
3. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(k) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government

1. Sale of goods: Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is exclusive of tax which is collected on behalf of government.

2. Other income: Other income is recognized only when it is reasonably certain that the ultimate collection will be made.



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2021.

(l) Income taxes

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in OCI or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant nontaxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

(m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

(n) Employee benefits

1. **Defined contribution plans** :- Contributions payable by the Company to the concerned Government authorities in respect of Provident Fund, Family Pension Fund, Employees State Insurance and labour welfare fund charged to the Statement of Profit and Loss.

2. **Defined benefit plans** :- Gratuity is in the nature of a defined benefit plan. Provision for gratuity is calculated on the basis of actuarial valuations carried out at balance sheet date and is charged to the statement of profit and loss. The actuarial valuation is performed using the projected unit credit method. Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

3. **Other employee benefits** :- Leave encashment is recognised (as and when they accrue) as an expense in the statement of profit and loss in line with the leave policy of the Company.



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2021.

(o) Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted at the beginning of the year and not issued at a later date.

In computing the diluted EPS, potential equity shares that either increase earnings per share or decrease loss per equity share, being anti-dilutive are ignored.

(p) Segment Reporting Policies:

The Company Operates in to single segment of trading of Pharmaceutical product and hence, segment reporting under IND AS 108 is not applicable to the Company.



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Notes to the Financial Statements

Note: 2-Property, Plant & Equipment & intangible assets

(Amt in Rs.)

Particulars	Electrical Installations	Furniture & Fixtures	Office Equipment	Computer	Total	Computer Software-Intangible asset	Total
Gross Block:							
As at April 01, 2020	4,00,012	2,46,750	29,987	17,75,883	24,52,632	21,850	21,850
Additions				-	-		-
Disposal / Adjustments					-		-
As at Mar 31, 2021	4,00,012	2,46,750	29,987	17,75,883	24,52,632	21,850	21,850

Depreciation and Impairment:

As at April 01, 2020	1,15,361	72,005	15,380	12,47,982	14,50,729	16,181	16,181
For the period ended mar 2021	70,383	45,241	6,583	3,33,423	4,55,630	3,581	3,581
Disposal / Adjustments					-		-
As at Mar 31, 2021	1,85,744	1,17,246	21,963	15,81,405	19,06,359	19,762	19,762

Net Block:

As at April 01, 2020	2,84,650	1,74,745	14,607	5,27,901	10,01,903	5,669	5,669
As at Mar 31, 2021	2,14,267	1,29,504	8,024	1,94,478	5,46,273	2,088	2,088



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Notes to the Financial Statements

<u>Particulars</u>	Amount (Rs) As at March 31, 2021	Amount (Rs) As at March 31, 2020
Note 3. Deferred Tax Assets		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	89,561	61,674
Provision for gratuity	32,470	1,09,175
Provision for leave salary	92,916	92,023
Unabsorbed loss	2,01,50,288	1,20,50,281
	2,03,65,235	1,23,13,153
Note: 4 Inventories		
Classification of Inventories:		
Finished Goods/Stock In Trade	42,99,445	43,93,037
Sample Products	7,30,721	6,77,422
Total	50,30,166	50,70,459
Note: 5 Trade Receivables		
Secured and considered good		-
Unsecured and considered good	45,28,911	61,30,076
Doubtful		-
	45,28,911	61,30,076
Less: Allowance for doubtful debts		-
Total	45,28,911	61,30,076
Note: 6 Cash and Cash Equivalent*		
Balances with banks	1,01,196	80,597
Total	1,01,196	80,597
*Cash and cash equivalents are held for the purpose of meeting short term commitments rather than for investment purpose.		
Note: 7 Other Current Assets		
[Unsecured, Considered Good]		
Balance with revenue authorities	18,13,083	13,83,053
Prepaid expenses	1,28,603	1,90,969
Advances recoverable in cash or Kind	-	43,770
Advance to supplier of goods / services	2,64,971	5,88,357
Total	22,06,657	22,06,149
Note: 8 Equity Share Capital		
Authorised		
Equity Shares		
100,000 Equity Shares of Rs.10/- each fully paid up	10,00,000	10,00,000
Total	10,00,000	10,00,000
Issued, Subscribed and Paid-up		
Equity Shares		
10,000 (P. Y. : 10,000)Equity Shares of Rs.10/- each fully paid up	1,00,000	1,00,000
Total	1,00,000	1,00,000



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Notes to the Financial Statements

<u>Particulars</u>	Amount (Rs) As at March 31, 2021	Amount (Rs) As at March 31, 2020
A. The details of shareholders holding more than 5% equity shares :-		
Name of the Shareholder		
1) Abans Enterprises Limited	100.00%	100.00%
% held	10,000	10,000
No. of Shares		
1 (One) Equity Share is held by Mr Abhishek Bansal as nominee shareholder on behalf of Abans Enterprises Limited.		
B. Reconciliation of number of equity shares :-		
At the beginning of the year	10,000	10,000
Add : Shares issued		-
At the End of the year	10,000	10,000

C. Rights, Preferences and Restrictions of share holder :-

The company has only single class of equity shares. Each shareholder is eligible for one vote per share. One class of equity share have been issued having a par value of Rs.10/- each.

The company declares and pays dividend if any, in Indian Rupee. The dividend proposed if any, by the board of Directors is subject to the approval of the share holders at the ensuing Annual General meeting except in case of interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of remaining assets of the company after distribution of preferential amount. The distribution will be in proportion to the number of equity shares held by the share holders.

Note: 9 Other Equity

Retained Earnings	(9,47,85,952)	(7,15,78,146)
Items of other comprehensive income	(7,446)	(4,426)
Equity Component of CCD	7,44,98,785	-
Total	(2,02,94,612)	(7,15,82,572)

Note: 10 Provisions

Provision for gratuity	1,22,846	64,752
Total	1,22,846	64,752

Note: 11 Borrowings

Financial liabilities carried at amortised cost

Unsecured

Compulsory Convertible Debentures #

Inter Corporate Deposits*

From Director

4,13,84,812	-
67,67,000	9,48,05,300
-	-

Total

4,81,51,812	9,48,05,300
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Note 11.1

* During the FY 2019-20, Company borrowed on unsecured basis from Abans Finance Private Limited (a related party) as Inter Corporate Deposits (ICDs) for working capital purpose. ICDs is having interest rate of 11 % per annum and is for a period 12 months. It is repayable on demand or renewable at the end of the period. Outstanding amount as at March 31, 2021 is Rs 67,67,000/- .

During the financial year 2020-21, the Company had issued 1150 nos of CCDs having face value of Rs 1,00,000/- each

Total value of CCDs as at the year end March 31, 2021 was Rs. 11,50,00,000 . Terms and Conditions of the CCDs was;

i) Each Debenture shall be converted into such number of equity share of Rs.10/- each to be issued at fair value (not less the face value of equity shares) based on valuation report as worked out on discounted cash flow method.

ii) This unsecured - unlisted CCDs are to be converted at the end of ten years from the date of allotment.

iii) Coupon rate for CCDs is 0%.



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Notes to the Financial Statements

<u>Particulars</u>	Amount (Rs) As at March 31, 2021	Amount (Rs) As at March 31, 2020
Note: 12 Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Others	-	-
Creditors for Expenses	-	-
Total	-	-
Total outstanding dues creditors other than micro enterprises and small enterprises	-	-
Others	12,16,040	16,41,664
Creditors for Expenses	-	-
Total	12,16,040	16,41,664
Note: 13 Other Financial Liabilities		
Overdraft balance as per books of accounts	2,03,630	-
Staff salary Payable	16,91,590	-
Creditors payable for expenses	69,375	4,10,688
Total	19,64,595	4,10,688
Note: 14 Provisions		
Provision for gratuity	2,040	1,860
Provision for leave encashment	3,57,370	3,57,370
Provision for Expenses	-	-
Total	3,59,410	3,59,230
Note: 15 Other Current Liabilities		
Advance Received from Customers	5,65,540	1,13,589
Statutory Liabilities	1,89,479	2,88,236
Staff expenses Payable	4,05,415	6,01,269
Others	-	5,850
Total	11,60,434	10,08,944



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Notes to the Financial Statements

	Amount (Rs)	
	For the period ended Mar 31, 2021	For the year ended March 31, 2020
Note: 16 Revenue from Operations		
Sale of goods	48,08,641	1,68,18,182
Total	48,08,641	1,68,18,182
Note: 17 Other Income		
Sundry balance written back	4,24,196	-
Total	4,24,196	-
Note: 18 Change in inventory		
Opening stock	50,70,459	68,37,566
Less: Closing Stock	50,30,166	50,70,459
Total	40,293	17,67,107
Note: 19 Employee Benefits Expense		
Salaries and Wages	1,42,94,976	3,04,56,033
Contribution to gratuity	54,193	62,186
Provision for Leave salary	-	3,57,370
Contribution to provident and other funds	9,57,772	12,21,254
Staff welfare expenses	1,34,637	8,58,202
Total	1,54,41,578	3,29,55,045
Note: 20 Finance Cost		
Interest on financial liabilities carried at amortised cost		
Interest expenses	1,02,59,305	74,67,549
Other cost		
Bank charges	731	2,098
Interest on late deposit of statutory liabilities	17,958	4,633
Total	1,02,77,994	74,74,280
Note: 21 Other Expenses		
Rates and taxes	-	2,500
Printing & Stationery Expenses	72,992	1,89,553
Selling Expenses	5,35,834	20,36,888
Warehouse Charges	7,59,152	7,53,600
Freight Charges	3,39,687	13,90,610
Communication exp	-	43,964
Software Expenses	2,56,300	3,10,430
Sample Packing Charges	26,280	54,960
Testing & Analytical Charges	-	5,19,839
Fees & Subscription charges	33,000	-
Consumption of packing materials	22,237	2,95,675
Penalty on late filing of GST	44,990	-
Interest on late payment-CDSL	382	-
Insurance Charges	2,04,783	40,104
Business Development Expenses	26,59,521	34,79,594
Travelling & Conveyance Expenses	74,135	58,71,687
Electricity Expenses	1,10,398	1,58,900
ROC Fees & Other Legal Charges	-	2,400
Stores & Consumables	-	5,610
Website Design Charges	14,000	-
Legal & Profession Expenses	1,45,689	3,95,267
Office & Sundry Expenses	1,11,121	1,27,119
Repairs & Maintainance	-	2,500
Telephone Charges	2,064	11,260
Payment to Auditors:		
Statutory Audit Fees	75,000	95,000
Total	54,87,564	1,57,87,460



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Notes to the Financial Statements

Note: 22 Calculation of earning per share (EPS)

The numerators and denominators used to calculate basic and diluted EPS are as follows:

Particulars	Units	Year ended	
		March 31, 2021	March 31, 2020
Profit attributable to Equity shareholder (A)	Rs	(2,32,07,805)	(3,53,00,980)
Number of equity shares	Nos	-	10,000
Weighted average number of shares for calculation of Basic EPS (B)	Nos	10,000	10,000
Weighted average number of shares for calculation of Diluted EPS (C)	Nos	10,000	10,000
Nominal value of equity shares	Rs	10.00	10.00
Basic EPS		(2,320.78)	(3,530.10)
Diluted EPS		(2,320.78)	(3,530.10)

Note: 23 Details of auditors remuneration

Particulars	Units	Year ended	
		March 31, 2021	March 31, 2020
As auditor :			
Audit fees	Rs	50,000	50,000
Tax audit fees	Rs	25,000	25,000
other matters	Rs	-	20,000
Total payment to auditors	Rs	75,000	95,000

Note: 24 Contingent Liabilities and Commitments (to the extent not provided for):

There are no material pending contingent liabilities on account of litigations or commitments which the company believes could reasonably be expected to have a material adverse effect on the result of operations, cash flow or the financial position of the Company except the details mentioned below:

Purchase order issued but Material not received as on 31st Mar 2021- Rs. 2,70,720/-

Note: 25 Property, Plant and Equipment

There is no impairment loss on property, plant and equipment assets on the basis of review carried out by the management. Company carries out physical verification of its

Note: 26 Inventory

The inventory comprising of finished goods and is physically verified by the management at regular intervals and as at the end of the year. Company obtains written confirmations in respect of stock lying with third parties, if any, as at the year end. The quantity and valuation of inventory at the year end has been certified by the management.

Note: 27 Trade Receivable

Trade receivables are subject to confirmation and reconciliation. The auditor has relied on the management representation in this regard.

Note: 28 employee Benefits

Particulars	March 31, 2021	March 31, 2020
Gratuity - Current	2,040	1,860
Gratuity - Non-current	1,22,846	64,752
Total outstanding as on reporting date	1,24,886	66,612

A. Gratuity (Defined Benefit Plan)

1) General Description:

The Company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company's liability towards gratuity is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method (as per Ind AS 19) done by an independent actuary.



LIFESURGE BIOSCIENCES PRIVATE LIMITED

Notes to the Financial Statements

Particulars	March 31, 2021	March 31, 2020
ii) Change in the present value of the defined benefit obligation		
Opening defined benefit obligation	66,612	20,295
Current service cost	50,865	40,570
Interest cost	3,328	1,321
Actuarial (gain) / loss due to remeasurement on change in assumptions	4,081	4,426
Experience (gain) / loss on plan liability		
Benefits paid and transfer out		
Contributions by employee		
Transfer in		
Closing defined benefit obligation	<u>1,24,886</u>	<u>66,612</u>
iii) Change in the fair value of plan assets:		
Opening fair value of plan assets	-	-
Investment Income	-	-
Contributions by employer	-	-
Contributions by employee	-	-
Benefits paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Acquisition adjustments	-	-
Closing fair value of plan assets	<u>-</u>	<u>-</u>
iv) Breakup of Actuarial gain/loss		
Actuarial (gain)/ loss arising from change in demographic assumption	-	(154)
Actuarial (gain)/ loss arising from change in financial assumption	3,810	4,473
Actuarial (gain)/ loss arising from experience adjustment	271	107
v) Expenses/ (Incomes) recognised in the Statement of Profit and Loss:		
Current service cost	50,865	40,570
Past service cost	-	-
(Gains) / losses - on settlement	-	-
Interest cost / (Income) on benefit obligation	3,328	1,321
Net expenses/ (benefits)	<u>54,193</u>	<u>41,891</u>
vi) Other Comprehensive Income		
Actuarial (Gain)/Loss recognized for the period due to change in assumptions	4,081	4,426
Asset limit effect	-	-
Return on plan assets excluding net interest	-	-
Unrecognized Actuarial (Gain) / Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in OCI	<u>4,081</u>	<u>4,426</u>
vii) Movement in net liabilities recognised in Balance Sheet:		
Opening net liabilities	66,612	20,295
Expenses as above [P & L Charge]	54,193	41,891
Benefits Paid	-	-
Other Comprehensive Income (OCI)	4,081	4,426
Liabilities/ (Assets) recognised in the Balance Sheet	<u>1,24,886</u>	<u>66,612</u>
viii) Amount recognized in the balance sheet:		
PVO at the end of the year	1,24,886	66,612
Fair value of plan assets at the end of the year	-	-
Deficit	(1,24,886)	(66,612)
Unrecognised past service cost	-	-
(Liabilities)/Assets recognized in the Balance Sheet	<u>(1,24,886)</u>	<u>(66,612)</u>



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Notes to the Financial Statements

ix) Principal actuarial assumptions as at Balance sheet date:

<u>Discount rate</u>	4.20%	5.00%
[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post-employment benefit obligations].		
<u>Annual increase in salary cost</u>	6.00%	6.00%
[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market].		
<u>Employee Attrition Rate (Past Services (PS))</u>	50.00%	50.00%
<u>Decrement adjusted remaining working life (years)</u>	1.49	1.49

Sensitivity analysis:

March 31, 2021	Salary Escalation rate		
	<u>Discount rate of 1%</u>	<u>of 1%</u>	<u>Mortality rate of 10%</u>
Impact on statement of Profit & Loss increase in rate	1,20,129	1,29,769	1,25,062
Impact on statement of Profit & Loss of decrease in rate	1,29,904	1,20,164	1,24,710
March 31, 2020			
Impact on statement of Profit & Loss increase in rate	63,579	69,773	66,842
Impact on statement of Profit & Loss of decrease in rate	69,835	63,579	66,381

B. Compensated absence (long term employee benefits)

i) General description:-

The company has provided for liability towards leave salary on accrual basis. The Company has policy of leave encashment to the maximum of 45 days. Any balance in excess of utilisation of leave shall stand lapse.

C. Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions payable by the Company to the concerned Government authorities in respect of Provident Fund, Family Pension Fund and Employees State Insurance are charged to Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no contractual or any constructive obligation. Amount recognized during the year as contribution in statement of Profit & Loss is Rs. 1011965/- and Rs 1640810/- for the year ended March 31, 2021 and March 31, 2020.

Note: 29 Financial Instruments – Fair Values and Risk Management

A. Accounting classification

March 31, 2021	<u>Fair Value through Profit / (Loss)</u>	<u>Fair Value through OCI</u>	<u>Amortised Cost</u>	<u>Total</u>
<u>Financial assets - Current</u>				
Trade Receivables	-	-	45,28,911	45,28,911
Cash and Cash Equivalents	-	-	1,01,196	1,01,196
Total Financial Assets	-	-	46,30,106	46,30,106
<u>Financial liabilities – Current</u>				
Compulsory Convertible Debentures	-	-	4,13,84,812	4,13,84,812
Inter Corporate Deposits	-	-	67,67,000	67,67,000
Trade Payable	-	-	12,16,040	12,16,040
Other Financial Liabilities	-	-	19,64,595	19,64,595
Total Financial Liabilities	-	-	5,13,32,447	5,13,32,447



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Notes to the Financial Statements

March 31, 2020	<u>Fair Value through Profit / (Loss)</u>	<u>Fair Value through OCI</u>	<u>Amortised Cost</u>	<u>Total</u>
<u>Financial assets - Current</u>				
Trade Receivables	-	-	61,30,076	61,30,076
Cash and Cash Equivalents	-	-	80,597	80,597
Total Financial Assets	-	-	62,10,673	62,10,673
<u>Financial liabilities - Current</u>				
Working Capital Loan	-	-	9,48,05,300	9,48,05,300
Trade Payables	-	-	16,41,664	16,41,664
Other Financial Liabilities	-	-	4,10,688	4,10,688
Total Financial Liabilities	-	-	9,68,57,652	9,68,57,652

B. Fair value Measurement

Financial instruments measured at FVTPL / FVOCI :

All assets and liabilities for which the fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are (other than quoted prices) included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

As on reporting date, Company had no outstanding financial assets or financial liabilities classified as either FVTPL or FVOCI and hence the said disclosure requirement is not applicable.

Financial instruments measured at amortised cost:

The carrying value approximates fair value for long term financial assets and liabilities measured at amortised cost. There are no transfers during the year in level 1, 2 and 3. The Company policy is to recognize transfers into and transfers out of fair value hierarchy level as at the end of reporting period.

C. Financial risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has exposure to the following risks arising from financial instruments:

1. Credit risk
2. Liquidity risk and
3. Market risk

1. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date. The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. The Company has no history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good. The credit risk for cash and cash equivalents, mutual funds, bank deposits, loans and derivative financial instruments is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings. Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.



2. Liquidity risk

Liquidity Risk is defined as the risk that the Company will not be able to settle or meets its obligations on time at a reasonable price. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts of expected cash flows.

Exposure to liquidity risk

The table below is an analysis of Company's financial liabilities based on their remaining contractual maturities of financial liabilities at the reporting date.

	Contractual cash flows	
	Within 1 year	1 year & Above
March 31, 2021		
Non-derivative financial liabilities :		
Borrowings	4,81,51,812	-
Trade payables	12,16,040	-
Other Financial Liabilities	19,64,595	-
March 31, 2020		
Non-derivative financial liabilities :		
Borrowings	9,48,05,300	-
Trade payables	16,41,664	-
Other Financial Liabilities	4,10,688	-

2. Market risk

Changes in market prices which will affect the Company's income or the value of its holdings of financial instruments is considered as market risk. It is attributable to all market risk sensitive financial instruments.

a. Currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

Sensitivity analysis

A reasonably possible strengthening /weakening of the Indian Rupee against US dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affects profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars

INR/USD Strengthening [2.50% Movement (Previous year 8.98%)]

INR/USD Weakening [2.50% Movement (Previous year 8.98%)]

b. Interest rate risk

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. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Particulars	Impact on statement of profit and (loss) - [Net of tax]	
	March 31, 2021	March 31, 2020
Interest rates – increase by 100 basis points (100 bps)	(3,94,895)	(4,33,466)
Interest rates – decrease by 100 basis points (100 bps)	3,94,895	4,33,466

Note: 30 Capital Management

The primary objective of the Group's capital management is to maximize the shareholders' interest, safeguard its ability to continue as a going concern and reduce its cost of capital. Company is focused on keeping strong total equity base to ensure independence, security as well as high financial flexibility for potential future borrowings required if any. Company's capital for capital management includes long term debt and total equity. As at March 31, 2021 and March 31, 2020 total capital is negative by Rs (2,00,74,648)/- and Rs (7,14,82,570)/- respectively. Holding Company has provided comfort letter to support its operations and improve credit worthiness. Accordingly, this financial statement is prepared on going concern basis. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021 and March 31, 2020.



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Notes to the Financial Statements

Note: 31 Related party disclosure

A. List of related party

Relationship Category	Particulars	Name
1	Key Management Personnel	• Abhishek Bansal • Paras Shah
2	Relatives of Key Management Personnel	None
3	Enterprises owned or significantly influenced by Key Management Personnel	• Abans Finance Private Limited
4	Enterprises owned or significantly influenced by a group of individuals or their relatives who have a control or significant influence over the company	Nil
5	Individuals owning, directly or indirectly, an interest in the voting power of reporting enterprise that gives them control of significant influence over enterprise and relatives of any such individual	• Abhishek Bansal (Prop. Fortune Gems)
6	Holding Company	• ABans Enterprises Limited

B. The Following transactions were carried out with the related parties in the ordinary course of business and at arm's length.

Nature of transactions	Relationship	March 31, 2021	March 31, 2020	
	Category			
Borrowings	• ABans Finance Private Limited	4	67,67,000	9,48,05,300
			67,67,000	9,48,05,300
Interest Expenses	• ABans Finance Private Limited	4	93,75,708	74,67,549
			93,75,708	74,67,549

The holding company has issued a letter of Comfort Letter for financial support to the extent required

NOTE 32: Tax expense

Reconciliation of tax expense

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
a) Income tax recognised in Profit or loss		
Current Tax		
Deferred Tax	(80,51,021)	(1,24,47,586)
Total Income tax expense recognised in current year relating to continuing operations	(80,51,021)	(1,24,47,586)

The Income Tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Profit before Tax from Continuing Operations	(3,12,58,826)	(4,77,48,566)
Applicable Tax Rate	26%	26%
Computed Tax Expense		
Tax Effect of :		
Expenses not Allowed		
Current Tax Provision (A)		
Incremental Deferred Tax Liability on account of PPE		
Incremental Deferred Tax Asset on account of Financial Assets & Other items	(80,23,134)	(1,23,85,912)
Incremental deferred tax liability on account of Property, Plant and Equipment	(27,887)	61,674
Deferred Tax Provision (B)	(80,51,021)	(1,23,24,238)
Tax Expenses recognised in Statement of Profit and Loss (A+B)	(80,51,021)	(1,23,24,238)



NOTE 33: Segment Reporting

The Company Operates in to single segment of trading of Pharmaceutical product and hence, segment reporting under IND AS 108 is not applicable to the Company.

Note: 34 COVID 2019

1. Asset impairment- Our assets consist of unsettled receivables for trade and advances for trade. Receivable are being settled on the basis of contractual terms without any substantial delay/ delinquencies. Management don't see any impairment on these assets.
2. Expected credit loss- Receivables and advances are being recovered wherever applicable without any delinquencies, management do not expect any additional credit loss on the same.
3. Inventory - Nature of Inventory does not pose any physical and market risk and based on present market conditions management do not foresee any loss on account of sale or its ultimate collection.
4. Debt repayment - Projected cash flow reflects ability of the company to discharge it debts in form of working capital loan as per contractual terms through realisation of current assets.
5. Fair value measurement - There are no indicators (except accounted for) which requires further provision / disclosure to the carrying value based on fair value measurement.
6. Revenue – Company operates into trading of Pharmaceutical product. This business has temporary impact due to restrictions on physical movement of goods due to nationwide lockdown imposed by government. However the management is of the view, this being temporary in nature will not have any substantial impact on long term business prospects of the company.

Note: 35 Going Concern

As at 31st March, 2021, the Company has accumulated losses of Rs. 9,47,85,952/- (P.Y Rs.7,15,78,146/-) The company is financing its working capital through borrowings. These conditions indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern, which is dependent on establishing profitable operations, realisation of debts and obtaining continuing financial support. The Company is in initial stage of its operations which consist of marketing of Pharmaceutical products, which generally has gestation period until the market of the product is developed. Once established in the market the products start generating revenues to cover the loss already incurred in gestation period, which situation is common in pharmaceutical product evolution stage. The Holding Company has provided a comfort letter for providing Financial Support wherever required. Accordingly, these financial statements are prepared on going concern basis.

Note: 36 Other

Previous year's figures have been regrouped/rearranged/reworked wherever necessary and possible so as to confirm to current year's classification.

