

SAVA HEALTHCARE LIMITED

**Address - Sava House, 2nd Floor, Lalwani Plaza B Wing, Sakorenagar,
New Airport Road, Viman Nagar, Pune - 411014.**

F.Y 2020-2021

Statutory Auditor

**Sachin Gogave & Co.
(Chartered Accountants)**

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Sachin Gogave & Co. (Chartered Accountants)

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Independent Auditor's Report

To

The MEMBERS OF

SAVA HEALTHCARE LIMITED

Report on the Audit of the Standalone Financial Statements.

Qualified Opinion

We have audited the accompanying standalone financial statements of SAVA HEALTHCARE LIMITED ("the Company") which comprises the Balance Sheet as on 31 March, 2021 the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, in our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid 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 accounting principles generally accepted in India of the state of affairs of the Company as at **31-Mar-2021**, and its Profit for the year ended on that date.

Basis for Qualified 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.



1. We draw attention to Note No. 45 of the standalone financial statements regarding the balances of Trade Payables, Trade Receivables, Other Payables, Other Receivables, payable from/to erstwhile owners and other loans and advances and liabilities and employees advance receivables/payables, as the case may be, which are subject to confirmation and subsequent realization & paid.
2. The balances of Sales Tax, Service Tax are subject to reconciliations with respect to returns filed by the Company with respective authorities.
3. **Inventory :**
 - 3.1 As per Note No.19, of the standalone financial statements, we have relied on the manufactured finished goods inventory valuation as certified by the Management as on March 31, 2021.
4. Certain advances for materials, services, expenses and capital goods aggregating to Rs.1,02,59,360/- were outstanding as on 31/03/2021. The confirmations from parties to whom these advances are given have not been made available. Out of such advances, provision for doubtful advances should be recognized in respect of advances, outstanding for a period of three years or more where no movement has taken place and no confirmations are available. Adjustments, if any, are not ascertainable and will be provided on identification of such parties.

Emphasis of Matter

- a. The Company holds investment of Rs.10,97,01,000/- in the equity shares of Sava Medica Limited (a subsidiary company) and loans and advances made to the same company is Rs.28,08,90,459/- (net). The net worth of the Company has eroded and there is a possible permanent diminution in carrying this investment and loans at cost. However, Company considers its investment in and loans to Sava Medica Limited as strategic and long term in nature and accordingly, the management has not provided for any diminution.
- b. The Company has a liaison office in Socialist Republic of Vietnam (SRV). In absence of the necessary details, we cannot comment in the respect of statutory compliance if any in SRV. The impact of the same on the standalone financial statements cannot be quantified. – certificate required
- c. Security deposit for tender amounting Rs.29,10,189/- lying with company for more than 3 years and for which balance are subject to confirmation.



Management's Responsibility for the Standalone 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 Statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 Act, 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report



because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Act, 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, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
 - d) Except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, in our opinion the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act;
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in "**Annexure B**". Our report expresses an disclaimer of opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) 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 directors during the year is in accordance with the provisions of section 197 of the Act.



- h) 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-33 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There is no such amount that required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Sachin Gogave & Co.

Chartered Accountants

Firm Registration No: 131367W


CA Sachin Gogave

Proprietor

Membership No.: 136781

UDIN: **21136781AAAAFQ7468**



Place: Pune

Date: 5TH August 2021

ANNEXURE - A TO AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of Sava Healthcare Ltd, on the financial statements for the period ended March 31, 2021, we report that:

- (i)
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) During the year, the Company has not physically verified any of its fixed Assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties of the Company are held in the old names of the Company viz ,Anagha Pharma Private Limited & Sava Private Limited.
- (ii) The inventories, except stocks lying with third parties, have been physically verified by the management during the year. According to the information and explanations given to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) During the year, the Company has not granted any loan, secured or unsecured, to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- In respect of the existing loans with related parties as at the Balance Sheet date, there is no formal agreement in place which stipulates term, interest and repayment details and hence in the absence of information we are not able to express our opinion on said matter.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.



- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under with regards to the deposits accepted.

According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this respect.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant as prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, in respect of manufacture of products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Income-Tax, GST, duty of customs, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There was no undisputed amounts payable in respect of Provident Fund, Income-Tax, duty of customs, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, the particulars of dues of Income tax & Sales tax as at 31 March, 2021 which has not been deposited on account of disputes are as follows:
- (i) The company has pending dispute under appeal with Sales Tax Authority for financial year 2011-12 amounting Rs.56,34,887/- in the forum of Commercial Tax officer, (10 Unit-02, Surendranagar & for which stay has been granted from respective authority.
- (ii) The company has pending dispute under appeal with Sales tax authority for Financial year 2012-13 amounting Rs.2,39,71,744/- in the forum of Deputy Commissioner of Commercial Tax, Gujarat & for which stay has been granted from respective authority.
- (viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to financial institutions and



banks. The Company does not have any loans or borrowings from the Government or dues to debenture holders during the year.

- (ix) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Term loans availed during the year have been utilized for the purpose they were raised.
- (x) According to the information and explanation given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year nor have we been informed of such instances by the management.
- (xi) The Company is required to constitute Nomination and Remuneration Committee under the provisions of the Act. The managerial remuneration paid during the year has not been ratified.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, paragraph 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 records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (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, paragraph 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.



For Sachin Gogave & Co.

Chartered Accountants

Firm Registration No: 131367W


CA Sachin Gogave

Proprietor

Membership No.: 136781

UDIN: 21136781AAAAFQ7468



Place: Pune

Date: 05th August 2021

ANNEXURE - B TO THE AUDITORS' REPORT

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

We were engaged to audit the internal financial controls over financial reporting of Sava Healthcare Ltd (Amalgamated) ("the Company") as of 31 March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective 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 audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;



- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Disclaimer of Opinion

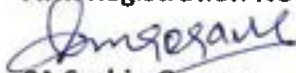
According to the information and explanation given to us, the Company is in process of establishing and documenting its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2021.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer does not affect our opinion on the standalone financial statements of the Company.

For Sachin Gogave & Co.

Chartered Accountants

Firm Registration No : 131367W


CA Sachin Gogave

Proprietor

Membership No.: 136781

UDIN: 21136781AAAAFQ7468

Place: Pune

Date: 5th August 2021



1. Company overview

Sava Healthcare Limited (herein after called as 'the Company') was incorporated in 2004. The registered office of the Company is in Surendranagar, Gujarat. The Company is engaged in the business of manufacturing and trading of wide range of pharmaceuticals products.

2. Significant accounting policies

i. Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting, in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards prescribed in the Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable. The financial statements are presented in Indian rupees and rounded off to the nearest rupee.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for change in presentation and disclosure of financial statements explained in note 2.ii below.

ii. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenditure during the reporting period. Actual results may differ from these estimates and such differences are recognised in the period in which the results are known/ materialize. Any revision to accounting estimates is recognised prospectively in the current and future periods.

iii. Operating cycle

Based on the nature of manufacturing activities and services rendered and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle to be less than 12 months, for the purpose of current – non-current classification of assets and liabilities.

iv. Property, plant and equipment

Property, plant and equipment are stated at acquisition less accumulated depreciation / amortisation and provision for impairment, if any. Cost includes inward freight, duties, taxes and other incidental expenses related to the acquisition, construction and installation of the property, plant and equipment.

Depreciation on property, plant and equipment is provided on reducing balance method using the rate arrived at based on useful life prescribed under Part C of Schedule II to the Act or as estimated by the management.



(Currency - Indian Rupees)

Property, plant and equipment where useful life differs from those prescribed under Part C of Schedule of the Act:

Assets	Estimated Useful Life as per the Management
Plant and Machinery at Surendranagar	25 years

Leasehold land is amortised over the period of lease.

v. Intangible assets and amortization

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured. Intangible Assets include computer software and registered trademarks. The Work in Progress for Intangible assets includes trademarks applied but pending registration. The same will be capitalised on their registration.

Intangible assets are amortised on a straight-line basis over their estimated useful lives except for softwares which are amortized on reducing balance method over their estimated useful lives. The useful life of intangible assets is reviewed by management at each Balance Sheet date.

Assets	Estimated Useful Life as per the Management
Software	5 years
Goodwill	15 years
Formulation & Development	10 years

vi. Impairment of assets

In accordance with Accounting Standard 28 – Impairment of Assets (AS 28), the carrying amounts of the Company's assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indications exist, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is assessed at the recoverable amount subject to a maximum of depreciable historical cost.



vii. Inventories

Inventories are valued at cost or net realizable value whichever is lower. The Company is following First in First out (FIFO) basis except where the material purchased has expiry due before the earlier purchases, First Expiry First out (FEFO) method is used, wherein issues are made based on expiry date of medicines and drugs. Cost of inventory is determined as per FIFO/FEFO basis, as the case may be, and includes expenditure in acquiring the inventories and bringing them to their existing location and condition. In case of work in progress and finished goods, cost includes an appropriate portion of labour and factory overheads. Finished goods inventory includes excise duty payable.

Obsolete, defective and unserviceable inventories including slow moving and near expiry stocks are provided based on technical evaluation.

Net realizable value is the estimated selling price in the ordinary course of the business, less the estimated costs of completion and selling expenses.

Raw material and other supplies held for use in production of inventories are not written down below cost, except in cases where material price have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

viii. Borrowing cost

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such assets are ready for its intended use.

Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

ix. Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Investments are recorded at cost on the date of purchase, which include acquisition charges such as brokerage, stamp duty, taxes, etc. Current Investments are stated at lower of cost and net realisable value. Long-term investments are stated at cost after deducting provisions made, if any, for other than temporary diminution in the value.

x. Revenue recognition

Revenue from sale of goods is recognised when significant risks and rewards of ownership of the products are transferred to the customer. Revenue from sales is net of returns and excludes VAT/sales tax / Excise and applicable trade discounts and allowances. Revenue loan license sales is recognized when goods are dispatched from the factory.

Interest income is recognised on a time proportionate basis taking into account the amount invested and the rate applicable.

Export entitlements are recognised in the Statement of Profit and Loss when the right to receive credit as per the terms of the entitlement is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.



Revenue recognition (continued)

Dividend income on investments is accounted for when the right to receive the payment is established.

xi. Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Operating lease rentals are recognised over the period of the lease in the Statement of Profit and Loss on a straight line basis.

xii. Subsidies and incentives

Capital incentive received is recognised when there is reasonable assurance regarding compliance with the specified conditions and consequent receipt of the grant. Capital Incentive received for expansion project is shown under Capital Reserve under Reserve and Surplus.

xiii. Foreign exchange transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing at the date of the respective transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss of the year.

Monetary assets and liabilities denominated in foreign currency at the Balance Sheet date are translated at the year-end exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

xiv. Employee benefits

i) Short term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognised in the period in which the employee renders the related service.

ii) Post-employment benefits (defined benefit plans)

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation carried out by an independent actuary using the projected unit credit method. Gratuity Liability is funded through a Group Gratuity Scheme with Life Insurance Corporation of India wherein contributions are made and charged to revenue on annual basis. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss.

iii) Post-employment benefits (defined contribution plans)

Contribution to the provident fund and superannuation fund which are defined contribution schemes are recognised as an expense in the Statement of Profit and Loss in the period in which the contribution is due.



Employee benefits (continued)

iv) Long term employee benefits

Long term employee benefits comprise compensated absences. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss.

xv. Earnings per share ('EPS')

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and equivalent potential dilutive equity shares outstanding during the year, except where the results would be anti-dilutive.

xvi. Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- ▶ The technical feasibility of completing the intangible asset so that it will be available for use or sale
- ▶ Its intention to complete the asset
- ▶ Its ability to use or sell the asset
- ▶ How the asset will generate future economic benefits
- ▶ The availability of adequate resources to complete the development and to use or sell the asset
- ▶ The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

xvii. Cash and cash equivalents

Cash and cash equivalents for the purposes of the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less and those having maturity of more than three months but less than twelve months from the balance sheet date are recognised in other short term assets.



xviii. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xix. Taxation

Income-tax comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation and carried forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonable/ virtually certain (as the case may be) to be realised.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

xx. Provisions and contingencies

A provision is recognised in the Balance Sheet, when the Company has a present obligation as a result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation, in respect of which a reliable estimate of the amount of the obligation can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure by way of a contingent liability is made when there is a possible obligation or present obligation that may, but probably will not; require an outflow of economic resources. Where there is a possible obligation in respect of which the likelihood of outflow of economic resources is remote, no provision or disclosure is made.



SAVA Healthcare Limited

CIN : U51397GJ2004PLC074963

Reg. office: Shed No.508, GIDC 2, Wadhwan City, Surendranagar, Gujarat-363035 India

Corporate office: Sava House, Off New Airport Road, Viman Nagar, Pune-411014, India

Balance Sheet as at 31 March 2021

(Currency - Indian Rupees)

Particulars	Notes	31-Mar-21	31-Mar-20
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	48,00,100	39,14,100
Reserves and surplus	4	1,46,97,15,670	98,89,14,802
		1,47,45,15,770	99,28,28,902
Share application money pending for allotment	5	-	-
Non-current liabilities			
Long-term borrowings	6	13,68,85,342	32,58,02,889
Deferred tax liabilities (net)	7	-	-
Other long-term liabilities	8	-	50,00,000
Long-term provisions	9	1,16,97,294	-
		14,85,82,636	33,08,02,889
Current liabilities			
Short-term borrowings	10	13,69,15,651	37,22,41,560
Trade payables	11	15,45,32,894	16,60,31,039
Other current liabilities	12	6,41,82,425	7,41,57,650
Short-term provisions	13	4,40,91,200	81,83,417
		39,97,22,170	62,06,13,665
		2,02,28,20,576	1,94,42,45,456
ASSETS			
Non-current assets			
Fixed assets			
Property, plant and equipment	14	51,74,94,748	50,80,41,425
Intangible assets		6,91,63,265	8,22,56,103
Capital work-in-progress		44,16,068	4,43,52,688
Intangible assets under development		6,38,78,066	6,41,82,680
Non-current investments	15	11,15,18,040	9,74,52,040
Deferred tax assets (net)	16	3,71,56,012	5,80,04,259
Long-term loans and advances	17	30,56,21,737	29,24,36,110
		1,10,92,47,936	1,14,67,25,305
Current assets			
Current investments	18	6,34,127	6,34,127
Inventories	19	31,05,79,103	32,92,67,127
Trade receivables	20	26,66,66,748	19,14,65,808
Cash and bank balances	21	10,39,58,710	5,68,93,480
Short-term loans and advances	22	4,03,26,934	4,39,47,716
Other current assets	23	19,14,07,018	17,53,11,894
		91,35,72,640	79,75,20,151
		2,02,28,20,576	1,94,42,45,456
Significant accounting policies	2		
Notes to the financial statements	3-48		
The notes referred to above form an Integral part of the financial statements			

As per our attached report of even date

For Sachin Gogave & Co.

Chartered Accountants

Firm Registration No : 131367W


Sachin Gogave
Proprietor

Membership No. : 136781

Place: Pune

Date: 05th August, 2021



For and on behalf of the Board of Directors of SAVA Healthcare Limited

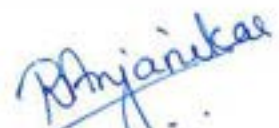

Vishal Jadhav
(Director)

DIN : 05235986

Place: Pune

Date: 05th August, 2021




Renu Anjanikar
(Director)

DIN : 06897268

Place: Pune

Date: 05th August, 2021

SAVA Healthcare Limited

CIN : U51397GJ2004PLC074963

Reg. office: Shed No.508, GIDC 2, Wadhwan City, Surendranagar, Gujarat-363035 India

Corporate office: Sava House, Off New Airport Road, Viman Nagar, Pune-411014, India

Statement of Profit and Loss for the year ended 31 March 2021

(Currency - Indian Rupees)

	Notes	31-Mar-21	31-Mar-20
Revenue from operations	24		
Sales of products		1,605,610,028	1,088,271,612
Sale of products		1,605,610,028	1,088,271,612
Sale of services		50,044,278	53,891,948
Other operating revenue		17,173,494	23,701,084
Total		1,672,827,800	1,165,864,644
Other income	25	10,541,764	40,132,223
Total revenue		1,683,369,563	1,205,996,867
Operating expenses			
Cost of materials consumed	26 A	451,608,011	370,549,783
Purchases of stock-in-trade	26 B	355,139,646	295,735,078
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26 C	75,071,893	-61,518,693
Employee benefits expense	27	217,893,179	197,270,481
Finance costs	28	30,954,944	45,944,257
Depreciation and amortisation expense	14	69,297,948	67,320,434
R & D Expenses	29	62,524,944	54,454,905
Other expenses	30	227,031,625	227,803,725
Total expenses		1,489,522,190	1,197,559,970
Profit before exceptional and extra-ordinary items and tax		193,847,373	8,436,897
Exceptional and extra-ordinary items	30a		
Profit before tax		193,847,373	8,436,897
Tax expense:			
Current tax		33,869,013	1,316,156
Deferred tax		20,848,248	-26,970,273
Mat credit entitlement of earlier years		-657,541	-702,561
Short/(excess) provision of earlier years		-3,633,275	
Profit / (Loss) for the year		143,420,928	34,793,575
Earnings per equity share:			
[Nominal value of share Rs 100 (Previous year Rs 100)] Refer note 39			
Basic		3,621.54	888.93
Diluted		3,621.54	888.93

Significant accounting policies
Notes to the financial statements

2

3-48

The notes referred to above form an integral part of the financial statements

As per our attached report of even date

For Sachin Gogave & Co.

Chartered Accountants

Firm Registration No : 101367W

Sachin Gogave

Proprietor

Membership No. : 136781

Place: Pune

Date: 05th August, 2021



For and on behalf of the Board of Directors of SAVA Healthcare Limited

Vishal Jadhav
(Director)

DIN : 05235986

Place: Pune

Date: 05th August, 2021

Renu Anjanikar
(Director)

DIN : 06897268

Place : Pune

Date: 05th August, 2021



SAVA Healthcare Limited
CIN : US1397GJ2004PLC074963

Reg. office: Shed No.508, GIDC 2, Wadhwani City, Surendranagar, Gujarat-363035 India
Corporate office: Sava House, Off New Airport Road, Viman Nagar, Pune-411014, India

Cash Flow Statement for the year ended 31 March 2021

	(Currency - Indian Rupees)	
	31-Mar-21	31-Mar-20
A. Cash flow from operating activities		
Profit before tax	193,847,373	8,436,897
Adjustments:		
Depreciation and amortisation	69,297,948	67,320,434
Dividend income		
Gain on sale of investments(net)		10,299,019
Finance cost	30,954,944	45,944,257
Other income	-1,497,353	-3,558,184
Profit on sale of fixed asset		
Operating cashflow before working capital changes	292,602,912	107,844,386
Movements in working capital :		
Decrease/(Increase) in Inventories	18,688,024	-74,871,788
Decrease/(Increase) in Trade receivables	-75,200,940	46,995,843
Decrease/(Increase) in Short-term loans and advances	3,620,782	63,222,281
Decrease/(Increase) in Other current assets	-16,095,124	-14,051,207
(Decrease)/Increase in Trade payables	-11,498,144	18,583,419
(Decrease)/Increase in Other current liabilities	-9,975,225	-89,703,667
(Decrease) in Other Long-term liabilities	-5,000,000	-4,536,874
(Decrease)/Increase in Short-term provisions	35,907,783	-2,304,321
Increase/(Decrease) in Long-term provisions	11,697,294	-956,845
(Increase)/Decrease in Long-term loans and advances	-13,185,627	1,017,453
Cash generated from operations	231,561,733	51,228,679
Net income tax (paid)	29,578,197	613,595
Net cash (used)/generated in operating activities	201,983,537	50,615,084
B. Cash flow from Investing activities		
Purchase of fixed assets	-25,417,199	-44,268,811
Proceeds from sale of fixed assets		
Proceeds from sale of current investments		15,929,402
Increase in non-current investments	-14,066,000	
Decrease/(Increase) in fixed deposits	-38,368,915	-2,198,996
Interest income	1,430,103	2,624,620
Dividend income		853,828
Other income	67,250	79,736
Net cash generated/(used) in investing activities	(76,354,761)	(26,980,221)
C. Cash flow from financing activities		
Repayment of long-term borrowings	-188,917,547	-624,147
Proceeds from long-term borrowings		
Finance cost	-30,954,944	-45,944,257
Proceeds from issue of shares	338,265,940	
Proceeds from short-term borrowings	-235,325,909	54,844,622
Net cash (used) in financing activities	(116,932,460)	8,276,218
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	8,696,316	31,911,082
E. Cash and cash equivalents at the beginning of the year	42,694,841	10,783,759
F. Cash and cash equivalents at the end of the year (D+E)	51,391,157	42,694,841
Components of cash and cash equivalents		
Cash on hand	712,067	716,127
Balances with banks- in current accounts	50,679,090	41,978,714
Total cash and cash equivalents	51,391,157	42,694,841

As per our attached report of even date
For Sachin Gogave & Co.
Chartered Accountants

Firm Registration No : 131367W

Sachin Gogave
Sachin Gogave
Proprietor
Membership No : 136781
Place: Pune
Date: 05th August, 2021



For and on behalf of the Board of Directors of SAVA Healthcare Limited

Vinod Jadhav
Vinod Jadhav
(Director)
CIN : US1397GJ2004PLC074963
Place: Pune
Date: 05th August, 2021



Renu Anjanika
Renu Anjanika
(Director)
CIN : US1397GJ2004PLC074963
Place: Pune
Date: 05th August, 2021

Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

3. Share capital
Authorised

11,40,000 (Previous year: 11,40,000) equity shares of Rs. 100/- each

31-Mar-21 **31-Mar-20**

114,000,000 114,000,000

114,000,000 114,000,000

50,00,000 (Previous year: 50,00,000) 9% redeemable non-cumulative preference shares of Rs. 10/- each

50,000,000 50,000,000

50,000,000 50,000,000

Issued, subscribed and paid-up

Opening balance (39,141 equity shares of Rs. 100/- each)

3,914,100 3,914,100

Add: Additions during the year*

886,000 -

Closing balance (48,001 (Previous year: 39,141) equity shares of Rs. 100/- each)

4,800,100 3,914,100

* Note : In FY 2020-21, 8860 equity shares having face value of Rs.100/- each issued at premium of Rs. 38079/- per share to Vistra ITCL (India) Ltd and Ruby Gold Portfolio Holding FZE under following basis :-

a) 3535 Shares having Face value of Rs.100/- each issued at premium of Rs.38079/- per share to Vistra ITCL (India) Ltd.

b) 5325 Shares having Face Value of Rs 100/- each issued at premium of Rs 38079/- per share to Ruby Gold Portfolio Holding FZE.

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

	31-Mar-21		31-Mar-20	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the beginning of the year	39,141	3,914,100	39,141	3,914,100
Add: Additions during the year	8,860	886,000	-	-
At the end of the year	48,001	4,800,100	39,141	3,914,100

3.2 Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares. Each shareholder is eligible for one vote per share held. 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.

The Company has only one class of preference shares having a par value of Rs. 10 each. These shares are non-cumulative and non-convertible and are redeemable, in whole or in part, at the option of the Company or the holder. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

3.3 Details of shareholders holding more than 5% shares is set out below

Name of the shareholder	31-Mar-21		31-Mar-20	
	No. of shares	% held	No. of shares	% held
Equity shares with voting rights				
Vinod Jadhav	26,669	55.56%	26,669	68.14%
Vistra ITCL (INDIA) Limited Trustee for Winner family Private Trust	12,776	26.62%	9,241	23.61%
Rubygold Portfolio Holding (FZE)	8,550	17.81%	3,225	8.24%



SAVA Healthcare Limited
CIN : U51397GJ2004PLC074963

Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

	31-Mar-21	31-Mar-20
4. Reserves and surplus		
Capital reserve		
At the commencement and at the end of the year	(A) 200,915,190	200,915,190
Securities Premium account		
At the commencement of the year	273,180,148	273,180,148
Add: Additions during the year	337,379,940	-
At the end of the year	(B) 610,560,088	273,180,148
Surplus in the Statement of Profit and Loss		
At the commencement of the year	514,819,464	480,025,889
Add: Profit/(Loss) for the year	143,420,928	34,793,575
At the end of the year	(C) 658,240,392	514,819,464
	(A+B+C) 1,469,715,670	988,914,802
5. Share application money pending for allotment	31-Mar-21	31-Mar-20
Rubygold Portfolio Holding FZE	-	-
	-	-
6. Long-term borrowings	31-Mar-21	31-Mar-20
Secured Loan		
Non current maturities		
Term loan from bank		
UCO Bank	-	-
Deutsche Bank	-	14,107,147
IndusInd Bank	61,121,443	72,274,177
Hero Fincorp	7,578,905	14,205,696
Vehicle loan from bank		
Axis Bank Limited	-	-
ICICI Bank Limited	-	265,288
	A 68,700,348	100,852,308
Current Maturities*		
Term loan from bank		
UCO Bank	-	-
IndusInd Bank	11,107,414	9,477,961
Deutsche Bank	-	1,215,220
Hero Fincorp	6,626,793	5,794,304
Vehicle loan from bank		
Axis Bank Limited	-	-
ICICI Bank Limited	265,289	378,865
	B 17,999,496	16,865,350
	(A+B) 86,699,845	117,718,658

* Amount disclosed under Other Current Liabilities.



SAVA Healthcare Limited
CIN : U51397GJ2004PLC074963

Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

	31-Mar-21	31-Mar-20
Unsecured Loans		
<i>From related parties</i>		
Directors	68,184,994	115,750,581
Others		
<i>From other than related parties</i>		
Hanmant Rao Gaikwad		63,000,000
Vaishali Rao Gaikwad		46,200,000
C	68,184,994	224,950,581
(A+C)	136,885,342	325,802,889

Notes :

Term Loans :

i) Term loan from IndusInd Bank is Rs. 7,81,10,000/- The loan is repayable in 120 equated monthly installment of Rs.11,09,392/- . Interest rate is linked to base rate. Interest rate for the year is 11.75% . The loan is mortgaged by deposit of title deeds pertaining to commercial properties bearing plot no 57/58 , office No.02 & office No. 4 & 5 Viman Nagar, Pune held in the name of Sava Healthcare Ltd. and Vinod Jadhav and Suvarna Jadhav.

ii) Term loan from IndusInd Bank has exposure limit of Rs.3,18,40,000/- The loan is repayable in 120 equated monthly installment of Rs.4,52,222/- Interest rate is linked to base rate. Interest rate for the year is 11.95 % . The loan is mortgaged by deposit of title deeds pertaining to residential properties bearing plot no 17/B, Shree Bunglow, Wadgaon Sheri, Pune, Shop No 203 Gr Floor Nico Garden Viman Nagar, Pune held in the name of Vinod Jadhav, Suvarna Jadhav and office No 42,43,44,45 & 46 Satyam Arcade Ramwadi Naka, Pune held in the name of Sava Healthcare Ltd.

iii) Term loan from Hero Fincorp has been taken reimbursement of imported machinery purchased. The primary security given are machineries purchased in addition to gurantee given by directors Mr. Vinod Jadhav, Mr Vishal Jadhav and Mrs Renu Anjanikar. The loan is repayable in 36 equated installments of Rs 6,78,706/-

Vehicle Loan :

v) Company has taken a car Loan for purchase of Renault from ICICI bank for Rs.14,14,000/- Interest rate is 10.5% & repayable in 60 installments. Remaining installments are 8. The same vehicle is hypothecated against the loan amount.

Related Party Loan :

vi) Loan of Rs.6,81,84,994/- taken from director of the company are long term in nature and are interest free.

From other than related Party Loan :

vii) Loan of Rs 6,30,00,000/- from Mr Hanmantroa Gaikwad and Rs 4,62,00,000/- from Mrs Vaishali Gaikwad has been paid during the financial year 2020-21.

7. Deferred Tax Liability (net)

Opening balance of deferred tax liability/(asset)

Add : Additions during the year

Less : Reversal during the year

Deferred tax liability (net)

31-Mar-21

31-Mar-20



SAVA Healthcare Limited
CIN : U51397GJ2004PLC074963

Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

	31-Mar-21	31-Mar-20
8. Other long-term liabilities	31-Mar-21	31-Mar-20
<i>Amount repayable to the erstwhile owners and their related companies</i>		
Devang Paper Mill Private Limited	-	-
Sava Medica Limited	-	-
<i>To others</i>		
Share Application Money Pending for Refund	-	5,000,000
	<u>-</u>	<u>5,000,000</u>
9. Long-term provisions		
Provision for Compensated Absences		
Leave Encashment	2,409,920	-
Provision for Gratuity	9,287,374	-
	<u>11,697,294</u>	<u>-</u>
10. Short-term borrowings	31-Mar-21	31-Mar-20
Secured Loans		
FCNR loan from HDFC Bank	-	207,315,851
Cash credit -Deutsche Bank	-	28,649,481
Cash credit -UCO bank	136,915,651	136,276,228
	<u>136,915,651</u>	<u>372,241,560</u>

Notes :

a) The Company has working capital loan including letter of credit & bank guarantee limit from UCO Bank. The Bank has charge over current assets, immovable fixed assets both present and future, equitable mortgage of Malur Building & Land and unconditional and irrecoverable personal guarantees of Directors.

	31-Mar-21	31-Mar-20
11. Trade payables		
Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises		
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	154,532,894	166,031,039
	<u>154,532,894</u>	<u>166,031,039</u>

Note :

In accordance with the Notification no.GSR 7119 (E) DT 16/11/2007, issued by Ministry of Corporate affairs, certain disclosures are require to be made relating to Micro, Small & Medium enterprise as defined under MSME Development Act 2006. In the absence of required information, no disclosure is made.



SAVA Healthcare Limited
CIN : U51397GJ2004PLC074963

Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

	31-Mar-21	31-Mar-20
	31-Mar-21	31-Mar-20
12. Other current liabilities		
<i>To related parties</i>		
Regent Holdings FZE	8,358,308	8,062,224
<i>To other than related parties</i>		
Creditors for capital expenditure	2,516,908	1,889,592
Current maturities of long-term borrowings (Refer Note 5)	17,999,496	16,866,350
Interest accrued but not due on borrowings	844,917	4,196,040
Statutory dues payable	4,961,284	4,137,094
Advance from customers	8,539,877	12,663,554
Employee dues	15,650,970	14,562,598
Employee related statutory dues	1,743,231	1,803,014
Kotak Mahindra Bank Ltd.*	72,206	50,683
Provision for Expenses	2,748,407	2,890,969
Other Payables	746,819	7,035,532
	<u>64,182,424</u>	<u>74,157,650</u>

Note : *Kotak Mahindra Bank Ltd. Rs.72,206/- payable towards Bank Charges.

	31-Mar-21	31-Mar-20
13. Short-term provisions		
Provision for Current Tax	33,869,013	1,316,156
Leave Encashment	1,558,930	1,111,973
Provision for Gratuity	8,663,257	5,755,288
	<u>44,091,200</u>	<u>8,183,417</u>



Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

14a Property, plant and equipment

Description	Land	Leasehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Books	Total
Gross block										
Balance as at 1 April 2019	1,47,32,402	15,73,35,417	19,48,15,314	46,84,79,821	3,53,98,141	2,96,91,916	1,00,43,929	1,66,41,809	3,78,565	92,75,17,315
Additions	-	-	42,75,574	86,85,650	3,08,151	2,82,940	15,67,092	4,25,954	-	1,55,45,341
Deletions	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	1,47,32,402	15,73,35,417	19,90,90,888	47,71,65,470	3,57,06,292	2,99,74,856	1,16,11,021	1,70,67,763	3,78,565	94,30,62,615
Balance as at 1 April 2020	1,47,32,402	15,73,35,417	19,90,90,888	47,71,65,470	3,57,06,292	2,99,74,856	1,16,11,021	1,70,67,763	3,78,565	94,30,62,615
Additions	-	-	1,54,718	2,64,04,131	1,25,680	20,82,150	10,19,820	20,21,679	-	3,18,08,116
Deletions	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	1,47,32,402	15,73,35,417	19,92,45,606	50,35,69,601	3,58,31,972	3,20,57,006	1,26,30,841	1,90,89,442	3,78,565	97,48,70,851
Depreciation										
Balance as at : April 2019	-	1,46,91,181	10,10,06,596	28,30,12,325	3,27,07,625	2,18,30,794	86,79,821	1,47,08,515	3,78,565	47,70,15,422
Depreciation for the year	-	20,76,402	1,03,22,594	2,58,52,730	4,08,829	21,06,549	3,41,275	3,84,067	-	4,14,92,446
(Deductions)/Adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	1,67,67,583	11,13,29,191	30,88,65,055	3,31,16,454	2,39,37,343	90,21,096	1,50,92,582	3,78,565	51,85,07,868
Balance as at 1 April 2020	-	1,67,67,583	11,13,29,191	30,88,65,055	3,31,16,454	2,39,37,343	90,21,096	1,50,92,582	3,78,565	51,85,07,868
Depreciation for the year	-	20,76,402	95,03,021	2,83,20,404	(3,55,485)	21,80,596	5,15,112	14,33,205	-	4,36,73,256
(Deductions)/Adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	-	1,88,43,985	12,08,32,212	33,71,85,459	3,27,60,969	2,61,17,939	95,36,209	1,65,25,787	3,78,565	56,21,81,125
Net block										
As at 31 March 2020	1,47,32,402	14,05,67,834	8,77,61,698	16,83,00,415	25,89,838	60,37,513	25,89,925	19,75,181	-	42,45,54,807
As at 31 March 2021	1,47,32,402	13,84,91,432	7,84,13,394	16,63,84,142	30,71,003	59,39,067	30,94,633	25,63,655	-	41,26,89,727



Notes forming part of the financial statements for the year ended on 31 March 2020 (continued)

14b Intangible fixed assets

Description	Computer software	Compendium of intangibles	Total
Gross block			
Balance as at 1 April 2019	1,27,96,093	18,07,69,636	19,35,65,729
Additions	32,95,000	-	32,95,000
Deletions	-	-	-
Balance as at 31 March 2020	1,60,91,093	18,07,69,636	19,68,60,729
Balance as at 1 April 2020	1,60,91,093	18,07,69,636	19,68,60,729
Additions	-	-	-
Deletions	-	-	-
Balance as at 31 March 2021	1,60,91,093	18,07,69,636	19,68,60,729
Amortization			
Balance as at 1 April 2019	1,06,24,987	10,79,56,133	11,85,81,120
Amortization for the year	23,36,107	91,01,688	1,14,37,795
(Deductions)/Adjustments	-	-	-
Balance as at 31 March 2020	1,29,61,095	11,70,57,821	13,00,18,915
Balance as at 1 April 2020	1,29,61,095	11,70,57,821	13,00,18,915
Amortization for the year	20,33,257	91,01,688	1,11,34,945
(Deductions)/Adjustments	-	-	-
Balance as at 31 March 2021	1,49,94,352	12,61,59,508	14,11,53,861
Net block			
As at 31 March 2020	31,29,998	6,37,11,815	6,68,41,814
As at 31 March 2021	10,96,743	5,46,10,128	5,57,06,868

14c Capital work-in-progress

Description	Buildings	Panoli project	Plant and equipment	Furniture and fixtures	Total
Balance as at 1 April 2019	6,61,522	-	-	-	6,61,522
Additions	-	-	1,91,11,756	-	1,91,11,756
Capitalised during the year	(6,61,522)	-	-	-	(6,61,522)
Balance as at 31 March 2020	-	-	1,91,11,756	-	1,91,11,756
Balance as at 1 April 2020	-	-	1,91,11,756	-	1,91,11,756
Additions	44,16,068	-	-	-	44,16,068
Capitalised during the year	-	-	(1,91,11,756)	-	(1,91,11,756)
Balance as at 31 March 2021	44,16,068	-	-	-	44,16,068

14d Intangible assets under development

Description	Trademark	Computer software	Total
Balance as at 1 April 2019	-	18,80,000	18,80,000
Additions	-	-	-
Capitalised/Writtenoff during the year	-	(18,80,000)	(18,80,000)
Balance as at 31 March 2020	-	-	-
Balance as at 1 April 2020	-	-	-
Additions	-	-	-
Capitalised/Writtenoff during the year	-	-	-
Balance as at 31 March 2021	-	-	-



Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

14a Property, plant and equipment - Research & Development

Description	Leasehold improvements	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Total
Gross block						
Balance as at 1 April 2019	11,55,321	13,42,31,022	1,90,73,521	1,32,20,014	22,92,059	16,99,71,936
Additions	1,82,887	17,35,849	1,31,500	6,78,804		27,29,040
Deletions						
Balance as at 31 March 2020	13,38,208	13,59,66,871	1,92,05,021	1,38,98,817	22,92,059	17,27,00,976
Balance as at 1 April 2020	13,38,208	13,59,66,871	1,92,05,021	1,38,98,817	22,92,059	17,27,00,976
Additions		3,22,81,116	37,380	10,97,218	2,00,150	3,36,15,864
Deletions		2,08,000	35,831	2,65,164		5,08,995
Balance as at 31 March 2021	13,38,208	16,80,39,986	1,92,06,570	1,47,30,872	24,92,209	20,58,07,845
Depreciation						
Balance as at 1 April 2019	3,51,862	4,78,83,335	1,61,12,219	1,08,36,970	21,55,861	7,73,40,247
Depreciation for the year	66,226	1,01,31,610	8,13,192	8,63,082		1,18,74,111
(Deductions)/Adjustments						
Balance as at 31 March 2020	4,18,088	5,80,14,945	1,69,25,411	1,17,00,052	21,55,861	8,92,14,357
Balance as at 1 April 2020	4,18,088	5,80,14,945	1,69,25,411	1,17,00,052	21,55,861	8,92,14,357
Depreciation for the year	66,226	1,04,26,795	6,36,164	9,99,816	72,989	1,22,01,990
(Deductions)/Adjustments		1,28,701	32,916	2,51,906		4,13,524
Balance as at 31 March 2021	4,84,314	6,83,13,039	1,75,28,659	1,24,47,961	22,28,850	10,10,02,824
Net block						
As at 31 March 2020	9,20,120	7,79,51,926	22,79,609	21,98,766	1,36,198	8,34,86,619
As at 31 March 2021	8,53,894	9,97,26,948	16,77,910	22,82,910	2,63,359	10,48,05,021



Notes forming part of the financial statements for the year ended on 31 March 2020 (continued)

14b Intangible fixed assets - Research & Development

Description	Computer software	Product formulation and development	Total
Gross block			
Balance as at 1 April 2019	7,78,243	2,05,48,609	2,13,26,852
Additions	-	6,62,231	6,62,231
Deletions	-	-	-
Balance as at 31 March 2020	7,78,243	2,12,10,840	2,19,89,083
Balance as at 1 April 2020	7,78,243	2,12,10,840	2,19,89,083
Additions	25,250	3,04,614	3,29,864
Deletions	-	-	-
Balance as at 31 March 2021	8,03,493	2,15,15,454	2,23,18,947
Amortization			
Balance as at 1 April 2019	1,51,780	39,06,932	40,58,712
Amortization for the year	3,94,998	21,21,084	25,16,082
(Deductions)/Adjustments	-	-	-
Balance as at 31 March 2020	5,46,778	60,28,016	65,74,794
Balance as at 1 April 2020	5,46,778	60,28,016	65,74,794
Amortization for the year	1,53,820	21,33,936	22,87,756
(Deductions)/Adjustments	-	-	-
Balance as at 31 March 2021	7,00,598	81,61,952	88,62,550
Net block			
As at 31 March 2020	2,31,465	1,51,82,824	1,54,14,289
As at 31 March 2021	1,02,895	1,33,53,502	1,34,56,397

14c Capital work-in-progress - Research & Development

Description	Plant and equipment	Total
Balance as at 1 April 2019	-	-
Additions	2,52,40,932	2,52,40,932
Capitalised during the year	-	-
Balance as at 31 March 2020	2,52,40,932	2,52,40,932
Balance as at 1 April 2020	2,52,40,932	2,52,40,932
Additions	-	-
Capitalised during the year	(2,52,40,932)	(2,52,40,932)
Balance as at 31 March 2021	-	-

14d Intangible assets under development - Research & Development

Description	Formulation and	Total
Balance as at 1 April 2019	6,48,44,911	6,48,44,911
Additions	-	-
Capitalised/Writeoff during the year	(6,62,231)	(6,62,231)
Balance as at 31 March 2020	6,41,82,680	6,41,82,680
Balance as at 1 April 2020	6,41,82,680	6,41,82,680
Additions	-	-
Capitalised/Writeoff during the year	(3,04,614)	(3,04,614)
Balance as at 31 March 2021	6,38,78,066	6,38,78,066



Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

	Name of the Body corporate/Company	31-Mar-21		31-Mar-20	
		No. of units/Shares	Amount	No. of units/Shares	Amount
15. Non Current investments					
Investments (at cost)- fully paid up except otherwise stated					
<i>Investments in Equity Instruments (unquoted)</i>					
<i>Subsidiary companies</i>					
Shares in Sava Medica Limited of Rs.100 each	Sava Medica Limited	984,510	109,701,000	843,850	95,635,000
Shares in Regent Holding FZE of AED 150000 each.	Regent Holding FZE	1	1,817,040	1	1,817,040
			<u>111,518,040</u>		<u>97,452,040</u>
16. Deferred Tax Asset (net)					
Opening balance of deferred tax (liability)/asset					
Add : Additions during the year			58,004,259		31,033,987
Less : Reversal during the year			-20,848,248		26,970,273
On account of B/f Losses and unabsorbed depreciation					
Deferred tax Asset (net)			<u>37,156,012</u>		<u>58,004,259</u>
17. Long term loans and advances					
<i>(Unsecured, considered good unless otherwise stated)</i>					
To related parties *					
Sava Medica Limited			280,890,459		279,092,153
Amount receivable from the erstwhile owners/related companies					
Biodeal Laboratories Private Limited- Power Unit					681,617
To parties other than related parties					
Security deposits			7,978,256		8,266,461
MAT credit entitlement			16,753,023		4,395,879
			<u>305,621,737</u>		<u>292,436,110</u>

Note: All the balances of Sava Medica Ltd debit and credit from Subsidiary company have been merged.

18. Current Investments
(at lower of cost and fair value)-fully paid up

	Name of the Body corporate/Company	31-Mar-21		31-Mar-20	
		No. of units	Amount	No. of units	Amount
JM Financial India Fund Scheme A & C	JM Financial India Fund		570,127		570,127
ICICI Advantage Fund Series 3 FNo.30023/44	Venture Capital Fund	640	64,000	640	64,000
<i>Investments in Mutual Funds (quoted)</i>					
Franklin India Flexicap fund Growth	Current Market Value **				
ICICI Pru Top 100 Fund growth					
L & T Equity Fund Growth					
DSP BlackRock Opportunity Fund - Regulars Plan-Growth					
			<u>634,127</u>		<u>634,127</u>



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Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

19. Inventories	31-Mar-21	31-Mar-20
<i>(Valued at the lower of cost and net realisable value)</i>		
Raw materials	108,615,744	66,540,584
Packing materials	63,798,311	62,200,646
Work-in-progress	47,486,277	41,859,645
Finished goods	54,607,424	132,376,633
Stock in Transit	5,602,728	8,532,045
Consumable goods	30,468,619	17,757,574
	310,579,103	329,267,127
20. Trade receivables	31-Mar-21	31-Mar-20
<i>(Unsecured, considered good unless otherwise stated)</i>		
Outstanding for a period exceeding six months from the date they were due for payment		
- Considered Good	23,848,691	21,916,266
- Considered Doubtful		
Outstanding for a period less than six months from the date they were due for payment		
- Considered Good	242,818,057	169,549,542
	266,666,748	191,465,808
Provision for Doubtful Debts	266,666,748	191,465,808
21. Cash and bank balances	31-Mar-21	31-Mar-20
a) Cash and cash equivalents		
i) Cash on hand	712,067	716,127
ii) Balances with banks in current accounts	50,679,089	41,978,714
b) Other deposit accounts	52,567,554	14,198,639
	103,958,710	56,893,480
22. Short-term loans and advances	31-Mar-21	31-Mar-20
<i>(Unsecured, considered good unless otherwise stated)</i>		
To related party		
Devtech M2M Ltd.	311,051	311,051
To parties other than related parties		
Advances/ loans to employees		
Advances to trade payables and other payables	20,100,195	24,987,688
Capital advances	14,487,053	9,543,970
Prepaid expenses	5,428,635	9,105,007
	40,326,934	43,947,716
23. Other Current Assets	31-Mar-21	31-Mar-20
Interest accrued on bank deposits and others	547,287	383,866
Export incentive receivable	1,408,107	1,816,106
Advance tax	3,418,863	5,152,381
Balances with Government authorities	185,900,777	166,784,006
Other Receivables	131,984	1,175,535
	191,407,018	175,311,894



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Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

	31-Mar-21	31-Mar-20
24. Revenue from operations		
Sale of products(Net)		
'-Manufactured goods	1,272,161,609	845,531,357
'-Traded goods sold	333,448,419	242,740,254
Sale of products (net)	<u>1,605,610,028</u>	<u>1,088,271,612</u>
Sale of Services	50,044,278	53,891,948
Other operating revenues	<u>17,173,494</u>	<u>23,701,084</u>
Total	<u>1,672,827,800</u>	<u>1,165,864,644</u>
Breakup of Other Operating Revenue		
Sale of scrap	1,762,867	1,477,514
Export incentives	15,085,496	17,831,722
Freight and insurance income on Export	<u>325,131</u>	<u>4,391,848</u>
	<u>17,173,494</u>	<u>23,701,084</u>
25. Other income	31-Mar-21	31-Mar-20
Interest income on bank deposits & Others	1,430,103	2,624,620
Interest on Non-Convertible Debenture	-	-
Dividend Income	-	-
- Non current investments-subsiidiaries, associates and others	-	-
- Current investments	-	853,828
Net gain on Sale of Investments	-	10,299,019
Foreign exchange fluctuation Loss (net)	5,816,165	-
Rent Income	67,250	79,736
Other non-operating income	<u>3,228,245</u>	<u>26,275,020</u>
	<u>10,541,764</u>	<u>40,132,223</u>



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Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

	31-Mar-21	31-Mar-20
26 A. Cost of Materials Consumed		
Inventory of materials at the beginning of the year	146,498,804	133,145,708
Purchases	507,991,880	383,902,879
Inventory of materials at the end of the year	202,882,674	146,498,804
Cost of material consumed	451,608,011	370,549,783
26 B. Purchase of stock in trade		
Pharma goods	355,139,646	295,735,078
	355,139,646	295,735,078
26 C. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Inventories at the beginning of the year:		
Finished goods	132,376,633	68,634,171
Work-in-progress	41,859,645	50,253,150
Stock in Transit	8,532,045	2,362,309
	182,768,322	121,249,630
Inventories at the end of the year:		
Finished goods	54,607,424	132,376,633
Work-in-progress	47,486,277	41,859,645
Stock in Transit	5,602,728	8,532,045
	107,696,429	182,768,323
Increase in Inventories	75,071,893	-61,518,693
27. Employee benefits expense	31-Mar-21	31-Mar-20
Salary, wages and Bonus	192,313,956	183,909,479
Contribution to Provident Fund and Other Funds	20,356,148	9,046,039
Staff welfare expenses	5,223,075	4,314,963
	217,893,179	197,270,481
28. Finance costs	31-Mar-21	31-Mar-20
Interest expense		
On borrowings from banks	30,954,944	45,944,257
Other borrowing cost		
	30,954,944	45,944,257



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Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

29. R & D Expenses	31-Mar-21	31-Mar-20
- Chinchwad :		
Employee Benefit Expenses R & D	22,631,935	18,619,127
Material Consumption R & D	13,245,928	9,425,892
Rent R & D	5,437,740	5,066,985
Repairs & Maintenance R & D	4,089,149	2,337,597
Telephone Expenses R & D	86,801	66,532
Power & Fuel Expenses R & D	5,507,542	4,863,923
Professional fee expense R & D	861,650	899,600
Other Expenses - R & D	7,944,384	5,391,638
- Surendranagar :		
Professional fee expense R & D	1,221,953	5,213,955
Material Consumption R & D	1,497,861	2,569,656
	62,524,944	54,454,905
 30. Other expenses	 31-Mar-21	 31-Mar-20
Advertisement and sales promotion	4,848,499	20,402,397
Analysis and Testing expenses	2,393,867	8,897,694
Freight and forwarding	52,957,072	22,800,626
Foreign exchange fluctuation Loss (net)	-	8,865,241
Insurance	3,880,106	4,361,316
Legal and professional fees	9,454,768	12,535,286
Payment to auditors (Refer below)	875,000	875,000
Office Expenses	8,446,651	5,746,528
Power and fuel	49,434,321	45,937,866
Prior Period Expenses	1,268,905	9,038,117
Rent, Rates and taxes	16,868,530	10,043,407
Repairs and maintenance		
- on machinery	6,996,241	4,552,855
- on buildings	565,016	105,330
- on others	5,409,619	8,097,528
CSR Expenses and other donations	1,296,000	1,121,000
Security Expenses	8,192,367	8,025,654
Selling & Distribution Exps	20,367,853	17,614,787
Travelling and Lodging and Conveyance Expenses	15,684,752	28,167,624
Telephone and other communication expenses	3,816,565	3,841,352
Bank Charges	2,494,182	1,666,906
Miscellaneous expenses	11,781,312	5,107,212
	227,031,625	227,803,725
 Auditors' Remuneration		
As auditors		
Statutory and Tax Audit	750,000	750,000
Other Matters	125,000	125,000
	875,000	875,000



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Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

	31-Mar-21	31-Mar-20
31 Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	14,670,247	5,062,598
32 a) Other contingent liabilities		
Foreign Bank Guarantees (secured by equal amount Fixed Deposit)	541,472	1,088,330
Domestic Bank Guarantees (secured by equal amount Fixed Deposit)	1,251,000	512,000
Bank Guarantee Toward Security deposit for Electricity Supply- PGVCL	8,000,000	8,000,000
Letter of credit issued for import of capital goods	-	-
Letter of credit issued for domestic purchase of goods	-	23,724,520
Case filed by an employee against the Company	-	30,423
	9,792,472	33,355,273

c) Special summary suit has been filed by Mr Hanmantroa Gaikwad against Mr Vinod Jadhav and SAVA Healthcare Ltd and SAVA Medica Ltd for recovery of Rs 40,24,07,121/- .The principal amount of Rs 16,31,00,000/- which was received on account of share investment in SAVA group of companies been paid off during the financial year and there is no principal amount due to applicant. Further, case is still going on for the recovery of disputed amount of interest amount on such principal, but as per management interpretation case result will be in the favour of SAVA group and the companies will not be liable to pay the same to the applicant.

33 a) Value of imported and indigenous raw material consumed

	31-Mar-21		31-Mar-20	
	%	Amount	%	Amount
Imported	1	3,158,390	0	886,759
Indigenous	99	280,055,409	101	202,846,459
	100	283,213,799	101	203,733,217

b) Value of imported and indigenous packing material consumed

	31-Mar-21		31-Mar-20	
	%	Amount	%	Amount
Imported	33	52,206,005	34	49,696,904
Indigenous	67	105,517,984	66	96,704,143
	100	157,723,989	100	146,401,047

c) Value of imported and indigenous stores and spares consumed

	31-Mar-21		31-Mar-20	
	%	Amount	%	Amount
Imported	3	343,046	0	4,243,082
Indigenous	97	11,549,131	89	30,812,284
	100	11,892,177	89	35,055,365

34 Value of imports on C.I.F. basis

	31-Mar-21	31-Mar-20
Raw material	5,506,392	886,759
Packing material	62,830,814	49,696,904
Components and spare parts	6,402,491	4,243,082
Capital goods	6,888,627	20,089,932
	81,628,325	74,916,676

35 Earnings in foreign currency

	31-Mar-21	31-Mar-20
Export of goods on F.O.B. basis	1,086,384,675	670,271,943
Sale of services	6,123,094	22,012,495
	1,092,507,769	692,284,438



Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

36	Expenditure in foreign currency	31-Mar-21	31-Mar-20
	Travelling		1,654,025
	Sales & Distribution Exp.	55,562	7,103,525
	Bank Interest & Charges	9,052,729	14,047,118
	Professional Consultancy Fees	318,806	93,929
	Repairs and Maintenance	103,628	
	Analysis and testing charges	165,505	
	Product Registration Expenses	3,534,897	937,865
		13,231,127	23,836,461
37	Disclosure as per Accounting Standard 15 (Revised) : Employee benefits		
	The disclosures as required as per the revised AS-15 (Revised 2005) are as under:		
A.	Defined contribution plans		
	The Company makes contributions, determined as a specified percentage of employee salaries towards Provident Fund , Gratuity and other funds. The Company has no obligations other than to make the specified contributions. The contributions charged to the Statement of Profit and Loss as they accrue. The Company has recognised Rs.2,03,56,148/- (Previous year: Rs.90,46,039/-) in the Statement of Profit and Loss towards contribution to Provident Fund and other funds related to employee.		
B.	Defined benefit plan : Gratuity*	31-Mar-21	31-Mar-20
	Discount rate (per annum)	5.50%	5.80%
	Rate of increase in compensation levels	7.00%	7.00%
	Rate of return on plan assets (per annum)	7.25%	7.80%
a)	Changes in the present value of obligation		
	Present value of obligation as at beginning of the year	15,163,908	12,147,159
	Interest cost	847,813	751,613
	Current service cost	3,928,386	2,400,050
	Benefits paid	(1,092,891)	(1,518,167)
	Actuarial loss/(gain) on obligations	(896,585)	1,383,253
	Present value of obligation as at the end of year	17,950,631	15,163,908
b)	Changes in the fair value of plan assets		
	Fair value of plan assets as at beginning of the year	1,977,920	228,425
	Expected return on plan assets	399,081	91,478
	Contributions	8,146,181	3,406,906
	Mortality charges and taxes	(195,938)	(216,082)
	Benefits paid	(1,092,891)	(1,518,167)
	Actuarial gain/(loss) on plan assets	53,021	(14,640)
	Fair value of plan assets as at the end of the year	9,287,374	1,977,920
c)	Percentage of each category of plan assets to total fair value of plan assets as at March 31, 2020		
	Funds managed by insurer	100%	100%
d)	Reconciliation of present value of obligation and fair value of plan assets		
	Present value of obligation as at the end of the year	17,950,631	15,163,908
	Fair value of plan assets as at the end of the year	9,287,374	1,977,920
	Present value of unfunded obligation as at the end of the year	8,663,257	13,185,988
e)	Expenses recognised in the Statement of Profit and Loss		
	Current service cost	3,928,386	2,400,050
	Interest cost	847,813	751,613
	Expected return on plan assets	(399,081)	(91,478)
	Net actuarial (gain)/ loss	(949,606)	1,397,893
	Total expenses recognised in the Statement of Profit & Loss	3,427,512	4,458,078
	*(Included in employee benefits -gratuity)		
f)	The plan asset for funded gratuity plan is administered by Life Insurance Corporation of India ("LIC") as per investment pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority regulations.		



Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

38 Related party disclosures :

a) Parties where control exist :

- Mr. Vinod Ramchandra Jadhav
- Mr. Vishal Ramchandra Jadhav
- Ms. Renu Anjanikar
- Vista ITCL (INDIA) Limited Trustee for Winner family Private Trust

b) Subsidiaries :

- Sava Medica Limited
- Regent Holdings FZE

c) Enterprises where Key management personnel exercise control/ significant influence:

- Rubygold Portfolio Holding FZE
- Orangetech Properties Holding Ltd.
- Devtech M2M Limited
- Navigene Genetic Science Pvt Ltd
- Maxvet Life Private Limited
- Bactoclear Holding Pte Ltd
- SmileWow Pte Ltd
- Regent Holding DMCC
- Orangetech Properties SFO DMCC
- Rubygold Portfolio Holdings Limited

d) Key Management personnel and their relatives :

- Vinod Jadhav
- Suvarna Jadhav
- Vishal Jadhav
- Renu Anjanikar
- Avinash Mandale
- Abhinava Shrivastava

e) Related party transactions and balances as at and for the year ended 31 March 2021 :

(Currency - Indian Rupees)												
PARTICULARS	FINANCIAL YEAR	SAVA MEDICA LIMITED	DEVTECH M2M LIMITED	REGENT HOLDING FZE	RUBYGOLD PORTFOLIO HOLDING FZE	Vista ITCL India Limited	VINOD JADHAV	SUVARNA JADHAV	VISHAL JADHAV	RENU ANJANIKAR	AVINASH MANDE	PRASHANT ANJANIKAR
Sales Goods / Service	2019-20	22,908	-	-	-	-	-	-	-	-	-	-
	2020-21	21,386	-	-	-	-	-	-	-	-	-	-
Purchase	2019-20	1,025,964	-	-	-	-	-	-	-	-	-	-
	2020-21	40,215	-	-	-	-	-	-	-	-	-	-
Sale of Scrap/(Vehicle Sale)	2019-20	-	-	-	-	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-	-	-	-
Director Remuneration	2019-20	-	-	-	-	-	-	-	1,826,594	17,58,905	-	-
	2020-21	-	-	-	-	-	-	-	2,368,512	2,196,740	5,340,641	-
Professional Fees	2019-20	-	-	-	-	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-	-	-	-
Dividend Received	2019-20	-	-	-	-	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-	-	-	-
Shares Issued	2019-20	-	-	-	-	-	-	-	-	-	-	-
	2020-21	-	-	-	532,500	353,500	-	-	-	-	-	-
Investment Made during the year	2019-20	-	-	-	-	-	-	-	-	-	-	-
	2020-21	14,066,000	-	-	-	-	-	-	-	-	-	-
Rent Income	2019-20	-	-	-	-	-	-	-	-	-	-	-
	2020-21	4,555	-	-	-	-	-	-	-	-	-	-
Rent paid	2019-20	-	-	-	-	-	600,000	600,000	-	-	-	-
	2020-21	-	-	-	-	-	1,440,000	1,440,000	-	-	-	-
Securities premium received	2019-20	-	-	-	-	-	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-	-	-	-
Reimbursement/ (Recovery) of expenses	2019-20	-	-	6,925,972	202,720,675	134,409,265	-	-	791,846	480,968	-	129,000
	2020-21	-	-	-	-	-	-	-	157,476	90,855	-	27,000
Write off/Writeback/Foreign exchange loss	2019-20	-	-	17,364,343	-	-	-	-	-	-	-	-
	2020-21	-	-	296,084	-	-	-	-	-	-	-	-
OUTSTANDING												
Receivable	2019-20	-	311,061	-	-	-	-	-	-	-	-	-
	2020-21	-	311,061	-	-	-	-	-	-	-	-	-
Payable	2019-20	-	-	-	-	-	-	115,750,581	114,042	91,529	-	8,930
	2020-21	-	-	-	-	-	-	68,184,994	-	-	-	-
Advance	2019-20	-	-	8,062,224	-	-	-	-	-	-	-	-
	2020-21	-	-	8,158,108	-	-	-	-	-	-	-	-
Loan Taken	2019-20	-	-	-	-	-	-	46,300,000	-	-	-	-
	2020-21	-	-	-	-	-	-	-	-	-	-	-
Loan Given	2019-20	279,092,153	-	-	-	-	-	49,827,808	-	-	-	-
	2020-21	280,890,459	-	-	-	-	-	47,505,588	-	-	-	-



SAVA Healthcare Limited
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Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

	31-Mar-21	31-Mar-20
39 Computation of earnings per share (basic and diluted)		
Profit after tax attributable to equity shareholders	143,420,928	34,793,575
Weighted average number of equity shares of Rs. 100 each outstanding during the year	39,602	39,141
Basic and diluted earnings per share	3,621.54	888.93

40 Foreign currency exposures outstanding at the year end (unhedged)

Particulars	Currency	Amount in foreign currency		Equivalent amount in INR	
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Payable to vendor	USD	2,700	-	198,450	-
Payable to vendor	EURO	413	-	35,559	-
Payable to vendor	GBP	19,300	19,300	1,948,335	1,796,437
Advance to Vendor	EURO	4,300	16,469	370,230	1,367,768
Advance to Vendor	USD	600	29,388	44,100	2,215,561
Receivable from customers	USD	1,555,653	983,073	114,340,495	74,113,873
Receivable from customers	CAD	42,693	75,950	2,486,440	4,025,191
Advance from customers	USD	69,901	147,753	5,137,724	11,139,099
Advance from customers	EURO	97,077	99,089	8,658,308	8,229,341
FCNR LOAN	USD	-	2,749,912	-	207,315,851

Hedged foreign currency exposure as at year end is Rs. Nil (Previous year: Nil).

41 Compliance of Provisions relating to Foreign Exchange Management Act 1999.

As per FEMA norms and RBI circular issued on repatriation of funds below mentioned advance laying with company for more than 365 days.

Particulars	Currency	Nature	Amount in FC	Amount in INR
			31-Mar-21	31-Mar-21
1. Pharmatrade Alliance Holding	USD	Customer Advance	57,026	4,191,447
2. Regent Holding FZE	Euro	Customer Advance	97,077	8,358,308

As per FEMA norms and RBI circular issued on export of goods and services below mentioned receivables of company outstanding for more than 15 months

Particulars	Currency	Nature	Amount in FC	Amount in INR
			31-Mar-21	31-Mar-21
1. Radiant Healthcare (Pvt) Ltd	USD	Customer Receipt	10,306	757,526
2. HOANG DUC PHARMACEUTICAL AND MEDICAL	USD	Customer Receipt	16,049	1,179,624
3. Silvestra INC USA	USD	Customer Receipt	201,284	14,794,379

42 As per section 92 to 92F of the Income Tax Act, 1961 the Company is in the process of updating the information and documents as required by the Transfer Pricing Legislations. Management is of the opinion that the International transactions are at arm's length and that the aforesaid legislation will not have any impact on these financial statements, particularly on the amount of tax expense and on the provision for taxation.

43 Segment reporting

Primary segment - The Company's operations predominantly relate to manufacturing of Pharmaceutical Products ('Pharmaceutical Segment') representing all products dealt with by the Company. These, in the context of Accounting Standard 17 on Segment Reporting, as specified in Rule 7 of the Companies (Accounts) Rules, 2014, are considered to constitute one single primary segment.



SAVA Healthcare Limited
CIN : U51397GJ2004PLC074963

Notes forming part of the financial statements for the year ended on 31 March 2021 (continued)

(Currency - Indian Rupees)

44 Research and Development

Company carried out research and development activities at research and development centre at Chinchwad, Pune & Surendranagar. The Company has received certificate from Ministry of Science and Technology regarding recognition of research and development activities carried out by Company. The Company is eligible for deduction U/S 35 (2AB) of Income Tax Act 1961 from 1 April 2016 till 31 March 2020. The company has applied for renewal for the same.

Particulars	Capital Expenditure	Revenue and other expenses	Total
FY 2018-19	5,29,02,637	4,11,79,824	9,40,82,461
FY 2019-20	17,35,849	4,39,60,481	4,56,96,330
FY 2020-21	3,39,45,728	6,25,24,944	9,64,70,671
TOTAL	8,85,84,214	14,76,65,249	23,62,49,462

- 45 Trade payables, other payables, trade receivables, balances receivable and payable from / to erstwhile owners and advances, other liabilities and employee advance receivable or payable, as the case may be, are subject to confirmation and reconciliation wherever necessary. The effect, if any, of such reconciliation cannot be stated.
- 46 The Company considers its investment in and loans to its subsidiary company namely Sava Medica Limited as strategic and long term in nature. Further the said subsidiary has intangible assets in the form of Trade Marks and hence in the opinion of Management, any decline in the value of such long term investments in this subsidiary is of temporary in nature and hence no provision for diminution in value is considered necessary.
- 47 During the said financial year from 1 April 2020 to 31 March 2021, the Company has incurred Rs.2,96,000/- expenditure towards CSR activities and Rs 10,00,000/- towards other donations.
- 48 The Previous year figures have been reclassified to confirm to this year's classifications but there is no impact on profitability on account of the reclassification.

For Sachin Gogave & Co.
Chartered Accountants
Firm Registration No : 131367W


Sachin Gogave
Proprietor
Membership No. : 136781
Date: 05th August 2021
Place: Pune



For and on behalf of the Board of Directors of SAVA Healthcare Limited


Vishal Jadhav
(Director)
DIN : 05235986
Date: 05th August 2021
Place: Pune




Renu Anjanikar
(Director)
DIN : 06897263
Date: 05th August 2021
Place: Pune

