

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WINDLAS HEALTHCARE PRIVATE LIMITED**

**Report on the Audit of the Ind AS Financial Statements**

**Opinion**

We have audited the accompanying Ind AS financial statements of **Windlas Healthcare Private Limited** ("the Company"), which comprise the Balance sheet as at 31st March 2020, and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("The act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and the loss, and the total comprehensive loss, changes in equity and its cash flows 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.

**Emphasis of Matter**

We draw attention to Note no. 39 of the financial results which states the management's evaluation of COVID-19 impact on the operations of the company. Our opinion is not modified in respect of this matter.

**Information Other than the Ind AS 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 Board Report but does not include the financial statements and our auditor's report thereon. The Board Report is expected to be made available to us after the date of this auditor's report.



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.

When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

### **Responsibility of Management and Those Charged with Governance for Ind AS 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Ind AS 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 scepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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", 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:

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.

- a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- b) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- e) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its director during the year is in accordance with the provisions of section 197 of the Act.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 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 has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 35 to the financial statements.





**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.S. KOTHARI MEHTA AND COMPANY**

Chartered Accountants

Firm Reg. No. : 000756N



**Yogesh Kr. Gupta**

Partner

Membership No.: 093214

Place: Faridabad (Haryana)

Date: June, 18, 2020

UDIN:- 20093214AAAABC4787

**Annexure A" to the Independent Auditors' Report**

The Annexure **as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements** of our Independent Auditors' Report to the members of **Windlas Healthcare Private Limited** on the financial statements for the year ended March 31, 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and particulars related to identification numbers affixed on the property plant and equipment.  
  
(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of such verification is reasonable having regard to the size of the company and nature of its assets.  
  
(c) According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- ii. We have been explained by the management that the inventories have been physically verified by the management at reasonable intervals during the year. As far as we could ascertain and according to information and explanations given to us, no material discrepancies were noticed on physical verification between the physical stock and book records.
- iii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not granted any loan or guarantee or provided any security covered under section 185 and 186 of the Companies Act, 2013. The company has complied with the provisions of section 186 of the companies act 2013 in respect of the investments made.
- v. According to the information and explanations given to us, during the year the Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Companies Act and the rules framed there under are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.



- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, goods & service tax, income tax, custom duty, excise duty, cess and any other material statutory dues with the appropriate authorities to the extent applicable, though there has been slight delay in few cases.
- (b) According to the information and explanations given to us and on the basis of examination of the records of the company, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2020.
- (c) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, Goods and service tax, duty of excise, duty of custom, or value added tax which have not been deposited on account of any dispute.
- (viii) According to the records and information and explanations given to us, the company has not taken any loan or borrowing from bank, financial institution and government. There are no dues to the debenture holders.
- (ix) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or taken any loan during the year.
- (x) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- (xi) According to information and explanations given to us and based on our examination of the records of the company, the company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards (Refer Note No. 34 to the financial statements). Section 177 of the act is not applicable on the company.



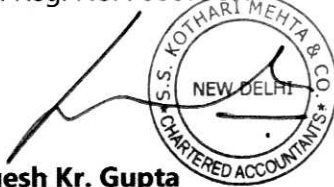
**S S KOTHARI MEHTA**  
**& COMPANY**  
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- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable.

For **S.S. KOTHARI MEHTA AND COMPANY**

Chartered Accountants

Firm Reg. No. : 000756N



**Yogesh Kr. Gupta**

Partner

Membership No.: 093214

Place: Faridabad (Haryana)

Date: June, 18, 2020

UDIN:- 20093214AAAABC4787

**“Annexure B” to the Independent Auditor’s Report of even date on the Ind AS Financial Statements of Windlas Healthcare Private Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(e) of ‘Report on Other Legal and Regulatory Requirements’**

We have audited the internal financial controls over financial reporting of **Windlas Healthcare Private Limited** (“the Company”) as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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. 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 Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, 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 with reference to financial statements of the company.





**Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2020, 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.

For **S.S. KOTHARI MEHTA AND COMPANY**

Chartered Accountants

Firm Reg. No.: 000756N

**Yogesh Kr. Gupta**

Partner

Membership No.: 093214

Place: Faridabad (Haryana)

Date: June, 18, 2020

UDIN:- 20093214AAAABC4787



**Windlas Healthcare Pvt. Ltd.**  
**Balance Sheet as at March 31, 2020**

Particulars	Note No.	INR - Thousands	
		As at	
		March 31, 2020	March 31, 2019
<b>ASSETS:</b>			
<b>Non-Current Assets:</b>			
Property, Plant and Equipment	3	321,291.96	326,537.47
Capital work-in-progress	3	12,733.71	3,263.71
Other Intangible Assets	3.1	18,822.50	22,334.83
Intangible Assets Under Development	3.2	420,388.52	420,388.52
<b>Financial Assets:</b>			
Investments	4	339.36	339.36
Other Financial Assets	5	4,821.46	4,473.13
Other Non-Current Assets	6	448.04	1,720.04
Current Tax Assets	7	13,820.57	7,731.61
		<b>792,666.12</b>	<b>786,788.67</b>
<b>Current Assets:</b>			
Inventories	8	20,098.85	24,513.95
<b>Financial Assets:</b>			
Investments	9	1,023,918.57	904,205.09
Trade Receivables	10	19,438.89	50,566.79
Cash and Cash Equivalents	11	328.38	328,046.91
Bank Balance other than above	11.1	54,237.34	3,437.88
Other Current Financial Assets	12	691.06	36.00
Other Current Assets	13	51,072.00	42,392.03
		<b>1,169,785.09</b>	<b>1,353,198.65</b>
		<b>1,962,451.21</b>	<b>2,139,987.32</b>
<b>Total</b>			
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity:</b>			
Share Capital	14	472,116.67	472,116.67
Other Equity	15	1,447,783.27	1,592,355.97
		<b>1,919,899.94</b>	<b>2,064,472.64</b>
<b>Non-Current Liabilities:</b>			
Provisions	16	4,923.32	6,740.15
		<b>4,923.32</b>	<b>6,740.15</b>
<b>Current Liabilities:</b>			
<b>Financial Liabilities:</b>			
Trade Payables	17	2,164.15	578.00
(a) total outstanding dues of micro enterprises and small enterprises		17,330.73	34,185.68
(b) total outstanding dues for creditors other than micro enterprises and small enterprises		13,877.92	15,823.62
Other Financial Liabilities	18	2,512.35	17,381.23
Other Current Liabilities	19	1,742.80	806.00
Provisions	20	37,627.95	68,774.53
		<b>1,962,451.21</b>	<b>2,139,987.32</b>
<b>Total</b>			
<b>Company Information</b>			
Significant Accounting Policies	1		
Notes to the Financial Statements	2 3 to 39		

As per our report of even date  
For SS Kothari Mehta & Company  
Chartered Accountants  
Firm Registration Number - 000756N



Yogesh Gupta  
Partner  
Membership No. - 93214  
Place:  
Date: June 10, 2020

Upendra Dubey  
Company Secretary

Kailash Badoni  
Chief Financial Officer

Chandra Prakash  
Director  
DIN: 08347603

Ashish Jain  
Director  
DIN: 03495680

For and on behalf of the board



**Windlas Healthcare Pvt. Ltd.**  
**Audited Statement of Profit and Loss for the period ended March 31, 2020**

Particulars	Note No.	INR - Thousands	
		Year ended March 2020 (Audited)	Year ended March 2019 (Audited)
Revenue from Operations	21	140,151.61	306,839.05
Other Income	22	101,501.92	48,873.69
<b>Total Income</b>		<b>241,653.53</b>	<b>355,712.74</b>
<b>EXPENSES:</b>			
Cost of Materials Consumed	23	95,846.09	172,878.62
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	24	(13,924.48)	14,838.73
Employee Benefits Expense	25	176,137.90	167,930.99
Finance Costs	26	-	12,204.77
Depreciation, Amortization and Impairment expense	3	19,124.11	19,691.59
Other Expenses	27	108,717.93	69,355.08
<b>Total Expenses</b>		<b>385,901.55</b>	<b>456,899.78</b>
<b>Profit before Tax</b>		<b>(144,248.02)</b>	<b>(101,187.04)</b>
Less: Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit for the year</b>		<b>(144,248.02)</b>	<b>(101,187.04)</b>
<b>OTHER COMPREHENSIVE INCOME [OCI]:</b>			
Items that will not be reclassified to profit or loss:			
Re-measurement losses on post employment defined benefit plans		324.68	(305.83)
Income tax effect		-	-
Net Loss/ [Gain] on Fair Value through OCI [FVTOCI] Equity Securities		324.68	(305.83)
Income tax effect		-	-
<b>Other Comprehensive Income for the year [Net of tax]</b>		<b>324.68</b>	<b>(305.83)</b>
<b>Total Comprehensive Income for the year [Net of Tax]</b>		<b>(144,572.70)</b>	<b>(101,492.87)</b>
<b>Basic &amp; Diluted Earning per Equity Share(EPS)</b>		<b>(3.06)</b>	<b>(3.59)</b>

For and on behalf of the board

As per our report of even date

For SS Kothari Mittal & Company  
Chartered Accountants  
Firm Registration Number - 000756N



Yogesh Gupta  
Partner  
Membership No. - 93214  
Place: New Delhi  
Date: June 10, 2020

  
Upendra Dubey  
Company Secretary

  
Kailash Badoni  
Chief Financial Officer

  
Chandra Prakash  
Director  
DIN: 08347603

  
Ashish Jain  
Director  
DIN: 03495680



**Windlas Healthcare Private Limited**  
**Standalone Statement of Cash Flow for the year ended March 31, 2020**

Particulars	INR - Thousands	
	Year ended March 2020	Year ended March 2019
<b>Cash flow from operating activities</b>		
<b>Loss before tax</b>	<b>(144,572.70)</b>	<b>(101,187.04)</b>
<b>Adjustments for:</b>		
Depreciation & amortization expense	19,124.11	19,691.59
Intangible Assets under Development and Property Plant & Equipment Written off	-	(43.26)
Allowance for Doubtful Debts	12,647.60	-
Provision for Stock	25,880.61	-
Provisions written Back & Realized gain/loss on MF	(50,833.06)	(5,341.47)
Unrealized losses/(gains) on investments	(2,880.55)	(25,908.49)
Unrealized foreign exchange (gains)/losses	(827.22)	64.68
Finance costs	-	12,204.77
Interest income	(15,502.00)	(8,228.93)
<b>Operating (Loss)/Profit before working capital changes</b>	<b>(156,963.21)</b>	<b>(108,748.15)</b>
<b>Changes in operating assets and liabilities:</b>		
Increase/(decrease) in provisions	(3,050.93)	508.78
Increase/(decrease) in trade payables	(15,268.81)	(55,450.25)
Increase/(decrease) in other financial liabilities	(1,593.97)	1,687.70
Increase/(decrease) in other current liabilities	(14,868.88)	2,745.37
Decrease/(increase) in trade receivables	19,307.52	27,747.89
Decrease/(increase) in inventories	(21,465.51)	60,623.31
Decrease/(increase) in current financial assets	(521.53)	184.32
Decrease/(increase) in other current assets	(8,679.97)	(928.02)
Decrease/(increase) in loans and advances	4,442.20	28.58
<b>Cash generated from operations</b>	<b>(198,663.09)</b>	<b>(71,600.47)</b>
Income taxes refunded/ (paid)	(6,088.96)	82.56
<b>Net cash used in operations (A)</b>	<b>(204,752.05)</b>	<b>(71,517.91)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant & equipment, Intangible & Intangible assets under Development (including CWIP & Capital Advances)	(18,965.06)	(132,410.05)
Proceeds from sale of property, plant & equipment	-	590.00
Fixed deposits matured/(investment)	(55,032.46)	747.19
Interest received	17,365.72	8,228.93
Investment in Mutual Fund( Net)	(66,387.58)	(878,296.60)
<b>Net cash used in investing activities (B)</b>	<b>(123,019.38)</b>	<b>(1,001,140.53)</b>
<b>Cash flow from financing activities</b>		
Loan Taken from Related Party	-	120,000.00
Loan Repaid during the year	-	(120,000.00)
(Repayment)/Receipt of short term borrowings	-	(54,298.22)
Proceeds from issue of equity shares	-	1,555,500.00
Repayment of long term borrowings	-	(100,783.04)
Interest paid	-	(12,814.57)
<b>Net cash from financing activities (C)</b>	<b>-</b>	<b>1,387,604.17</b>
<b>Effect of exchange differences on translation of foreign currency on Cash &amp; Cash Equivalent</b>	<b>52.87</b>	<b>(71.67)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(327,718.56)</b>	<b>314,874.06</b>
<b>Cash and cash equivalents at the beginning of the period (Refer Note 11 )</b>	<b>328,046.91</b>	<b>13,172.85</b>
<b>Cash and cash equivalents at the closing of the period (Refer Note 11 )</b>	<b>328.38</b>	<b>328,046.91</b>

Notes:

a) Cash and Cash Equivalents included in Cash Flow Statement comprise of following (Refer Note No: 11):

Particulars	Year ended March 2020	Year ended March 2019
Balances with Banks	188.88	20,777.23
Sweep in Deposit with Bank	-	138.30
Cash on Hand	139.50	307,131.38
<b>Total</b>	<b>328.38</b>	<b>328,046.91</b>

b) Reconciliation of Liabilities arising from Financing Activities

Particulars	As at March 31, 2019	Cash Flows	Non Cash Change	As at March 31, 2020
Long Term Borrowing	-	-	-	-
Short Term Borrowing	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	As at March 31, 2018	Cash Flows	Non Cash Change	As at March 31, 2019
Long Term Borrowing	100,783.04	100,783.04	-	-
Short Term Borrowing	54,298.22	54,298.22	-	-
<b>Total</b>	<b>155,081.26</b>	<b>155,081.26</b>	<b>-</b>	<b>-</b>

c) Non Cash Items

During the year there is no non-cash items.

For and on behalf of the board

As per our report of even date  
For **SS Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration Number - 000756N

**Yogesh Gupta**  
Partner  
Membership No. 93214  
Place: New Delhi  
Date: *June 10, 2020*

*[Signature]*  
**Upendra Dubey**  
Company Secretary

*[Signature]*  
**Kalish Batoni**  
Chief Financial Officer

*[Signature]*  
**Chandra Prakash**  
Director  
DIN: 08347603

*[Signature]*  
**Ashish Jain**  
Director  
DIN: 03495680



**WINDLAS HEALTHCARE PRIVATE LIMITED**  
**Statement of Changes in Equity for the year ended march 31, 2020**

**A. Equity share capital**

Equity shares of ₹ 10 each issued, subscribed and fully paid up (including forfeited shares)

Particulars	No. of shares	INR - Thousands Amount
<b>As at March 31, 2018</b>		
Changes during the year	10,184.40	101,844.00
<b>As at March 31, 2019</b>	37,027.27	370,272.67
Changes during the year	47,211.67	472,116.67
<b>As at March 31, 2020</b>	47,211.67	472,116.67

**B. Preference share capital**

Preference shares of ₹ 10 each issued, subscribed and fully paid up (including forfeited shares)

Particulars	No. of shares	INR - Thousands Amount
<b>As at March 31, 2018</b>		
Changes during the year	12,949.32	129,493.17
<b>As at March 31, 2019</b>	(12,949.32)	(129,493.17)
Changes during the year	-	-
<b>As at March 31, 2020</b>	-	-

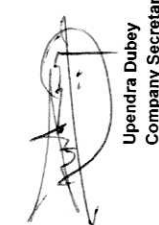
**B. Other equity**

Particulars	Reserves and surplus		Reserves and surplus		Total other equity
	Reserves and surplus	Securities premium	Retained earnings	INR - Thousands	
<b>As at March 31, 2018</b>	3,000.00	815,533.57	(439,405.23)		379,128.34
<b>Addition during the year</b>	-	1,314,720.50	-		1,314,720.50
Loss for the year	-	-	(101,187.04)		(101,187.04)
Other comprehensive income, net of income tax	-	-	(305.83)		(305.83)
<b>Total comprehensive income for the year</b>	-	1,314,720.50	(101,492.87)		1,213,227.63
<b>As at March 31, 2019</b>	3,000.00	2,130,254.07	(540,898.10)		1,592,355.97
<b>Addition during the year</b>	-	-	-		-
Loss for the year	-	-	(144,248.02)		(144,248.02)
Other comprehensive income, net of income tax	-	-	324.68		324.68
<b>Total comprehensive income for the year</b>	-	-	(143,923.34)		(143,923.34)
<b>As at March 31, 2020</b>	3,000.00	2,130,254.07	(684,821.44)		1,448,432.63

For and on behalf of the board

As per our report of even date: HTA & COMPANY  
 For SS Kothari Mehta & Company  
 Chartered Accountants  
 Firm Registration Number - 000756N  
 NEW DELHI  
 Chartered Accountants

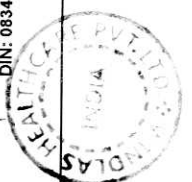
**Yogesh Gupta**  
 Partner  
 Membership No. - 93214  
 Place: New Delhi  
 Date: June 10, 2020

  
 Upendra Dubey  
 Company Secretary

  
 Kailash Badoni  
 Chief Financial Officer

  
 Chandra Prakash  
 Director  
 DIN: 08347603

  
 Ashish Jain  
 Director  
 DIN: 03495680





**Windlas Healthcare Private Limited**

**Note: 1 - Company Information**

- a. Windlas Healthcare Private Limited ("the Company"), is a Private Limited Company incorporated and domiciled in India. The registered office of the Company is located at Plot No. 183 & 192, Mohabelwala Industrial Area, Dehradun, Uttarakhand. The Company is engaged in the business of manufacturing, developing and marketing of branded and generic formulations and active pharmaceutical ingredients (APIs). The Company has its manufacturing unit at Dehradun, Uttarakhand.
- b. Pursuant to the share subscription and shareholder's agreement dated April 16, 2020 between Cadila Healthcare Limited (CHL), Windlas Healthcare Private Limited (WHPL) and Windlas Biotech Private Limited (WBPL), WBPL had agreed to acquire 2% stake in WHPL by transfer of equity shares from CHL to WBPL. Accordingly WHPL became subsidiary of WBPL on April 16, 2020. Thereafter, pursuant to the share subscription and shareholder's agreement dated April 29, 2020 between Cadila Healthcare Limited (CHL), Windlas Healthcare Private Limited (WHPL) and Windlas Biotech Private Limited (WBPL), WBPL had agreed to acquire remaining 49% stake in WHPL by transfer of equity shares from CHL to WBPL. Accordingly WHPL became wholly owned subsidiary of WBPL on April 29, 2020.

**Note: 2-Significant Accounting Policies:**

The following note provides list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

**1 Basis of preparation:**

- A** The financial statements are in compliance with the Indian Accounting Standards [Ind AS] notified under the Companies [Indian Accounting Standards] Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.
- B** For all periods up to and including the year ended March 31, 2018, the Company had prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies [Accounts] Rules, 2014 [Indian GAAP]. Effective from April 1, 2018, the Company has adopted Ind AS as per Companies [Indian Accounting Standards] [Ind AS] Rules, 2015 as notified under section 133 of the Companies Act, 2013. The adoption was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards.
- C** The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:
- Certain financial assets and liabilities measured at fair value [refer accounting policy regarding financial instruments]
  - Defined benefit plans [refer accounting policy regarding employee benefits]

**2 Use of Estimates:**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments 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 income and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments are provided below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognized in the financial statements

- Measurement of defined benefit obligations;
- Useful life and residual value of Property, plant and equipment and intangible assets;
- Recognition of deferred tax assets ;
- Recognition and measurement of provisions and contingencies ;
- Impairment test of financial and non-financial assets including recoverability of expenditure on internally generated intangible assets

**Current or Non current classification**

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**3 Foreign Currency Transactions:**

- A** The Company's financial statements are presented in Indian Rupees [INR], which is the functional and presentation currency unless otherwise stated. All amounts have been presented in Thousands with two decimal, unless otherwise indicated.

**Initial recognition:**

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

**Conversion:**

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

**Exchange difference:**

Foreign exchange gains & losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognized in the statement of profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings related to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

**4 Revenue Recognition:**

- A** The Company has applied Ind AS 115 - Revenue from Contracts with Customers which is effective for an annual period beginning on or after April 1, 2018. The following is the significant accounting policy related to revenue recognition under Ind AS 115.

The Company derives revenue primarily from sale of Pharmaceutical Products and providing Pharmaceutical Related Services.

Revenue from contracts with customers is recognized when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. The goods are often sold with volume discounts/ pricing incentives and customers have a right to return damaged or expired products. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company.

**a Sale of Goods:**

Revenue from sale of products are recognized at the point of time when the customer obtains controls of the asset usually on delivery of goods to the customers.

**b Service Income:**

Service income is recognized as per the terms of contracts with the customers when the related services are performed as per the stage of completion or on the achievement of agreed milestones and are net of indirect taxes, wherever applicable. For the year ended March 31, 2018, the Company was recognizing revenue as per the criteria's provided in Ind AS 18 "Revenue Recognition". Note A-3 "Significant accounting policies for Revenue Recognition" can be referred in the previous year's financial statements of the Company.

**c Contract balances:**

- (i) Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

- (ii) Contract liabilities: A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

- (iii) Cost to obtain a contract, the Company pays sales commission to its selling agents for contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions because the amortization period of the asset that the Company otherwise would have used is one year or less.

**a Interest Income:**

For all debt instruments measured at amortized cost, 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 amortized 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 but does not consider the expected credit losses.

**b Dividend:**

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**c Other Income:**

Other income is recognized when no significant uncertainty as to its determination or realization exists.

**d Export Incentives**

Incentives on exports are recognized in books after due consideration of certainty of utilization/ receipt of such incentives.

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**5 Taxes on Income:**

Tax expenses comprise of current and deferred tax.

**A Current Tax:**

a Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**b Current tax items are recognized in co-relation to the underlying transaction either in Statement of Profit and Loss, OCI or directly in equity.**

**B Deferred Tax:**

a Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

b Deferred tax liabilities are recognized for all taxable temporary differences.

c Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

d The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

e Deferred tax assets and liabilities are measured at the tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the asset is realized or the liability is settled.

f Deferred tax items are recognized in co-relation to the underlying transaction either in OCI or directly in equity.

g 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.

**6 Property, Plant and Equipment:**

Recognition and measurement

A Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs relating to acquisition of qualifying fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

B If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

C Depreciation on impaired assets is calculated on its reduced value, if any, on a systematic basis over its remaining useful life.

D Depreciation on additions/ disposals of the fixed assets during the year is provided on pro-rata basis according to the period during which assets are used.

E Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other noncurrent asset.

F An item of Property, Plant and Equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the Statement of profit and loss when the asset is derecognized.

G Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, and is recognized in the statement of profit and loss. Depreciation on property, plant and equipment is provided on the Straight Line Method based on the useful life of assets estimated by the Management which coincide with the life specified under Schedule II of the Companies Act, 2013, which are as follows:

**Estimated useful life of the assets taken is:**

**Assets**

- Building
- Plant & machinery
- Furniture & fixtures
- Office equipment
- Computers
- Electrical Installation

Assets	Useful Life
Building	30 years
Plant & machinery	15 years
Furniture & fixtures	10 years
Office equipment	5 years
Computers	3 years
Electrical Installation	10 years

**7 Intangible Assets:**

**Recognition and measurement**

**Intangible assets acquired separately**

Intangible assets that are acquired by the Company are measured at cost, less accumulated amortization and accumulated impairment losses, if any.

**Internally generated intangible assets - Research and development**

Research costs are expensed as incurred. Development costs are capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditures to be capitalized include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditures are recognized in profit or loss as incurred.

Subsequent to initial recognition, the assets are measured at cost, less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate.

Internally generated intangible assets which are not yet available for use are subject to impairment testing at each reporting date. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. All impairment losses are recognized immediately in profit or loss.

An item of intangible asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the Statement of profit and loss when the asset is derecognized.

**Amortization**

Amortization is recognized in the income statement on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Software	5 Years
Product Development	10 Years

**8 Research and Development Cost:**

A Expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred.

B Capital expenditure on research and development is given the same treatment as Property, Plant and Equipment.

**9 Borrowing Costs:**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**10 Impairment of Assets:**

The Property, Plant and Equipment and Intangible assets are tested for impairment whenever events or changes in circumstances indicates that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, the assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets [cash generating units]. Non-financial assets other than Goodwill that suffered an impairment loss are reviewed for possible reversal of impairment at the end of each reporting period. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**11 Inventories:**

Inventories (including Stock-in-transit) of Finished Goods, Stock in Trade, Work in progress, Raw materials, Packing materials and Stores & Spares are stated at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realizable 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.

A Cost of Raw Materials, Packing Materials, Stock in Trade and other products are determined on First in first out (FIFO) method and are net of input credit.

B Cost of Work in progress and Finished Goods is determined on First in first out (FIFO) method considering direct material cost and appropriate portion of manufacturing overheads based on normal operating capacity.

Write down of inventories to net realizable value is recognized as an expense and included in "Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade" and "Cost of Material Consumed" in the relevant note in the Statement of Profit and Loss.

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**12 Cash and Cash Equivalents:**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

**13 Leases:**

**As a lessee:**

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. Lease under which the Company assumes potentially all the risk and rewards of ownership are classified as finance lease. When acquired, such assets are capitalized at fair value or present value of the minimum lease payment at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on straight line basis in the Statement of Profit and Loss over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate lessor's expected inflationary cost increases.

**As a lessor:**

Lease income from operating leases where the Company is lessor is recognized as income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**14 Provisions, Contingent Liabilities and Contingent Assets:**

- A** A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- B** Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes to the financial statements. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

**15 Employee Benefits:**

**A Short term obligations:**

Liabilities for wages and salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured by the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**B Long term employee benefits obligations:**

**a Compensated Absences:**

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an actuary.

**b Defined Benefit Plans:**

**Gratuity:**

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods discounting that amount and deducting the fair value of any plan assets.

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an actuary. The Company contributes to the gratuity fund, which are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet.

When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

**ii** Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**c Defined Contribution Plans - Provident Fund Contribution:**

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme and Employees State Insurance are defined contribution schemes. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognized as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, The Company recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

**C Employee Separation Costs:**

The compensation paid to the employees under Voluntary Retirement Scheme is expensed off in the year of payment.

**16 Dividends:**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as liability on the date of declaration by the Company's Board of Directors.

**17 Financial Instruments:**

**a Initial recognition and measurement:**

The Company 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, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

**A Financial Assets:**

**b Subsequent measurement:**

**i 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. When the financial asset is derecognized or impaired, the gain or loss is recognized in the statement of profit and loss.

**ii Financial assets at fair value through other comprehensive income (FVOCI)**

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 and selling financial assets 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit and loss and recognized in other income.

Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognized in OCI are not reclassified to profit and loss.

**iii Financial assets at fair value through profit or loss**

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

**iv Investment in subsidiaries**

Investment in subsidiaries is carried at cost less impairment, if any, in the separate financial statement. The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted in the statement of profit and loss.

**c Derecognition:**

A financial asset [or, where applicable, a part of a financial asset] is primarily derecognized [i.e. removed from the Company's balance sheet] when:

**i** The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

**ii** If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

**d Impairment of financial assets:**

**a** The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through the statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (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 and loss.

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**B Financial Liabilities:**

**a Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**b Subsequent measurement:**

Subsequently all financial liabilities are measured as amortized cost except for loans and borrowings, as described below:

**Loans and borrowings:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the Statement of profit and loss.

**c Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or canceled 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 recognized in the Statement of profit and loss.

**d Embedded derivatives:**

An embedded derivative is a component of a hybrid [combined] instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in Statement of profit and loss, unless designated as effective hedging instruments.

**C Reclassification of financial assets:**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model as been a change

**D Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**18 Fair Value Measurement:**

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:

a In the principal market for the asset or liability, or

b 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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:

a **Level 1** — Quoted [unadjusted] market prices in active markets for identical assets or liabilities

b **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization [based on the lowest level input that is significant to the fair value measurement as a whole] at the end of each reporting period.

**19 Non-Current Assets held for Sale:**

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less cost to sell includes use of management estimates and assumptions. The fair value of the asset held for sale has been estimated using valuation techniques [mainly income and market approach], which include unobservable inputs.

**20 Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**21 Segment Reporting:**

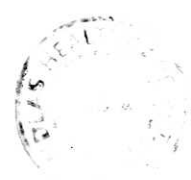
An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the Company's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

The Board of Directors of the Company has been identified as the CODM by the Company.

**22 Cash Flow Statements**

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Company are segregated.

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**WINDLAS HEALTHCARE PRIVATE LIMITED**  
Notes to the Standalone Financial Statements for the year ended March 31, 2020

Note 3: Property, plant and equipment and capital work-in-progress

Particulars	Property, plant and equipment				Capital work-in-progress	
	Freehold Land	Buildings & Roads	Plant and Equipment	Furniture & Fixtures	Office Equipment	Total
<b>Year ended March 31, 2019</b>						
Gross carrying amount	16,412.70	68,919.41	167,130.94	4,388.91	1,390.19	258,042.14
Opening gross carrying amount	121,320.71	3,075.72	5,265.32	466.57	35.51	130,163.83
Additions	-	-	(606.08)	-	-	(606.08)
Disposals	-	-	-	-	-	-
Closing gross carrying amount	137,733.41	71,995.13	171,790.18	4,755.48	1,325.70	387,599.89
<b>Accumulated depreciation and impairment</b>						
Opening accumulated depreciation and impairment	-	7,771.20	37,110.96	1,132.26	527.19	46,541.61
Depreciation charge during the year	-	2,441.27	11,522.61	413.21	203.06	14,580.15
Disposals	-	-	(59.54)	-	-	(59.54)
Closing accumulated depreciation and impairment	-	10,212.47	48,574.23	1,545.47	730.25	61,062.42
<b>Net carrying amount</b>	137,733.41	61,782.66	123,215.95	3,210.01	595.45	326,537.47
<b>Year ended March 31, 2020</b>						
Gross carrying amount	137,733.41	71,995.13	171,790.18	4,755.48	1,325.70	387,599.90
Opening gross carrying amount	-	-	8,500.37	1,068.68	434.80	10,003.86
Additions	-	-	(33.43)	-	-	(33.43)
Disposals	-	-	-	-	-	-
Closing gross carrying amount	137,733.41	71,995.13	180,257.12	5,824.16	1,760.50	397,570.33
<b>Accumulated depreciation and impairment</b>						
Opening accumulated depreciation and impairment	-	10,212.47	48,574.23	1,545.47	730.25	61,062.42
Depreciation charge during the year	-	2,474.32	12,063.05	452.80	243.57	15,233.74
Disposals	-	-	(17.78)	-	-	(17.78)
Closing accumulated depreciation and impairment	-	12,686.79	60,619.49	1,998.27	973.82	76,278.37
<b>Net carrying amount</b>	137,733.41	59,308.34	119,637.63	3,825.90	786.68	321,291.96
<b>As on March 31, 2019</b>	137,733.41	61,782.66	123,215.95	3,210.01	595.45	326,537.47
<b>As on March 31, 2020</b>	137,733.41	59,308.34	119,637.63	3,825.90	786.68	321,291.96

Note 3A: Depreciation & Amortization

Particulars	For the FY 2019-20	For the FY 2018-19
Depreciation on Property, Plant & Equipment (Refer Note:3)	15,233.74	14,580.15
Amortization of Intangible Assets (Refer Note: 3.1)	3,890.37	5,111.44
<b>Total</b>	<b>19,124.11</b>	<b>19,691.59</b>



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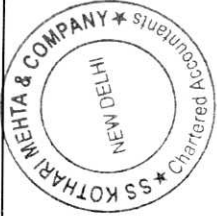
**WINDLAS HEALTHCARE PRIVATE LIMITED**  
Notes to the Standalone Financial Statements for the year ended March 31, 2020

**Note 3.1: Other Intangible assets**

Particulars	INR - Thousands		
	Product Development	Computer software	Total
<b>Year ended March 31, 2018</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	-	9,259.58	9,259.58
Additions	22,413.35	1,129.24	23,542.59
Disposals	-	-	-
<b>Closing gross carrying amount</b>	<b>22,413.35</b>	<b>10,388.82</b>	<b>32,802.17</b>
<b>Accumulated amortization</b>			
Opening accumulated amortization	2,241.34	3,194.81	5,436.15
Amortization charge for the year	2,241.34	-	2,241.34
Disposals	-	-	-
<b>Closing accumulated amortization</b>	<b>4,482.68</b>	<b>3,194.81</b>	<b>7,677.49</b>
<b>Closing net carrying amount</b>	<b>17,930.67</b>	<b>7,194.01</b>	<b>25,124.68</b>
<b>Year ended March 31, 2019</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	22,413.35	10,388.82	32,802.17
Additions	-	80.25	80.25
Disposals	-	-	-
<b>Closing gross carrying amount</b>	<b>22,413.35</b>	<b>10,469.07</b>	<b>32,882.42</b>
<b>Accumulated amortization</b>			
Opening accumulated amortization	2,241.34	3,194.81	5,436.15
Amortization charge for the year	2,241.34	2,870.10	5,111.44
Disposals	-	-	-
<b>Closing accumulated amortization</b>	<b>4,482.68</b>	<b>6,064.91</b>	<b>10,547.59</b>
<b>Closing net carrying amount</b>	<b>17,930.67</b>	<b>4,404.16</b>	<b>22,334.83</b>
<b>Year ended March 31, 2020</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	22,413.35	10,469.07	32,882.42
Additions	-	378.04	378.04
Disposals	-	-	-
<b>Closing gross carrying amount</b>	<b>22,413.35</b>	<b>10,847.11</b>	<b>33,260.46</b>
<b>Accumulated amortization</b>			
Opening accumulated amortization	4,482.68	6,064.91	10,547.59
Amortization charge for the year	2,241.34	1,649.03	3,890.37
Disposals	-	-	-
<b>Closing accumulated amortization</b>	<b>6,724.02</b>	<b>7,713.94</b>	<b>14,437.96</b>
<b>Closing net carrying amount</b>	<b>15,689.34</b>	<b>3,133.17</b>	<b>18,822.51</b>

**Note 3.2: Intangible Assets Under Development**

Particulars	INR - Thousands	
	March 31, 2020	March 31, 2019
Opening gross carrying amount	420,388.52	420,388.52
Additions	-	-
Deletions	-	-
Write off	-	-
<b>Closing gross carrying amount</b>	<b>420,388.52</b>	<b>420,388.52</b>
<b>Net carrying amount</b>	<b>420,388.52</b>	<b>420,388.52</b>



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Windlas Healthcare Pvt. Ltd.				
Notes to Standalone Financial Statements				
			INR - Thousands	
Note: 4-Investments [Non-Current]:	Face Value	Nos.	As at	
			March 31,2020	March 31,2019
Investments in Subsidiaries measured at cost:				
Unquoted				
Investments in Equity Instruments- Windlas Inc	\$1	5000	339.36	339.36
<b>Total</b>			<b>339.36</b>	<b>339.36</b>
Aggregate amount of unquoted investments			<b>339.36</b>	<b>339.36</b>
Note: 5-Other Financial Assets:			March 31,2020	March 31,2019
[Unsecured, Considered Good unless otherwise stated]				
Security Deposits			4,591.20	4,442.20
Bank Balance (FD)			230.26	30.93
<b>Total</b>			<b>4,821.46</b>	<b>4,473.13</b>
Note: 6-Other Non-Current Assets:			March 31,2020	March 31,2019
[Unsecured, Considered Good unless otherwise stated]				
Capital Advances			-	1,272.00
Balances with Statutory Authorities			-	1,272.00
<b>Total</b>			<b>448.04</b>	<b>448.04</b>
			<b>448.04</b>	<b>1,720.04</b>
Note: 7- Current Tax Assets:			March 31,2020	March 31,2019
Tax Deducted at Source			13,820.57	7,731.61
<b>Total</b>			<b>13,820.57</b>	<b>7,731.61</b>
Note: 8-Inventories:			March 31,2020	March 31,2019
[The Inventory is valued at lower of cost and net realizable value]				
Classification of Inventories:				
Raw Materials & Packing Materials			31,229.98	23,688.95
Work-in-progress			4,470.49	794.00
Finished Goods			10,278.99	31.00
Less: Provisions			-	-
Raw material & Packing Material			21,492.80	-
Finished Goods			4,387.81	-
<b>Total</b>			<b>20,098.85</b>	<b>24,513.95</b>

Windlas Healthcare Pvt. Ltd.				
Notes to Standalone Financial Statements				
			INR - Thousands	
Note: 9-Investments [Current]:	Nos.		As at	
			March 31,2020	March 31,2019
Investment (measured at fair value through statement of Profit & loss)				
Investment in Mutual Funds [Quoted-HDFC Overnight Fund]	346066.506		1,023,918.57	-
Investment in Mutual Funds [Quoted- L&T - Direct Plan - Growth] FY 2018-19	352985.851		-	904,205.09
<b>Total</b>			<b>1,023,918.57</b>	<b>904,205.09</b>
Note: 10-Trade Receivables:			March 31,2020	March 31,2019
Unsecured - Considered good			19,438.89	50,566.79
Unsecured - Considered doubtful			12,647.61	-
Less: Impairment allowances			32,086.50	50,566.79
<b>Total</b>			<b>(12,647.61)</b>	<b>-</b>
			<b>19,438.89</b>	<b>50,566.79</b>
Note: 11-Cash and Cash Equivalents:			March 31,2020	March 31,2019
Balances with Banks			188.88	327,908.61
Cash in Hand			139.50	138.30
<b>Total</b>			<b>328.38</b>	<b>328,046.91</b>
Note: 11.1 Bank Balance Other than above			March 31,2020	March 31,2019
Fixed Deposit			-	-
(Original maturity more than 3 months but upto 1 year)			54,237.34	3,437.88
<b>Total</b>			<b>54,237.34</b>	<b>3,437.88</b>
Note: 12-Other Current Financial Assets:			March 31,2020	March 31,2019
[Unsecured, Considered Good]				
Employee Loans and advances			133.53	36.00
Other Current Financial Assets			557.53	-
<b>Total</b>			<b>691.06</b>	<b>36.00</b>
Note: 13-Other Current Assets:			March 31,2020	March 31,2019
[Unsecured, Considered Good]				
Advance to regulatory authorities			3,613.88	-
Balances with Statutory Authorities			38,993.74	32,605.25
Advances to Suppliers			733.20	818.00
Prepaid Expenses			5,428.31	5,913.27
Other			2,302.88	3,055.51
<b>Total</b>			<b>51,072.00</b>	<b>42,392.03</b>

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Windlas Healthcare Pvt. Ltd.			
Notes to Standalone Financial Statements			
		INR - Thousands	
		March 31, 2020	March 31, 2019
<b>Note: 14-Equity Share Capital:</b>			
<b>Issued, Subscribed and Paid-up:</b>			
<b>Authorised Shares</b>			
475,00,000 (March 31, 2019 475,00,000) Equity Shares of ₹10 each (March 31, 2019 ₹ 10 each)		475,000.00	475,000.00
2,05,00,000 Optional Convertible Preference Shares of ₹10 each		205,000.00	205,000.00
		680,000.00	680,000.00
<b>Issued, Subscribed &amp; Fully Paid up Shares</b>			
472,11,667 (March 31, 2019 472,11,667) Equity Shares of ₹10 each (March 31, 2019 ₹ 10 each)		472,116.67	472,116.67
<b>Total subscribed and fully paid up share capital</b>		472,116.67	472,116.67
<b>Terms/ rights attached to Equity Shares</b>			
The Company has only one class of Equity Shares having a par value of ₹10 per share (Previous Year ₹ 10 per share). Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.			

**Reconciliation of shares outstanding at the beginning and at the end of**

Particulars	Equity Shares (In No.)		Equity Shares (INR - Thousand)	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Shares outstanding at the beginning of the period	47,211,667.00	10,184,400.00	472,116.67	101,844.00
Add: Shares issued during the year	-	37,027,267.00	-	370,272.67
Shares outstanding at the end of the period	47,211,667.00	47,211,667.00	472,116.67	472,116.67
Particulars	Preference Shares (In No.)		Preference Shares (INR - Thousand)	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Shares outstanding at the beginning of the period	-	12,949,317.00	-	129,493.17
Add: Shares issued during the year	-	-	-	-
Less: Converted into equity shares	-	(12,949,317.00)	-	(129,493.17)
Shares outstanding at the end of the period	-	-	-	-

**Details of shareholders holding more than 5% shares in the Company**

Name of Shareholder	As at		As at	
	March 31, 2020		March 31, 2019	
	No of Shares	% of Holding	No of Shares	% of Holding
<b>Equity Shares</b>				
Windlas Biotech Private Limited	23,133,717	49	23,133,717	49
Cadila Healthcare Limited	24,077,950	51	24,077,950	51

Windlas Healthcare Pvt. Ltd.			
Notes to Standalone Financial Statements			
		INR - Thousands	
		March 31, 2020	March 31, 2019
<b>Note: 15-Other Equity:</b>			
<b>Other Reserves:</b>			
<b>Capital Reserve</b>			
Balance as per last Balance Sheet		3,000.00	3,000.00
Add: Additions during the year		-	-
Less: Deletions during the year		-	-
Balance as at the year end		3,000.00	3,000.00
Capital reserve was created under the previous GAAP as amount received from government for setting up factory in Uttarakhand			
<b>Security Premium</b>			
Balance as per last Balance Sheet		2,130,254.07	815,533.57
Add: Additions during the year		-	1,314,720.50
Less: Deletions during the year		-	-
Balance as at the year end		2,130,254.07	2,130,254.07
Securities premium account represents premium received on issue of shares. The account is utilized in accordance with the provisions of the Companies Act, 2013			
<b>Retained Earnings:</b>			
Balance as per last Balance Sheet		(540,898.10)	(439,405.23)
Add: Loss for the year		(144,572.70)	(101,492.87)
Balance as at the end of the year		(685,470.80)	(540,898.10)
<b>Total</b>		1,447,783.27	1,592,355.97

Windlas Healthcare Pvt. Ltd.			
Notes to Standalone Financial Statements			
		INR - Thousands	
		March 31, 2020	March 31, 2019
<b>Note: 16-Provisions:</b>			
Provision for Employee Benefits		4,923.32	6,740.15
<b>Total</b>		4,923.32	6,740.15
<b>Note: 17-Trade Payables:</b>			
(a) total outstanding dues of micro enterprises and small enterprises*		2,164.15	578.00
(b) total outstanding dues for creditors other than micro enterprises and small enterprises		17,330.73	34,185.68
<b>Total</b>		19,494.88	34,763.68
<b>Note: 18-Other Financial Liabilities:</b>			
Accrued Expenses		7,979.27	11,589.02
Payable for Capital Goods		221.07	572.80
Others		5,677.58	3,661.80
<b>Total</b>		13,877.92	15,823.62
<b>Note: 19-Other Current Liabilities:</b>			
Contract Liabilities		-	9,743.38
Payable to Statutory Authorities		2,512.35	7,637.85
<b>Total</b>		2,512.35	17,381.23
<b>Note: 20-Provisions:</b>			
Provision for Employee Benefits		1,742.80	806.00
<b>Total</b>		1,742.80	806.00

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**Windlas Healthcare Pvt. Ltd.**  
**Notes to Standalone Financial Statements**

	INR - Thousands	
	For the period Ended	
	March 31,2020	March 31,2019
<b>Note: 21-Revenue from Operations:</b>		
Sale of Products	106,892.32	224,159.07
Other Operating Revenues:		
Sale of services	33,259.29	82,679.98
<b>Total</b>	<b>33,259.29</b>	<b>82,679.98</b>
	<b>140,151.61</b>	<b>306,839.05</b>
<b>Revenue from contracts with customers disaggregated based on nature of product or services</b>		
Sale of Pharmaceutical Product	106,892.32	224,159.07
Sale of Services related to Pharmaceutical	33,259.29	82,679.98
<b>Total</b>	<b>140,151.61</b>	<b>306,839.05</b>
<b>Revenue from contracts with customers disaggregated based on geography</b>		
India	87,472.42	93,718.17
Outside India	52,679.19	213,120.88
<b>Total</b>	<b>140,151.61</b>	<b>306,839.05</b>
(Refer Note : 29)		
<b>Note: 22-Other Income:</b>	March 31,2020	March 31,2019
Finance Income:		
Interest Income on Financial Assets measured at Amortised Cost	15,502.00	8,228.93
Gain on Investments measured at FVTPL	2,880.55	25,908.49
Miscellaneous Income	16,668.64	8,319.77
Provision/Miscellaneous Balance Written back	12,129.51	5,341.47
Sale of Scrap	334.01	-
Net Gain on foreign currency transactions and tran	-	-
Gain on sale of property, plant and equipment	2,981.68	43.26
Other Non-operating Income	-	-
<b>Total</b>	<b>51,005.53</b>	<b>1,031.77</b>
	<b>101,501.92</b>	<b>48,873.69</b>
<b>Note: 23-Cost of Materials Consumed:</b>	March 31,2020	March 31,2019
Raw Materials (including packing material):		
Inventories at the beginning of the financial year	23,688.95	69,473.53
Add Purchases	103,387.12	127,094.04
	127,076.07	196,567.57
Less: Inventories at the end of financial year	31,229.98	23,688.95
<b>Total</b>	<b>95,846.09</b>	<b>172,878.62</b>
<b>Note: 24-Changes in Inventories:</b>	March 31,2020	March 31,2019
Inventories at the beginning of the financial year		
Work-in-progress	794.00	14,641.33
Finished Goods	31.00	1,022.40
	825.00	15,663.73
Less: Inventories at the end of financial year		
Work-in-progress	4,470.49	794.00
Finished Goods	10,278.99	31.00
<b>Total</b>	<b>14,749.48</b>	<b>825.00</b>
	<b>(13,924.48)</b>	<b>14,838.73</b>
<b>Note: 25-Employee Benefits Expense:</b>	March 31,2020	March 31,2019
Salaries and wages*	166,896.16	159,057.57
Contribution to provident and other funds [*]	8,136.32	7,861.78
Staff welfare expenses	1,105.42	1,011.64
<b>Total</b>	<b>176,137.90</b>	<b>167,930.99</b>
* Including Directors Remuneration		

**Windlas Healthcare Pvt. Ltd.**  
**Notes to Standalone Financial Statements**

	INR - Thousands	
	March 31,2020	March 31,2019
<b>Note: 26-Finance Cost:</b>		
Interest on financial liabilities measured at amortised cost	-	10,596.72
Bank commission & charges	-	1,608.05
<b>Total</b>	<b>-</b>	<b>12,204.77</b>
<b>Note: 27-Other Expenses:</b>	March 31,2020	March 31,2019
Power & fuel	22,478.52	18,553.49
Repairs to Buildings	1,338.44	2,307.30
Repairs to Plant and Machinery	12,427.24	11,266.61
Repairs to Others	897.59	1,257.45
Insurance	1,665.05	282.92
Rates and Taxes [excluding taxes on income]	5,937.56	3,133.83
Processing Charges	236.14	-
Traveling Expenses	1,607.50	1,546.10
Legal and Professional Fees	8,860.59	11,264.36
Payment to Auditors		
- As statutory auditor	1,105.63	850.00
- For other certifications	260.00	30.00
Net Loss on foreign currency transactions and tran	-	778.86
Freight and forwarding on sales	3.85	35.71
Other marketing expenses	888.66	125.20
Bad Debts:		
Bad debts written off	194.42	-
Provision for Bad Debts	12,647.60	-
Directors' fees	400.00	-
Other provisions	25,880.61	-
Interest on delayed payments	63.37	-
Other Administrative Expenses	11,647.82	17,923.25
Other Bank charges	177.34	-
<b>Total</b>	<b>108,717.93</b>	<b>69,355.08</b>

*Handwritten signatures and initials: e, U, J, AL*



**Note: 28- EARNING PER SHARE**

Particulars	INR - thousands	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Net Profit for Basic & Diluted EPS	(144,248.02)	(101,187.04)
Number of Equity Shares at the beginning of the year	47,211,667.00	10,184,400.00
Issue of Shares-I (23rd Aug 2018)	-	12,949,317.00
Sub-division of Equity Shares @ ₹ 10 each	-	-
Issue of Shares-II (22nd Oct 2018)	-	24,077,950.00
Total Number of Shares outstanding at the end of the year	<b>47,211,667.00</b>	<b>47,211,667.00</b>
Preference Shares issued during the year *	-	-
Weighted Average number of Equity Shares outstanding during the year - Basic	<b>47,211,667.00</b>	<b>28,183,861.25</b>
Weighted Average number of Equity Shares outstanding during the year - Diluted	<b>47,211,667.00</b>	<b>28,183,861.25</b>
<b>Earning Per Share - Basic (₹)</b>	(3.06)	(3.59)
<b>Earning per share - Diluted (₹)</b>	(3.06)	(3.59)
<b>Face value per share (₹)</b>	10.00	10.00

\* The Preference shares issued and converted into equity during last year.

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**Note: 29 - Segment information****Information about Operating Segment**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments are based on the company's management and internal reporting structure. The Company has evaluated the applicability of segment reporting and has concluded that since the Company is operating in the field of "Pharmaceutical" in the domestic and export markets and the CODM reviews the overall performance of the Pharmaceutical business, accordingly the Company has one reportable business segment viz. "Pharmaceutical".

**Information above Revenue**

Particulars	INR - Thousands	
	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Sale of Products	106,892.32	224,159.07
Sale of services	33,259.29	82,679.98
<b>Total</b>	<b>140,151.61</b>	<b>306,839.05</b>

**Geographical Areas**

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table

Particulars	INR - Thousands	
	For the Year ended March 31, 2020	For the Year ended March 31, 2019
India	87,472.42	93,718.17
Outside India	52,679.19	213,120.88
<b>Total</b>	<b>140,151.61</b>	<b>306,839.05</b>

The Non-current assets (other than financial instruments and deferred tax assets) are located in India.

**Information about major customers**

The Company have 4 customers contributing more than 10% to its revenues for the Financial Year 2019-20 & 2018-19.

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**Note: 30 - Provisions**

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

**(i) Defined contribution plans****Employees Provident Fund**

In accordance with the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees are entitled to receive benefits under the Provident Fund. Employers and employees both contribute @12% of wages in contribution accounts. Further, the employers also contribute towards administration of the benefits under the EPF Act. All employees have an option to make additional voluntary contributions as permissible under the Act. These contributions are made to the fund administered and managed by the Employee Provident Fund organization. The Company has no further obligations under the fund managed by the Employee Provident Fund Organization (EPFO) beyond its monthly contributions which are charged to the statements of profit or loss in the period they are incurred. The benefits are paid to employees on their retirement or resignation from the EPFO. Employee State Insurance: The Company makes prescribed monthly contributions towards Employees State Insurance Scheme.

The Company has recognized an expense of Rs. 1922 Thousands (Previous Year Rs. 6627 Thousand ) towards the defined contribution plan.

**(ii) Defined Benefit plans****Gratuity Plan**

In accordance with the Payment of Gratuity Act of 1972, the Company contributes to a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to the employees at the time of retirement or resignation (after 5 years of continued services of employment), being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Based on actuarial valuations conducted as at year end, a provision is recognized in full for the benefit obligation over and above the funds held in the Gratuity Plan. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

**Leave Encashment**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit and loss.

**Defined Benefits Plans & Long Term Employee Benefit - as per actuarial valuation**

INR - Thousands

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Non-Funded	Funded	Non-Funded
<b>Change in present value of obligation during the year</b>				
Present value of obligation at the beginning of the year	7,947.39	7,546.15	6,102.95	6,731.54
- Current Service Cost	1,922.00	2,496.83	1,939.88	2,021.72
- Interest Cost	728.76	735.53	469.32	517.66
- Acquisition cost	-	-	-	-
Actuarial loss/(gains) on Obligation	85.29	2,367.16	(410.88)	(1,724.77)
Benefits Paid	(3,489.44)	(6,479.54)	(153.88)	-
<b>Present Value of obligation as at year-end</b>	<b>7,194.00</b>	<b>6,666.12</b>	<b>7,947.39</b>	<b>7,546.15</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit & loss.

INR - Thousands

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Non-Funded	Funded	Non-Funded
<b>Change in Fair Value of Plan Assets during the year</b>				
Plan assets at the beginning of the year	11,002.90	-	8,670.10	-
Expected Return on Plan Assets	600.13	-	561.68	-
Employer's contribution	1,383.28	-	1,925.00	-
Benefits paid	(3,489.44)	-	(153.88)	-
<b>Plan assets at the end of the year</b>	<b>9,496.87</b>	<b>-</b>	<b>11,002.90</b>	<b>-</b>

**Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets**

INR - Thousands

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Non-Funded	Funded	Non-Funded
Present Value of obligation as at year-end	7,194.00	6,666.12	9,791.83	7,546.15
Fair value of plan assets at year -end	9,496.87	-	11,002.90	-
<b>Funded status {Surplus/(Deficit)}</b>	<b>2,302.88</b>	<b>(6,666.12)</b>	<b>1,211.07</b>	<b>(7,546.15)</b>

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Stamp: S S KOTHARI MEHTA & COMPANY, NEW DELHI, Chartered Accountants.

Expenses recognized in the Statement of Profit and Loss

INR - Thousands

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Non-Funded	Funded	Non-Funded
Current Service Cost	1,922.00	2,496.83	1,939.88	2,021.72
Interest Cost	728.76	735.53	(197.41)	517.66
Past service Cost	-	-	-	-
Expected return on plan assets	(839.52)	-	-	-
Actuarial (Gain) / Loss	-	2,367.16	-	(1,724.77)
<b>Total Expenses</b>	<b>1,811.24</b>	<b>5,599.52</b>	<b>1,742.47</b>	<b>814.61</b>

Expenses recognized in the Statement of Other Comprehensive Income

INR - Thousands

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Non-Funded	Funded	Non-Funded
Net Actuarial (Gain)/Loss	(324.68)	-	305.83	-

Bifurcation of Planned benefit Obligation at the end of the year

INR - Thousands

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Non-Funded	Funded	Non-Funded
Current Liability	-	1,742.80	636.43	806.00
Non-Current Liability	7,194.00	4,923.33	7,310.97	6,740.14

Actuarial Assumptions

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Non-Funded	Funded	Non-Funded
Discount Rate	6.30%	6.30%	7.63%	7.63%
Mortality Table	100% of IALM 2012-14 Ultimate	100% of IALM 2012-14 Ultimate	100 % of IALM 2006-08 Ultimate	100 % of IALM 2006-08 Ultimate
Salary Growth Rate	6.00%	6.00%	7.00%	7.00%

Expected Contribution for Next Financial Year

The expected contribution for Defined Benefit Plan for the next financial year will be Rs. 1742.80 (in Thousands)

The Estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary. The Actual return on plan Assets for the year and estimate of contribution for the next year as per Actuarial Valuation is as under: -

Experience Adjustment:

INR - Thousands

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Gratuity</b>		
Present Value of obligation	7,194	7,947
Fair value of Plan assets	9,497	11,003
Net Asset/(Liability)	<b>2,303</b>	<b>3,056</b>
Actuarial (Gain)/Loss on plan obligation	85	(411)
Actuarial Gain/(Loss) on plan assets	239	106
<b>Leave Encashment</b>		
Present Value of obligation	6,666	7,546
Fair value of Plan assets	-	-
Net Asset/(Liability)	<b>(6,666)</b>	<b>(7,546)</b>
Actuarial (Gain)/Loss on plan obligation	2,367	(1,725)
Actuarial Gain/(Loss) on plan assets	-	-

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**Sensitivity Analysis  
Gratuity**

INR - Thousands

Particulars	Year ended March 31, 2020	
	Increase	Decrease
Discount rate ( 1 % movement)	(247.30)	266.06
Future salary growth ( 1% movement)	(240.27)	252.14
Withdrawal rate ( 1 % movement )	(37.23)	37.86

**Leave Encashment**

INR - Thousands

Particulars	Year ended March 31, 2020	
	Increase	Decrease
Discount rate ( 1 % movement)	(204.00)	218.80
Future salary growth ( 1% movement)	217.32	(206.43)
Withdrawal rate ( 1 % movement )	202.63	(2.82)

**Maturity Profile of Gratuity**

INR - Thousands

Particulars	Year ended March	Year ended March
	31, 2020	31, 2019
Within next 12 Months	1,536.47	636.43
Between 2 - 5 Years	4,405.21	2,986.16
Beyond 5 Years	2,408.31	11,595.30

**Description of Risk Exposures:**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

The plan assets of "Gratuity Fund" are managed by the Life Insurance Corporation of India. The management of 100% of the funds for Gratuity is entrusted with the Life Insurance Corporation of India.

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**NOTES TO FINANCIAL STATEMENTS**

**Note: 31- THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006**

The information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

Particulars	INR - Thousands	
	As at March 31, 2020	As at March 31, 2019
a) Principal amount and interest due thereon remaining unpaid to any supplier	2,164.15	578.00
b) Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d) The amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-
<b>Total</b>	<b>2,164.15</b>	<b>578.00</b>

**Note: 32- FINANCIAL INSTRUMENTS**

**Financial Instruments by Category**

**(a) Financial Assets**

Particulars	INR - Thousands	
	As at March 31, 2020	As at March 31, 2019
	Carrying Amount	Fair Value
<b>Financial assets measured at amortised cost</b>		
a) Cash & Cash Equivalents	328.38	328.38
b) Trade receivables	19,438.89	19,438.89
c) Loans	-	4,442.20
d) Other Financial Assets	59,749.86	59,749.86
<b>Total</b>	<b>79,517.13</b>	<b>79,517.13</b>

**Financial assets measured at fair value through Profit & Loss**

Particulars	INR - Thousands	
	As at March 31, 2020	As at March 31, 2019
	Carrying Amount	Fair Value
Investments	1,023,918.57	1,023,918.57
<b>Total</b>	<b>1,023,918.57</b>	<b>1,023,918.57</b>

**(b) Financial Liabilities**

Particulars	INR - Thousands	
	As at March 31, 2020	As at March 31, 2019
	Carrying Amount	Fair Value
<b>1. Financial liability measured at amortised cost</b>		
a) Trade Payables	19,494.88	19,494.88
b) Other Financial Liabilities	13,877.92	13,877.92
<b>Total</b>	<b>33,372.79</b>	<b>33,372.79</b>

The fair value of cash and cash equivalents, bank balances other than Cash and cash equivalents, trade receivables, trade payables and current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments. The change in the Fair Value of Non-Current Financial Asset and Liability is insignificant and hence carrying value and fair value is taken same.

**Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Particulars	INR - Thousands		
	As at March 31, 2020	As at March 31, 2019	
	Level 1	Level 2	Level 3
Financial assets			
Investment in mutual funds	1,023,918.57	-	-
<b>Total</b>	<b>1,023,918.57</b>	<b>-</b>	<b>904,205.09</b>

**Fair value hierarchy**

The table shown above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:



**Note 33:- FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

**Note 33.1:- Financial Risk Management Framework**

The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors has the overall responsibility for the management of these risks. The Company has the risk management policy and system in place and are reviewed regularly to reflect changes in market condition and company's activities. The Company's Board of Director monitors compliance with the risk management policy in procedure and reviews the adequacy of risk management framework in relation to the risk faced by the Company

**I. MARKET RISK**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate, interest rate and other price related risks. Financial instruments affected by market risk include investments, deposits, etc. 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.

**a. Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$ and EURO. The Company's operations in foreign currency creates natural foreign currency hedge. No hedging has been done by Company as the net exposure of open item is insignificant. Refer note -41 for exposure in foreign currency.

**Sensitivity Analysis:**

	INR - Thousands	
	Profit / Loss Net of Taxes 2019-2020	2018-2019
Effect in INR (1% Movement)		
Increase in Exchange Rate (USD)	125.76	245.65
Increase in Exchange Rate ( EURO)	-	(0.23)
Decrease in Exchange Rate (USD)	(125.76)	(245.65)
Decrease in Exchange Rate (euro)		0.23

**b. Interest Rate Risk**

As on March 31, 2020, The Company has not availed borrowings. The company's investments are primarily in Fixed Deposits which are short-term in nature. Hence, the company is not exposed to interest rate risk.

**c. Investment Risk**

Though, the entire investment of the Company is for short term purpose and that too is in Debt Mutual Fund/s which is classified in the balance sheet at fair value through profit & loss., the Mutual Fund investments susceptible to market prices mainly arising from changes in the interest rate or market yields which may impact the return and value of such investments in short term basis. The Company limits its exposure to credit risk by generally investing in liquid debt securities and only with counterparties that have a good credit rating. The Company does not expect any significant losses from non performance by these counter-parties, and does not have any significant concentration of exposure to specific industry sector.

**II. CREDIT RISK**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risk. The company reviews the credit-worthiness of its customers based on their financial position, past experience and other factors. The credit risk related to the trade receivables is mitigated by setting appropriate payment terms and credit period, and by setting and monitoring internal limits on exposure to individual customers. The company regularly monitors its counterparty limits that are reviewed and approved by the management to control its credit risk. The concentration of credit risk is relatively higher, however the credit risk is low as the customers have good credit ratings. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 19438.89 (Rs. in Thousand) and Rs. 50566.79 (Rs. in Thousand) as on March 31, 2020 and March 31, 2019 respectively. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. the Company computes an allowance for impairment of trade receivables based on a simplified approach.

Financial assets are written off when there is no reasonable expectation of recovery. Whereas the loans and receivables has written off and subsequently recoveries are made, these are recognized as an income in the financial statements.

**Credit risk exposure**

Credit risk from balances with banks and other financial instruments is managed by Company in accordance its policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.






**Ageing Analysis of Trade Receivables**

Particulars	INR - Thousands	
	As at March 31, 2020	As at March 31, 2019
Up to 30 Days	14,065.40	40,376.06
31 to 180 days	8,660.07	10,190.73
181 to 365 days	8,088.74	-
Above 365 days	1,272.30	-
<b>Total</b>	<b>32,086.49</b>	<b>50,566.79</b>
Less: Allowance for Bad & Doubtful Debts	12,647.61	-
<b>Net Trade Receivables</b>	<b>19,438.89</b>	<b>50,566.79</b>

**III. LIQUIDITY RISK**

Liquidity risk arises when the Company will not be able to meet its present and future cash and collateral obligations. The risk management action focuses on the unpredictability of financial markets and tries to minimize adverse effects. The Company manages Liquidity Risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows and by matching the maturity profiles of Financial Assets and Liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2020:

Particulars	INR - Thousands		
	Carrying Amount	Less than 1 year	More Than 1 Year
Trade payables	19,494.88	15,909.61	3,316.41
Other financial liabilities - Current	13,877.92	13,877.92	-
Other financial liabilities - Non-Current	-	-	-
<b>Total</b>	<b>33,372.79</b>	<b>29,787.53</b>	<b>3,316.41</b>
			<b>33,103.93</b>

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

Particulars	INR - Thousands		
	Carrying Amount	Less than 1 year	More Than 1 Year
Trade payables	34,763.68	34,763.68	-
Other financial liabilities - Current	15,823.62	15,823.62	-
Other financial liabilities - Non-Current	-	-	-
<b>Total</b>	<b>50,587.30</b>	<b>50,587.30</b>	<b>-</b>
			<b>50,587.30</b>

**Note 33.2:- Capital Risk Management**

The company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the capital structure. The capital structure of the Company consists of total equity issued capital and all other equity reserves attributable to equity holders. The Company is not subject to any externally imposed capital requirements. The Company's management reviews the capital structure on regular basis. As part of review, the management considered the cost of capital and risk associated with each class of capital. The Company has no outstanding debt as at the end of the reporting period. Accordingly the Company has nil gearing ratio as at March 31, 2020.

**Note 33.3:- Commodity Rate Risk**

Exposure to Market Risk with respect to commodity prices primary arises from the companies purchase of Active Pharmaceutical Ingredients. These are commodity products whose prices may fluctuate significantly over short period of time. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As on March 31, 2020, company had not entered into any material contracts for import or indigenous procurement of raw material.

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**Windlas Healthcare Pvt. Ltd.**

**Note : 34 RELATED PARTY DISCLOSURES**

Related party disclosure, as required by IND -AS 24 is as below

**a) List of Related Parties**

**i Holding Company**

Cadila Healthcare Limited w.e.f 29th October, 2018  
Windlas Biotech Private Limited (Formerly known as Windlas Biotech Limited) upto 29th October, 2018

**ii Entity having significant influence on the Company**

Windlas Biotech Private Limited (Formerly known as Windlas Biotech Limited) w.e.f 29th October, 2018

**iii Subsidiary**

Windlass Inc

**iv Joint Venture**

US Pharma Windlas LLC

**v Key Managerial Personnel :**

Director	Mr. Ashok Kumar Windlass
Managing Director	Mr. Hitesh Windlass
Director	Mr. Sridhar Bhima Rao Dasalukunte
Director	Mr. Harish Rajendra Sadana
Director	Mr. Rajeev Kumar Lamba

**iv) The following transactions were carried out with related parties in the ordinary course of business:**

Party Name	Nature of Transaction	As at March 31, 2020		As at March 31, 2019	
		Transactions during the period	Closing Balance	Transactions during the period	Closing Balance
Windlas Biotech Pvt. Ltd. (Formerly known as Windlas Biotech Limited)	Purchase of goods	-	-	9,789.30	-
	Sale of goods/Job Work Charges	31.86	-	2,880.56	-
	Loans taken & repaid	-	-	120,000.00	-
	Share Capital	-	231,337.17	129,493.17	231,337.17
	Share Premium	-	815,533.57	-	815,533.57
	Interest on loan paid	-	-	2,907.39	-
Cadila Healthcare Limited	Purchase of goods	27,923.53	334.72	7,502.56	8,914.09
	Sale of Raw material	11,248.34	-	-	-
	Product Development Charges	24,810.00	-	9,223.54	-
	Reimbursement of expenses (includes misc. & freight)	30,367.11	73.16	21,341.27	12,231.14
	Share Capital	-	240,779.50	240,779.50	240,779.50
	Amount received as premium against Equity Shares	-	1,314,728.30	1,314,728.30	1,314,728.30
Windlass Inc	Investment	-	339.00	-	339.00
	Service Fees	13,086.02	1,205.79	-	-
Mr. Hitesh Windlass	Managerial Remuneration	8,700.00	496.76	3,695.16	-
Mr. Harish R. Sadana	Sitting Fee	75.00	-	-	-
Mr. Sridhar Bhima Rao Dasalukunte	Sitting Fee	75.00	-	-	-
Mr. Deevyesh J. Radia	Sitting Fee	125.00	-	-	-
Mr. Shirish J. Belapure	Sitting Fee	125.00	-	-	-

**Terms and conditions of transactions with related party.**

The sales and purchases / services rendered to and from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Note: 35- CONTINGENT LIABILITIES & COMMITMENTS**

Particulars	INR - Thousands	
	As at March 31, 2020	As at March 31, 2019
<b>CONTINGENT LIABILITY</b>		
(a) Claims against the company not acknowledged as debt *		
- Payable to UPCL	18,069.38	-

The Company has been assessed and a demand order raised by UPCL for Rs. 18,069.38 thousands against 34% lower billing by UPCL for the period 09/01/2017 to 22/10/2019. So, the company has filed grievance with "Office of the Consumer Grievance Redressal Forum". The matter has been admitted by the forum after 20% (3613.875 thousands) deposit of the total amount of demand and the forum has granted stay order till the final order of the forum.

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**Note: 36- DERERRED TAX ASSETS**

As a matter of prudence and also having regard to the fact that the company has substantial accumulated carried forward losses and unabsorbed depreciation, the Company has not created deferred tax assets as it is not probable that taxable profit will be available against which the deferred tax assets can be utilized.

**Note: 37- UNHEDGED FOREIGN CURRENCY EXPOSURE**

All financial and derivative contracts entered into by the Company are for hedging purposes.

It is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Foreign currency exposure that are not hedged by derivative or forward contracts as at Balance Sheet Date.

Particulars	Currency	INR - Thousands			
		As at March 31, 2020		As at March 31, 2019	
		In Foreign Currency	In INR	In Foreign Currency	In INR
1. Term loan	USD	-	-	-	-
2. EEFC Account	USD	4.21	317.52	40.82	2,823.06
3. Import Creditors (Net)	USD	-	-	13.26	917.21
	EURO	-	-	0.29	22.54
4. Export Debtors	USD	162.65	12,258.57	327.58	22,659.42

In the opinion of the Management and to the best of their knowledge and belief, the value on realization of loans, advances and other current assets, in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet and provisions has been made for all known liabilities.

**Note: 38- Disinvestment of Cadila Healthcare Limited**

In the month of April, 2020 Cadila Healthcare Limited (Parent Company) sold its 51% shares held in the Windlas Healthcare Pvt Ltd to Windlas Biotech Pvt Ltd. and therefore April, 2020 onwards the Windlas Biotech Pvt Ltd became the parent company and 100% shareholder of the Windlas Healthcare Pvt Ltd.

**Note: 39- Covid 19 Pandemic**

The World Health Organisation [WHO] declared Covid-19 to be a global pandemic in March 2020. Majority of the countries across the globe were into lockdown situation all throughout April 2020 and major part of May 2020, impacting business operations across various sectors with severe restrictions on movement of people and goods.

The Company has implemented several initiatives across its manufacturing and other business locations including allowing work from homes, social distancing at work places and proper sanitization of work places etc. for ensuring safety of its employees and continuity of its business operations with minimal disruption. The Company operates in manufacturing and selling of pharmaceutical products, which are classified as essential commodities and hence its operations continued to be run with fewer challenges on people movement and supply chain.

As per the current assessment of the situation based on the internal and external information available up to the date of approval of these financial results by the Board of Directors, the Company believes that the impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results and the Company will closely monitor any material changes to the economic environment and their impact on its business in the times to come.

**Signatures to the Notes to Accounts**

As per our separate report of even date attached

For S. S. Kothari Mehta & Co.  
Chartered Accountants  
Firm Reg. No. 0007591

Yogesh K Gupta  
Partner  
M. No.: 93214  
Place: New Delhi

Date: June 18, 2020



For and on behalf of the Board of Directors

Chandra Prakash  
Director  
DIN: 08347603

Upendra Dubey  
Company Secretary

Ashish Jain  
Director  
DIN: 03495680

Kailash Badoni  
Chief Financial Officer

