

September 1, 2020

TAKE/BSE/2020-21

The Manager  
Dept. of Corporate Services-Listing  
Bombay Stock Exchange Limited,  
P. J. Towers, Dalal Street,  
Mumbai - 400001  
Scrip Code: 532890

TAKE/NSE/2020-21

The Manager-Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza,  
Bandra - Kurla Complex, Bandra (East),  
Mumbai - 400051  
Symbol: TAKE

Dear Sir/ Madam,

**Sub: Submission of Annual Report - FY 2019-20**

In compliance with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice of the 19<sup>th</sup> (Nineteenth) Annual General Meeting of the Company along with the Annual Report for the FY 2019-20.

The same has been made available on the Company's website:

1.	Notice	<a href="https://www.takesolutions.com/Reports_Filings/2019-20/TAKE_Solutions_AGM_Notice_2020.pdf">https://www.takesolutions.com/Reports_Filings/2019-20/TAKE_Solutions_AGM_Notice_2020.pdf</a>
2.	Annual Report	<a href="https://www.takesolutions.com/Reports_Filings/2019-20/TAKE_Solutions_Annual_Report_2019-2020.pdf">https://www.takesolutions.com/Reports_Filings/2019-20/TAKE_Solutions_Annual_Report_2019-2020.pdf</a>

Kindly take the same on your records.

**For TAKE Solutions Limited**



**Avaneesh Singh**  
Company Secretary



Encl: As above



## TAKE SOLUTIONS LIMITED

CIN: L63090TN2000PLC046338

Regd. Office: No: 27, Tank Bund Road, Nungambakkam, Chennai- 600 034

Email: [secretarial@takesolutions.com](mailto:secretarial@takesolutions.com), Website: [www.takesolutions.com](http://www.takesolutions.com)

Phone: +91-044-66110700

### NOTICE OF THE NINETEENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

**NOTICE** is hereby given that the Nineteenth Annual General Meeting of the Shareholders of TAKE Solutions Limited will be held on Friday, September 25, 2020 at 4.30 p.m. IST. through Video Conferencing ("VC") /Other Audio-Visual Means ("OAVM") to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at Office No. 27, Tank Bund Road, Nungambakkam, Chennai- 600 034.

#### ORDINARY BUSINESS:

1. To review, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.
2. To appoint Mr. S Srinivasan (DIN: 00014652) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, at this Annual General Meeting and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

##### 3. Appointment of Mr. Balasubramanian Srinivasan as a Non - Executive Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Balasubramanian Srinivasan (DIN: 07121117), who was appointed as

an Additional Director with effect from November 06, 2019, pursuant to Section 161 of the Act and Article 60 (viii) of Article of Association of the Company and who has submitted the declaration that he meets the criteria of Independence under the Act and the Listing Regulations and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five(5) consecutive years with effect from November 06, 2019 to November 05, 2024 and not liable to retire by rotation".

##### 4. Re-classification of Promoter Group to Public Category

To consider and, if thought fit, approve re-classification of certain Promoters and Promoter Group entities and individuals of the Company.

In this regard, it is proposed to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any re-enactment, modification(s), amendment(s) thereof for the time being in force and other applicable provisions, if any and subject to requisite approvals of the Stock Exchanges and other appropriate statutory authorities, as may be necessary, approval of the shareholders of the Company be and is hereby accorded for re-classification of (i) M/s. Investor Ventures Ltd, (ii) M/s. DRP Consultants Pvt Ltd, (iii) Mr. Ravi Devaki Venkaraman (D V Ravi) and (iv) Mr. Ram Yeleswarapu (hereinafter referred to as 'Persons and entities Seeking Re-classification'), from "Promoter and Promoter Group" category shareholders to the "Public" category shareholders.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including the officers authorised by the Board in this regard), be and are hereby authorised to take all necessary steps in relation to aforesaid re-classification, to do all such acts, deeds and things as they may, in their absolute discretion deem necessary, to settle any questions, difficulties or doubts that may arise in this regard and to make & submit all requisite application(s), representation(s), filing(s), undertaking(s) and any other document(s), to the Stock Exchanges and other concerned regulatory authorities for their approval, as may be required, in order to give effect to this resolution."

By Order of the Board  
**For TAKE Solutions Limited**

**Avaneesh Singh**

Company Secretary

Membership No. FCS: 7338

Place: Chennai

Date : June 24, 2020

## Notes:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Shareholders at a common venue. In compliance with the provisions of the Companies Act, 2013 (the "Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the shareholders at a common venue. The Company has engaged Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means i.e., remote e- voting and voting on the date of the AGM.
2. An explanatory statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the special business to be transacted under Item No. 3 & 4 at the Annual General Meeting ('AGM') is annexed thereto.
3. In respect of Resolutions at Item No. 3, a statement giving additional information on the Director seeking appointment is annexed herewith as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. Pursuant to the provisions of the Act, a Shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Shareholder of the Company. **However, since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Shareholders will not be available for the AGM and hence the Proxy Form and Attendance Slip including Rout Map are not annexed to this Notice.**
5. Institutional/Corporate shareholders intending to represent through their authorized representatives in the AGM through VC/ OAVM and to attend and vote through remote e-voting or voting at the AGM are requested to send to the Company a scanned copy (JPEG/PDF format) of certified true copy of the board resolution authorizing their representative to the designated email address of the Company i.e., [investorrelations@takesolutions.com](mailto:investorrelations@takesolutions.com) and to CDSL i.e. [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) .
6. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
7. The Register of Directors and Key Management Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and the Register of Shareholders as maintained by RTA will be available for inspection by the Shareholders.
8. The Register of Shareholders and Share Transfer Books of the Company will remain closed from Saturday, September 19, 2020 to Friday, September 25, 2020, (both days inclusive). The cut-off date for the purpose of determining eligibility of shareholders for voting in connection with the Nineteenth AGM has been fixed as Friday, September 18, 2020.
9. Shareholders who wish to claim dividend which remains unclaimed, are requested to write to The Company Secretary, at the Registered Office, at No: 27, Tank Bund Road, Nungambakkam, Chennai- 600 034. Shareholders are requested to note that dividend not encashed or unclaimed within seven years from the date of transfer to the Company's unpaid dividend account, will be transferred to the Investor Education and Protection Fund as per Section 124 and other applicable provisions of the Companies Act, 2013. Shareholders are encouraged to utilize the Electronic Clearing System (ECS) for receipt of dividend.
10. As per Section 72 of Companies Act, 2013, read with Rule 19 of (Share Capital and Debentures) Rules, 2014, facility for making nominations is available to the shareholder in respect of the shares held by them in physical form. Nomination forms can be obtained from the RTA of the Company and can be submitted duly completed by the Shareholders holding shares in Physical form to the RTA for updation of nomination. The Shareholder holding shares in dematerialized form may approach their respective Depository Participants to update nomination.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account (PAN) by every participant in securities market. Shareholders holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Shareholders holding shares in physical form can submit their PAN to the Company / RTA.
12. The Company has designated an exclusive e-mail id viz. [investorrelations@takesolutions.com](mailto:investorrelations@takesolutions.com) to enable investors to register their complaints/ queries, if any.

13. The documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company on all working days between 10.00 a.m. to 1.00 p.m.

#### **ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:**

14. In accordance with the Circular No. 20/2020 dated 5th May, 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including Notice of the AGM are being sent only through electronic mode to those Shareholders whose email addresses are registered with the Company/ Depositories.
15. Shareholders holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at [investorrelations@takesolutions.com](mailto:investorrelations@takesolutions.com) along with the copy of the signed request letter mentioning the name and address of the Shareholder, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Shareholder. Shareholders holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Shareholders may write to [investorrelations@takesolutions.com](mailto:investorrelations@takesolutions.com).
16. Shareholders may note that the Notice along with Annual Report for the financial year 2020 is also available on the Company's website [www.takesolutions.com](http://www.takesolutions.com) , websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL <https://www.evotingindia.com>.
17. Shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

#### **VOTING THROUGH ELECTRONIC MEANS**

In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and sub clause (1) and (2) of Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide shareholders a facility to exercise their right to vote by electronic means and the business may be transacted through remote e-Voting services and for poll during the meeting provided by Central Depository Services (India) Limited ("CDSL"):

**The instructions for Shareholders voting electronically are as under:**

##### **In case of shareholders receiving e-mail;**

- (i) A person, whose name is recorded in the register of shareholders or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of 'remote e-voting' or voting at the AGM through poll.
- (ii) The voting period begins on Tuesday, September 22, 2020, at 9:00 am and ends on Thursday, September 24, 2020 at 5:00 pm. During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, Friday, September 18, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" - Tab.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given in the table below:

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**For Shareholders holding shares in Demat Form and Physical Form**

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PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
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PAN Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the Depository or Company please enter the shareholder id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>
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| <p>(ix) After entering these details appropriately, click on "SUBMIT" tab.</p> <p>(x) Shareholders holding shares in physical form will then reach directly the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</p> <p>(xi) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.</p> <p>(xii) Click on the relevant EVSN along with "TAKE Solutions Limited" on which you choose to vote.</p> <p>(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the Resolution.</p> | <p>(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.</p> <p>(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.</p> <p>(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.</p> <p>(xvii) You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.</p> <p>(xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password &amp; enter the details as prompted by the system.</p> <p>(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.</p> <p>(xx) Note for Non - Individual Shareholders and Custodians</p> |
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- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542) or call the Registrar & Share Transfer Agent, Link Intime India Pvt Ltd. at 022-49186000 or write an email to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

#### **INSTRUCTIONS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. Physical shareholders can provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. Demat shareholders can provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.
3. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.

#### **OTHER INSTRUCTIONS:**

- I. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- II. The voting rights of Shareholders shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on the cut-off date of i.e. Friday, September 18, 2020. Any person, who acquires shares of the Company and becomes shareholder of the Company after dispatch of the notice and holding shares on the cut-off date may obtain the login ID and password by sending an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [investorrelations@takesolutions.com](mailto:investorrelations@takesolutions.com) by mentioning their Folio No./DP ID and Client ID. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The Shareholders who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

- III. Mr. M. Alagar, Company Secretary in Practice (Membership No. FCS 7488) CoP: 8196 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV. The scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in the employment of the Company and within 48 hours from the conclusion of the meeting make a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or person authorized by the Chairman in writing for counter signature.

The Results shall be declared either by the Chairman or by an authorized person of the Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favor of the Resolution(s).

The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.takesolutions.com](http://www.takesolutions.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and also forward the same to the stock exchange where the Company's shares are listed immediately after the result is declared by the Chairman.

## THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER :-

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.
2. Only those Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholder have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholder shall be considered invalid, as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

## INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER:

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at the weblink: <https://www.evotingindia.com> under shareholders/shareholders login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/shareholders login where the EVSN of Company will be displayed.
2. Facility of joining the AGM through VC / OAVM shall open 15 minutes before and after the scheduled time of the commencement of the Meeting and will be available for Shareholders on a first come first served basis.
3. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
4. Further, shareholders will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

6. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceeding of AGM, shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/folio number, email id, mobile number at [investorrelations@takesolutions.com](mailto:investorrelations@takesolutions.com) from September 18, 2020 (9:00 hrs IST) to September 21, 2020 (17:00 hrs IST). The shareholders who do not wish to speak during the AGM but have queries may send their queries in within the above-mentioned time period prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investorrelations@takesolutions.com](mailto:investorrelations@takesolutions.com).
7. The shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

In case of any queries or issues, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) .

By Order of the Board  
For TAKE Solutions Limited

Place: Chennai  
Date: June 24, 2020

**Avaneesh Singh**  
Company Secretary  
Membership No. FCS: 7338



## EXPLANATORY STATEMENTS

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the special business at Items No. 3 & 4 of the accompanying AGM notice dated June 24, 2020:

### Item No 3:

#### **Appointment of Mr. Balasubramanian Srinivasan as a Non - Executive Independent Director**

The Board of Directors, on the recommendation of the Nomination & Remuneration Committee, appointed Mr Balasubramanian Srinivasan as an Additional Director of the company with effect from November 06, 2019 in the Category of Non-Executive (Independent Director). In accordance with section 161(1) of the Companies Act, 2013, Mr. Balasubramanian Srinivasan holds office up to the date of this Annual General Meeting and is eligible for the appointment as a Director of the company in the category of Non-Executive (Independent Director). The Company has received a notice, under section 160 of the Companies Act, 2013, from Mr. Balasubramanian Srinivasan regarding his candidature as an Independent Director of the Company. The Company has also received a declaration of independence from Mr. Balasubramanian Srinivasan.

In the opinion of the Board, Mr. Balasubramanian Srinivasan, (DIN: 07121117) fulfills the conditions specified in Section 149(6) and Schedule IV of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for being eligible as an Independent Director of the Company and, he is independent to the management. Mr. Balasubramanian Srinivasan is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Balasubramanian Srinivasan, as an Independent Director. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Balasubramanian Srinivasan, as an Independent Director, for a period of five years with effect from November 06, 2019 as set out in Item No: 3 of the accompanying notice for approval of the shareholders of the Company.

Except Mr. Balasubramanian Srinivasan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, either financially or otherwise, in the resolution set out at Item No. 3.

The Board recommends the Ordinary Resolution set out in Item No. 3 of the Notice for approval by the Shareholders.

### Item No 4:

#### **Re-classification of Promoter Group to Public Category**

The Shareholders are hereby informed that pursuant to the provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as the 'SEBI (LODR) Regulations'], the Company has received applications dated June 23, 2020, along with requisite undertakings from (i) M/s. Envestor Ventures Ltd, (ii) M/s. DRP Consultants Pvt Ltd, (iii) Mr. Ravi Devaki Venkataraman (D V Ravi) and (iv) Mr. Ram Yeleswarapu, who are currently categorised under "Promoter and Promoter Group" of the Company (hereinafter referred to as 'Persons and entities Seeking Re-classification), for their re-classification under the "Public" category of shareholders. Below is the justification for seeking reclassification:

- (i). M/s. Envestor Ventures Ltd. holds 77,47,194 number of equity shares, constituting approx. 5.24% of the paid-up share capital of the Company. Mr. D V Ravi was the common Director in TAKE Solutions Ltd and M/s Envestor Ventures Ltd. Mr. D V Ravi has now resigned from the Directorship of TAKE Solutions Limited w.e.f. June 23, 2020.
- (ii). M/s. DRP Consultants Pvt. Ltd. was earlier holding 1,00,000 numbers of equity shares, constituting approx. 0.07% of the paid up share capital of the Company. M/s. DRP Consultants Pvt. Ltd has now sold off its entire share holding in the Company.
- (iii). Mr. D V Ravi was a Director of TAKE Solutions Limited and its holding Company namely TAKE Solutions Pte Ltd, Singapore. Mr. D V Ravi has already resigned from the Directorship of both TAKE Solutions Ltd. and its holding Company w.e.f. June 23, 2020.
- (iv). Mr. Ram Yeleswarapu was an Executive Director of TAKE Solutions Ltd and a Non- Executive Director of its holding Company, namely TAKE Solutions Pte Ltd. Mr. Ram Yeleswarapu has now resigned from directorship of TAKE Solutions Ltd and its holding Company w.e.f. June 23, 2020.

Persons and entities seeking re-classification also meet the following conditions prescribed for re-classification under the SEBI (LODR) Regulations that;

- (i) They, individually, along with their Persons acting in concert (without considering shareholding of other promoters of the Company), do not hold more than ten (10) percent of the total voting rights in the Company;
- (ii) They, directly or indirectly, do not exercise control over the affairs of the Company, they have also confirmed that post-reclassification, they shall not exercise direct or indirect control over the Company;
- (iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- (iv) They are not the shareholder of board or shall not be represented on the board of directors (including not having a nominee director) of the Company;
- (v) They individually, including through their immediate relatives or representative, do not hold any key managerial person or act as a key managerial person in the Company;
- (vi) They are not 'wilful defaulter' as per the Reserve Bank of India Guidelines; and
- (vii) They are not the fugitive economic offender.

Pursuant to Regulation 31A of SEBI (LODR) Regulations, 2015, re-classification of a persons and entities from "Promoter and Promoter Group" category into "Public" Category requires approval of Board of Directors, Shareholders and the Stock Exchanges. The Board of Directors of the Company at their meeting held on June 24, 2020 has approved aforesaid re-classification and recommended the resolution as set out under business Item no.4 in the AGM Notice for approval of the shareholders as an Ordinary Resolution. After shareholders' approval, the Company shall also be seeking requisite approvals of the Stock Exchanges in this regard. Except those mentioned in this resolution, none of the Directors, Key Managerial Personnel or their relatives is/are concerned or interested, either financially or otherwise, in the proposed resolution.

By Order of the Board  
**For TAKE Solutions Limited**

**Avaneesh Singh**

Place: Chennai

Company Secretary

Date: June 24, 2020

Membership No. FCS: 7338

### ANNEXURE TO ITEM- 3 OF THE NOTICE

Details of Directors seeking appointment at the forthcoming Annual General Meeting in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Director	Mr. Balasubramanian Srinivasan
Director Identification Number (DIN)	07121117
Date of Birth/Age	May 26, 1963 57 years
Nationality	British
Date of Appointment on Board	November 06, 2019
Qualification	Degree in Pharmacy from Madras Medical College, an MBA from London Business School and received executive training at Harvard Business School.
Expertise in specific functional area	Pharmaceutical sector
Shareholding in the company	NIL
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Supra Oncology Private Limited
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public companies including Take Solution Ltd	NIL

There are no inter-se relation between the Board Members.

~~UNCERTAIN.~~

Sure to

**REBOUND.**



## Forward-looking statement

In this Annual Report, the Company has disclosed forward-looking information to enable investors to comprehend the Company's prospects and make informed investment decisions. This report and other written and oral statements, that the Company periodically makes, contain forward-looking statements that set out expected results based on the management's plans and assumptions. It has tried, wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

The Company cannot guarantee that these forward-looking statements will be realized, although it believes it has been prudent in its assumptions. The achievement of results is subject to risks, uncertainties, and even inaccurate assumptions should be known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## Index

4

Managing  
Director's  
Message

6

TAKE Solutions  
at a glance

8

Our Edge

9

Financial  
Highlights

10

Our  
Credentials

14

Case Studies

16

Corporate Social  
Responsibility Report

18

Our Response  
to COVID-19

21

Board of  
Directors

22

Management  
Discussion and  
Analysis

35

Media  
Coverage

36

Statutory  
Section

114

Financial  
Section

240

Corporate  
Information

## ~~UNCERTAIN~~

The impact of the COVID-19 pandemic on the global economy has businesses and business leaders in an unprecedented state of uncertainty.

Decision-makers in Companies and Governments are identifying solutions for these new challenges and charting out a course of action.

There has been a reset of the work environment, a reset of the employer/employee engagement and a reset of the business ecosystem. For most, the business impact of the pandemic has been challenging.

Globally, the COVID-19 pandemic is estimated to have wiped out close to US\$ 7.8 billion from the near-term forecasts for pharmaceutical sales in just the first quarter of FY21 (Source: "EvaluatePharma World Preview 2020, Outlook to 2026). Despite this, the pharmaceutical industry is still expected to grow at a healthy CAGR of 7.4% between 2020 to 2026 to reach around US\$ 1.4 trillion.

## **REBOUND**

The successful Companies emerging from this crisis will be those that respond to these challenging scenarios, reset and rethink strategies and chart out a rebound journey!

TAKE Solutions leverages its Life Sciences domain knowledge, together with its technology expertise to bring a unique proposition to the 'new normal' in the market, paving the way for the future of Life Sciences. COVID-19 has given us the opportunity to re-look at our business and restructure ourselves, in terms of technologies, processes as well as physical and people assets. We foresee the rise of remote Clinical trials, real world data, new patient-engagement platforms etc. With the industry experience, right talent, and new skills, we are on track in fostering and nurturing excellence in domain knowledge in the Life Sciences space.





## Managing Director's Message



*We have unified all our strengths in Clinical CRO operations under our 'go-to-market brand' Navitas as Navitas Clinical Research. Similarly, we have unified our Clinical Functional Service Provider (FSP) offerings as Navitas Data Sciences.*

**Srinivasan HR**  
Vice Chairman and Managing Director

### To our Valued Investors,

As we move ahead in fiscal 2021, we look back on a challenging 2019-20 which has been a year unlike any other, in the sense a year of several highs, lows, and new beginnings.

The year in focus started on a high note, we continued to generate strong revenue growth at scale in the first three quarters, investing in our business to drive long-term growth until Q4 which was impacted by the widespread economic disruption resulting from COVID-19. TAKE registered a revenue of INR 2,213 Cr, an 8.53% growth over the previous year, bringing its CAGR for the last three years to a healthy 18.09%. Revenue from Life Sciences has grown at 21.95% CAGR as compared to the overall growth in revenue of 18.09% CAGR. While the Company's Q3 performance was on track, the sudden impact of the global pandemic has had its consequent impact on the business from Q4 onwards. We need to understand that clinical trials continue to be a "contact intensive" work. COVID-19 brought a halt to most Clinical trials all over the world, with low patient recruitment due to lockdown and/or non-availability, and disruption of supply chain of the samples involved, hence the Company has been running on low capacity utilisation.

### Continued Engagement with Customers

Over the year, we have been successful in renewing long term multimillion-dollar contracts with 3 of the top 5 global pharma companies. We have successfully re-bid a large value US

Government Project, secured multiple end-to-end clinical trials from small & medium Biopharmaceuticals and won a new services deal in hybrid delivery model. This year has also seen a significant engagement in Clinical Data Management. And we are truly proud to have bagged 15+ new logos onto our customer portfolio. In addition, the Company has been awarded 7 COVID-19 Clinical trials; which is a testament to the excellent capabilities of the Company.

### Making Acquisitions Work

2019 started showing success signs of our acquisitions as we moved ahead on our transformation journey. The post-merger integration of DataCeutics and KAI Research has augmented our organic growth and the Company is experiencing the benefits of these synergies. The Company successfully retained the leadership team and all the employees.

*These acquisitions have paved the way for a healthy revenue growth and pipeline, expanded reach and delivered up to 40% of cost savings via combined go-to-market cross-selling strategies and enabled significant opportunities for offshoring. As per plan, we have integrated all backend operations seamlessly and we are truly delighted that we have had 100% customer retention.*

### Building Life Sciences Specific Innovative Solutions

The Company has continued to deepen its commitment to invest in technology, intellectual property and platforms. TAKE enhanced technology IPs (safetyREADY – solutions for

Analytics Signal Detection & Line Listing Report, rimREADY - solutions for regulatory Affairs and labelREADY - solutions for labelling), built additional capabilities around OneClinical, our proprietary eClinical platform and expanded its NETS offerings. TAKE also invested in niche technology upgrades, Quality Analytics Solution to track enterprise level quality metrics as an extension to Trackwise QMS, executed new types of Novel inhalation clinical studies and engineered controlled drug delivery for anaemia studies.

### Strengthening Leadership and Governance

With the US – India corridor being extremely vital for our business, we have unified all our strengths in Clinical CRO operations under our 'go to market brand' Navitas as Navitas Clinical Research. Similarly, we have unified our Clinical Functional Service Provider (FSP) offerings as Navitas Data Sciences.

In addition to our domain leadership, we have also strengthened our leadership team in different areas of the organisation to propel growth in the current business climate and create a bench-strength of future leaders.

Starting with the Board, in the early part of the fiscal, we welcomed Balasubramanian (Srini) Srinivasan, global pharma expert with 30+ years of experience onto the TAKE Solutions Board. Srini's extensive experience in the pharmaceuticals and Healthcare industry has further strengthened the Board and supported the ongoing commitment following best practices in corporate governance. His global leadership roles across organizations like Novartis Switzerland, Pfizer Healthcare India, GSK, Astra, etc are contributing to TAKE's long-term strategic goals.

We also recently welcomed our home-grown leader, Lalit Mahapatra as Chief Financial Officer. Lalit is an established CFO and has worked across several global organisations including PricewaterhouseCoopers (PWC), Siemens, Schneider Electric etc. As Global Head M&A, Lalit has led the Company's growth through managing

complex acquisitions and divestitures. His current concentrated efforts are in building shareholder value as we position the Company for future commercial collaborations, financings, and other initiatives.

Collectively, these appointments elevate our depth in the areas of new business development, executive leadership and financial acumen and demonstrate our commitment to aligning our board's expertise with our strategic objectives to drive increased value for our shareholders.

### **Change is the only Constant**

Towards the end of the fiscal, the COVID-19 pandemic has had an unprecedented effect on global health and global economy.

It has fundamentally changed the way in which the Company conducted its operations and managed its workforce. Being an employee centric organization, TAKE Solutions' first responsibility was to take adequate measures to protect the health and well-being of our employees and at the same time ensure business continuity. Our strategic business continuity plans have provided our teams the ability to work remotely and deliver seamless operations with a high-performance mindset and achieve customer delight.

The unprecedented impact witnessed from the global spread of the COVID-19, has caused turmoil across markets worldwide. The world economy is expected to lose nearly \$8.5 trillion in output in 2020 & 2021 due to the COVID-19 pandemic, wiping out nearly all gains of the previous four years. (Source: UN – World Economic Situation and Prospects Report (WESP) mid 2020 report). The severe disruption caused by the global pandemic is being felt by the biopharmaceutical R&D sector in which the Company operates. As a result of the COVID-19 pandemic, and the consequent global impact on businesses, we anticipate a challenging Q1 and Q2 in the fiscal year 2021. As the situation normalizes, we anticipate a recovery in clients' business activities, enabling us to leverage our long-standing client relationships to gain new business.

***"In the midst of every crisis, lies great opportunity" - Albert Einstein***

This crisis has given us every opportunity to re-look at our business and restructure ourselves, both in terms of our physical and people assets, as well as in terms of processes and technologies. We foresee the rise in virtual and hybrid Clinical trials, real world data, medical device-based studies, new patient-engagement platforms etc.

In the current COVID-19 world, the Company's focus is on investing in growth opportunities in the US-India corridor which is extremely vital for our business. US, as a market, has maximum spend while India's existing advantage of innovation and engineering complements this strategy to help derive maximum shareholder value in the long run.

Clinical development, in the context of the COVID-19 pandemic, is undergoing a major shift, and regulators are opening up to the need to leverage technology and non-traditional processes to continue clinical development in this changed environment. For example, the US FDA has recently recommended that sponsors adopt steps such as trial virtualization, and remote monitoring to ensure patient safety, while continuing clinical trials during the pandemic. This requires Life Sciences companies to quickly adapt and implement significant changes in their clinical development processes, making them more technology dependent. While these changes were imminent, the advent of COVID-19 has catalysed this revolution, making technology-driven clinical development the new normal during and post-the pandemic.

Since 2016, TAKE Solutions has been a platform-driven CRO, leveraging technology to improve the efficiency of clinical development. We have invested in developing and implementing significant technology IPs in this space. TAKE's OneClinical is an AI-driven platform that enables clinical trial optimization and real-time data analytics to prompt early data-driven decisions, enabling remote monitoring and risk-based monitoring. Our other technology IPs (like pharmaREADY and safetyREADY) also digitize and automate essential processes for Life Sciences companies.

TAKE's proven domain expertise, coupled with our technology investments, enable us to be at the leading edge of the industry. Our comprehensive list of clients span large pharma, small & mid-sized innovators, generics companies, as well as regulators (such as the USFDA and the CDC). With our established credibility, our technology-driven approach, and our proven delivery excellence, we anticipate building valuable partnerships with our clients in the new context of technology-driven clinical development.

From the time TAKE has made a foray into the Life Sciences domain, the Company has had a pedigree of IP development and has used technology to efficiently deliver services for the Life Sciences industry. The Company today has adopted an outcome-based business model which does not depend on a T & M approach for monetisation of clinical studies.

The current reset owing to COVID-19 has accelerated the need for such an outcome-based business model which harnesses the power of technology. Compared to its peers the Company is in an advantageous position to easily adapt itself to the changing business scenario and hence will emerge stronger in the "new normal", the post COVID-19 world.

As a Life Sciences Company actively engaged in R&D, TAKE has been reclassified under the Pharmaceuticals Industry on both the Indian stock exchanges. Thus, your Company, TAKE Solutions, India's only listed Clinical Research Organization, possesses the competence to help customers bring lifesaving drugs to the market with speed and effectiveness. We are committed to supporting Life Sciences companies through the clinical development process and beyond, leveraging our expertise, and building on our technology capabilities.

I thank you for your continued support through this transitional period and look forward to better times ahead.

**Srinivasan HR**

*Vice Chairman and Managing Director*

## TAKE Solutions at a glance

### **Our Values**

*TAKE Solutions aspires to be a globally recognized and respected market leader in the domain intensive and niche Life Sciences industry. The core values that drive us are Vibrancy & Joy, Boundaryless Innovation, Integrity, Differentiate, and Equity with Fairness. We imbibe these values in all aspects of our business and are driven to achieve our business objectives as a socially responsible organization.*



### **Context**

Established in 2000 as a software services provider, TAKE has evolved through organic and inorganic growth to become a preferred partner for Life Sciences companies. The Company extended into the Life Sciences industry in 2004 with a vision to build technology products that improved functionality and efficiency. Headquartered in Chennai, TAKE Solutions became a listed Company on the National and Bombay Stock Exchanges in 2007.

The Company has grown from strength to strength and, in 2016, transformed into a full-service player in the Life Sciences market with an entry into the Clinical vertical. In 2019, TAKE reclassified itself in both the Indian Stock Exchanges as belonging to the “Pharmaceutical” industry. Today, the Company, has emerged as the only full-service technology-driven Clinical Research Organization listed in India.

### **Global Life Sciences Brand**

Over the years the Company has built/acquired many Life Sciences brands and completed 5 successful Global Life Sciences acquisitions.

In 2007, TAKE acquired Onsphere Corporation, USA, an IP-driven leader in regulatory compliance for Life Sciences. Through the acquisition of WCI Consulting in 2011, TAKE added consulting capabilities and unique industry forums (NETS) to its portfolio.



Acquisition of Ecron Acunova in 2016 helped TAKE gain clinical expertise and become a full-service Clinical Research Organisation (CRO).

In 2017, TAKE consolidated its Life Sciences businesses under its global

### Financials

The Company reported revenues of INR 2,213 Cr, an 8.53% growth over the previous year, bringing its CAGR for the last three years to a healthy 18.09%. Revenue from Life Sciences has grown at 21.95% CAGR as

list of satisfied patrons, including 50+ Generic pharmas, 180+ clients for the proprietary pharmaREADY solution, and over 120+ NETS members.

The Company has maintained strong traction with small & medium pharmas, continued engagement with large pharmas and government bodies.

Over the last financial year, the Company has renewed long term multimillion-dollar contracts with 3 of the top 5 global pharma companies, successfully re-bid a US Government Project, won multiple end-to-end clinical trials from small & medium biopharmas and new services deal in hybrid delivery model, ensured significant engagement in Clinical Data Management while adding 15+ new logos to the customers portfolio.

### Supply Chain Business

The Supply Chain Management (SCM) business in India is a joint venture with APA Engineering. APA's unique positioning has enabled it to achieve high revenue growth and consistent EBITDA and PAT margins.

### Knowledge Capital

More than 1500+ professionals are engaged with TAKE as of 31 March 2020. Around 25% of the Company's work force comprises of domain experts (medical doctors, PhDs, and bio-statisticians) with deep academic credentials and at least ten years of hands-on experience in clinical trials and drug development. As an organization, the Company has stabilized well and adapted to the 'new normal' positively. The Company has not faced any negative impact on a reduction in team size or employee strength.

Instead, the Company has added new clientele and a healthy customer pipeline across geographies.



go-to-market brand Navitas Life Sciences (NLS). TAKE continues to build its capabilities organically while strengthening NLS's presence in America through the acquisitions of DataCeutics and KAI Research.

Post-merger integration of DataCeutics and KAI Research has been successfully completed, and the Company is experiencing the benefits of synergies.

compared to the overall growth in revenue of 18.09% CAGR.

### Customers

TAKE Solutions is the preferred partner for Life Sciences Companies, with an average of 12 years of active association with 15 of the top Global pharmas. Our innovative strategies and expertise have ensured that 90% of global customers repeatedly re-engage, and nurtured an exhilarating



## Our EDGE

### Technology and IP

- Full-service Clinical Research Organization with deep acumen in technology and expertise in analytics and data sciences
- OneClinical, AI and analytics-based clinical trials management platform
- Eight unique technology IPs customised around Life Sciences
- The only Company to host 10 unique proprietary Life Sciences industry's network forums

### Life Sciences Leadership

The Company has demonstrated strong domain expertise through various engagements

### Thought Leadership:

- Authored 10 thought leadership articles

### NETS:

- 300 members from over 50 global pharma companies
- 26 forum meetings across New York, London, and Mumbai
- 81 case studies presented
- 7 white papers created, based on insights from NETS

### Quality Standards

The Company is a proven partner for delivery excellence backed by strong processes

- 4 Regulatory Inspections by Austrian FDA, US FDA, and College of American Pathologists (at Manipal & Chennai Clinical Laboratories)
- 38 Customer Audits for both existing & new business
- No critical findings during the audits/inspections
- ISO 9001:2015 recertification completed at Frankfurt & Berlin
- ISO 9001:2015, and ISO 27001:2013 recertification completed at BA/BE facilities of Chennai, Mangalore, Manipal and Bangalore
- College of American Pathologists Accreditation for our Clinical Testing Laboratories 2019

### Global Infrastructure

TAKE has a network of global offices across 10 countries, with Clinical Laboratories and patient facilities in 4 locations in India.

- USA HQ, Princeton, NJ: Clinical, Regulatory & Safety consulting and technology centers. Clinical data sciences center in Philadelphia. Clinical trials operations across multiple sites.
- APAC HQ, Chennai, India: Clinical Operations (Incl. Generics) in Bangalore, Chennai, Mangalore and Manipal Regulatory & Safety/PV operations hub in Chennai



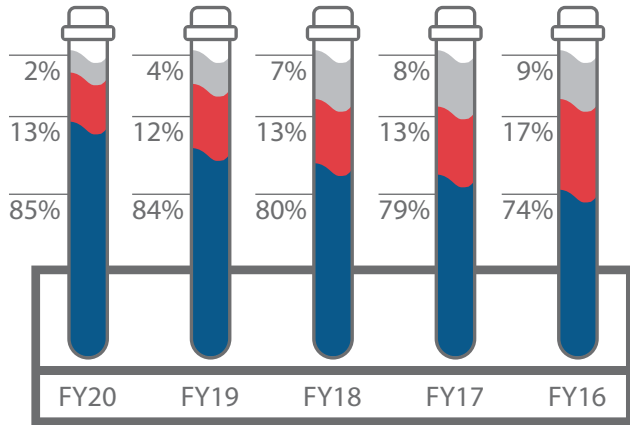
- LATAM Delivery Centre, Bogota, Columbia: Regulatory & Safety support across 9+ countries in region

### Milestones and Awards

- Everest Group's Life Sciences Clinical Trials Products PEAK Matrix Assessment 2019 recognized Navitas Life Sciences as a Major Contender
- Acquired US-based, full-service contract research organization (CRO) and health-research Company KAI Research
- Acquired DataCeutics, an American Clinical Data Sciences services company that provides quality SAS based statistical programming, clinical reporting and clinical data management
- 180+ customers for pharmaREADY, our cloud-based Regulatory Submissions management platform
- Awarded Silver recognition level by EcoVadis for Sustainability & CSR Performance

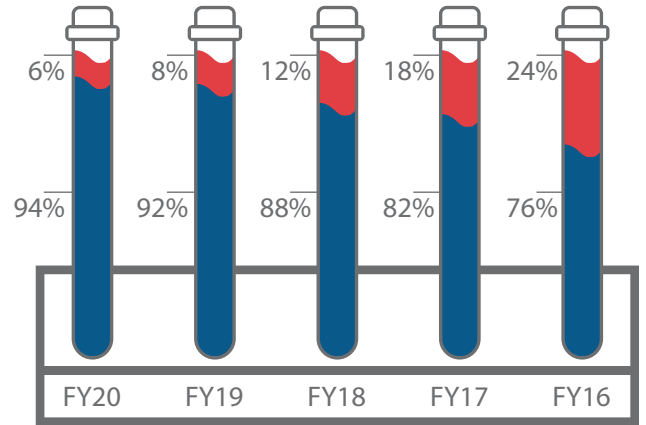
# Financial Highlights

### Revenue % by Geography



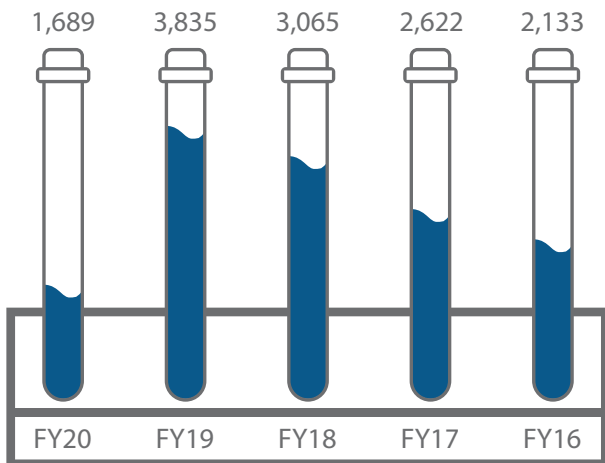
● USA ● Asia-Pac ● Europe

### Revenue % by Vertical

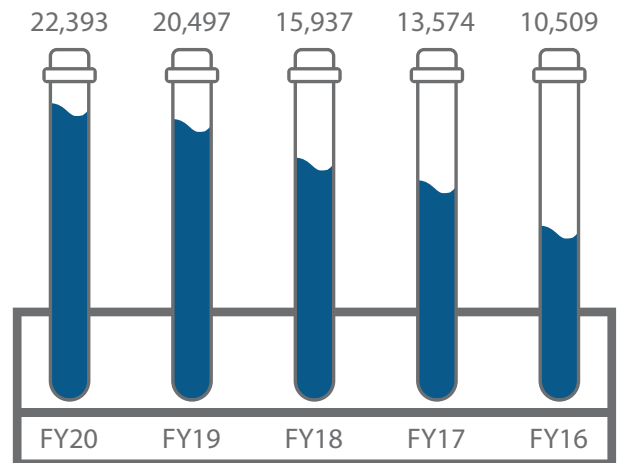


● Life Sciences ● Supply Chain

### Operating EBITDA (INR in Million)



### Revenue (INR in Million)



The consolidated total revenue for the year was INR 22,393 Mn, a 9% increase over FY19.



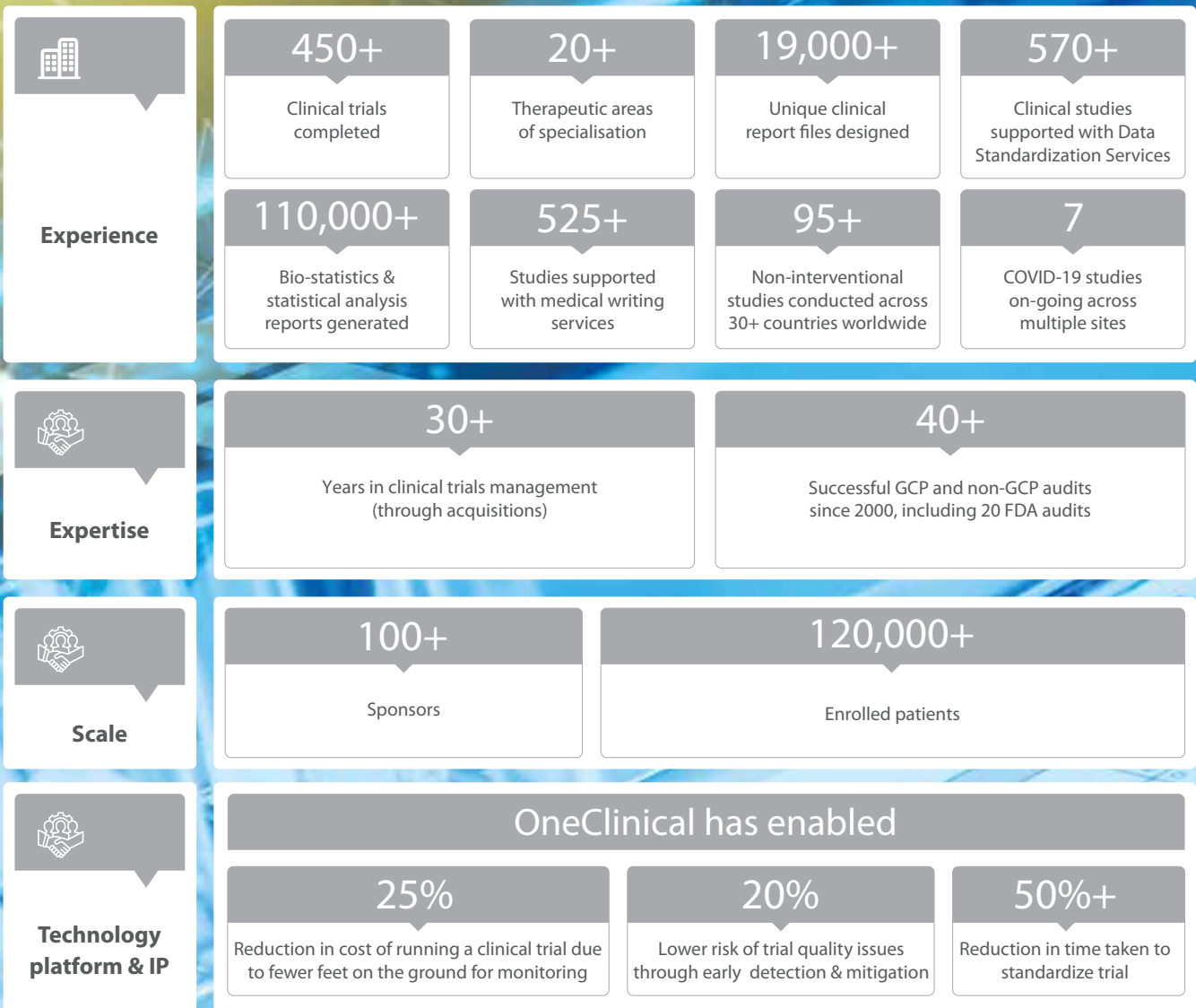
# Our Credentials

## Corporate

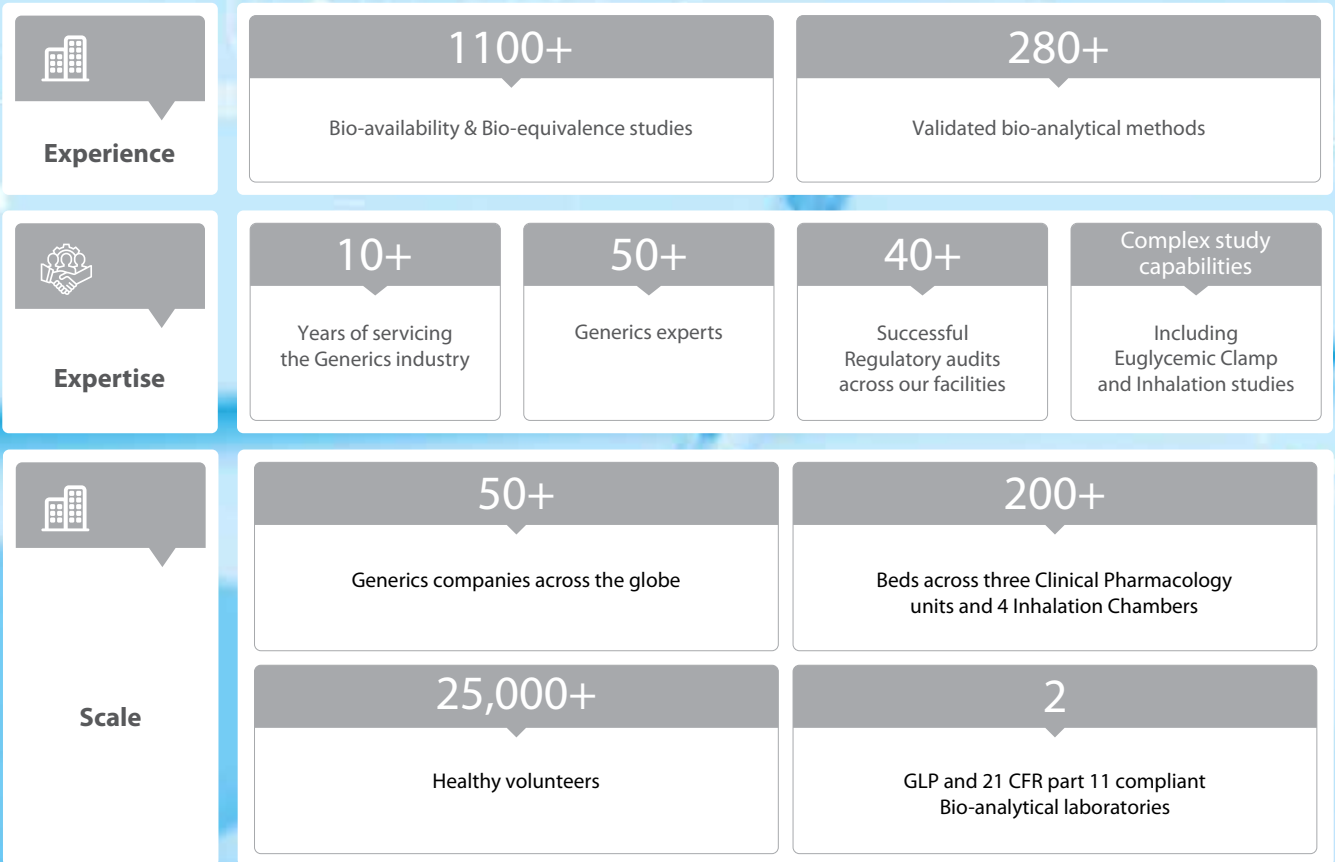


## Our business

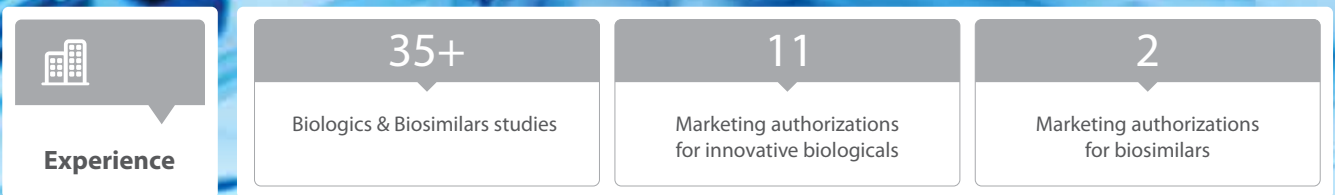
### Clinical trials management



## Generics support



## Biologics and Biosimilars



## Regulatory affairs



### Experience

50+

Regulatory consulting engagements

170,000+

Regulatory submissions enabled across the globe

5%

of all regulatory submissions to USFDA from 2012 to April 2020



### Expertise

100+

Years of combined experience in regulatory consulting

100+

Regulatory experts

7+

Years of experience on an average for our regulatory associates



### Scale

200+

Clients

5

Regulatory hubs across North America, Europe, APAC and South America

130+

Countries in which submissions submitted



### Quality

0 refusals

to file since 2012



### Technology Platform & IP

5

Unique IPs developed for regulatory affairs – pharmaREADY, traceREADY, idmpREADY, labelREADY, rimREADY

180+

Customers for pharmaREADY, our cloud-based, regulatory submissions management solution

pharmaREADY

Enabled one-day submissions support, provided documents are submission ready

traceREADY

is an approved solution for accessing the European Medicines Verification System (EMVS) of seven European countries including the UK, Ireland and Poland

## Pharmacovigilance and patient safety



## NETS/Proprietary industry networks and consulting practice





## Case Studies



### CLINICAL: Rapid, on-time, high-quality delivery of annual CDC influenza serosurveillance study

#### The Need

The US Centers for Disease Control requires expert support on tight deadlines each year to implement the "Anonymous Pre and Post Influenza Vaccine Sera Panels" for provision of paired serum samples, pre- and post-immunization with the current, seasonal, quadrivalent, killed virus influenza vaccine, from each of the following populations: pediatric (6-35 months), pediatric (9-17 years), Adult, older adult, and elderly.

#### The Solution

TAKE provided full service clinical trial capabilities for this annual study, including: materials development, data management, site selection and management, vaccine supply, and performance of all assessments and patient sample collection, processing and shipment. TAKE provided clinical monitoring and study support by preparing training materials and conducting SIVs, in addition to conducting IMVs at the sites on a rotating schedule, under rigorous deadlines.

#### The Results

TAKE met all deadlines and deliverables while also delivering under budget, despite challenges including delays in vaccine availability and recruitment of the youngest cohort (paediatric, ages 6-35 months).

### REGULATORY: Enabling a proactive top global pharmaceutical company to prepare for future regulations



#### The Need

A US-based top global pharmaceutical company had a track and trace solution that complied with the current FDA DSCSA and EU FMD serialization requirements. The company wanted a system that could provide a full traceability to be able to comply with FDA regulations that go into effect in 2023.

#### The Solution

TAKE Solutions' traceREADY Edge provides access to a plethora of services for self-serialization transactions like receiving, put away, pick, pick verify, ship confirm, pack/unpack, re-work, goods issue and more. It provides a rich native user experience that supports multi-devices (Windows, Android, IOS) and is fully scalable to address future needs.

#### The Result

The client tested traceREADY against a competing product in a pilot study, following which traceREADY was selected for implementation across the global organization. With its fast and easy implementation, simple configurations, dynamic integration with the warehouse and ERP systems, and superior technical support, traceREADY has enabled the global pharma to be proactively compliant with the upcoming regulations.



## SAFETY: End-to-End Pharmacovigilance (PV) Service- Patient safety, from clinical trials to post marketing PV

### The Need

A small to mid-sized pharma company conducting late phase trials preparing for market launch required TAKE to conduct End-to-End patient safety, from clinical trials to post marketing. It was necessary to align processes with their in-house SOPs with requirement for access to safety database to be able to participate in case processing activities, such as medical review.

### The Solution

TAKE provided considerable support by navigating clients through the regulatory landscape while improving their clinical and post-marketing experience, grounded with regulatory intelligence. Global centralized SOPs were established in line with customers operations using the multi-tenancy feature of Argus. Further, implementation of a safety database enabled clients to access and actively participate in pivotal aspects of PV operations. An integrated PV Services and Technology solution was provided, along with the establishment of safety analytics dashboards, enabling key business metric insights.

### The Result

The Company was successful in ensuring superior regulatory compliance through automated regulatory intelligence to achieve timely reporting. There was improved SOP operational alignment through our global insights and experience. Digital oversight provided improved control of PV operations through integrated Technology and Services. TAKE's PV analytics dashboards empowered deeper insights into the client's safety operations, regulatory compliance, and case quality.

*The Deputy General Manager, Medical Affairs and Pharmacovigilance of the Global Mid-Sized pharma Company provided the following feedback "For over five years we have been working in partnership with Navitas Life Sciences, leveraging their services across the PV spectrum. We have benefited from their Thought Leadership Insights, specialized PV services, guidance to ensure regulatory compliance, and their technology to enable transformation".*



# Corporate Social Responsibility Report

At TAKE Solutions, corporate social responsibility represents an integral part of our business. TAKE is committed to supporting causes that have a high impact and deliver a great value to society. The Company's corporate social responsibility extends from its core values of Vibrancy & Joy, Boundaryless Innovation, Integrity, Differentiate, and Equity with Fairness.

## Policy

Our Corporate Social Responsibility (CSR) Policy reiterates our commitment to being a socially and environmentally conscious organization. Further, it gives the details of the governance structure of our CSR initiatives and the details of our focus areas for CSR.

## Commitment

In line with our business and values, TAKE's Board of Directors is committed to overseeing the CSR policy, Implementation of CSR activities, CSR Allocation & Spend, Project Approval and Reporting of CSR Activities to our stakeholders.

## PROJECTS FY20 Promotion of Preventive Healthcare Supporting Preventive Oncology Initiative

TAKE supports Preventive Oncology with Cancer Institute (WIA) in Chennai. Cervical cancer and breast cancer are two of the most common causes of cancer deaths among women in India, but early detection and proper treatment can improve this prognosis and can make cancer curable. The Cancer Institute has a functional preventive oncology department set-up for early detection, screening, and education with centers in Villupuram, Gummidipoondi, Pudukkottai and Thiruvannamalai and a Cancer Exhibition and mammobile for breast cancer screening. The department also functions as the training centre to train staff and coordinate the activities at the different centres across the state.



### **Promoting awareness of developments in mental health**

TAKE sponsored Madhuram Narayanan Centre's 6th International Conference and 16th National Workshop on Early Intervention for Children with Intellectual Disability and Associated Conditions. The theme of the conference was "Towards Inclusion: Evidence based Supportive practices in Early Intervention". The conference was conceptualized with an aim to create awareness amongst mental health professionals and service providers about latest developments in prevention, early detection and identification of disabilities, and methodologies in the care and management of children with mental retardation and associated disabilities.

### **Creation of a Curriculum on Health Literacy**

TAKE supported the Public Health Foundation of India (PHFI) in funding project i-PROMiSe (PROMoting health literacy in School) which works towards understanding and preventing Diabetes in India. The aim of the project is to promote healthy lifestyle among school children to prevent diabetes and other related non-communicable diseases (NCDs). PHFI in partnership with World India Diabetes Foundation (WIDF) and colleagues from Mayo Clinic has developed a school education module following the Health Belief Model (HBM). These resources were pre-tested in schools of Delhi and are finalized for implementation in several cities across India. The project was undertaken in two phases in schools of Delhi. Phase 1 consisted of assessing the perception towards NCDs using a Health belief module survey. The survey feedback was used to develop a comprehensive module of resources about healthy living. In phase 2 these resources were pre-tested and feedback was obtained from the target audience through focus group discussions. 89 children and 17 teachers participated in phase 1 and phase 2. The project created interactive modules to promote healthy behaviours and was

found to be effective in improving knowledge, perception and behaviour towards NCDs in schools. Feedback from participants suggest such interventions can be geographically scaled to meet the demand at the national level.



### **Ensuring Environmental Sustainability**

#### **Promoting Environment Awareness through Wall Paintings**

TAKE engaged with Environmentalist Foundation of India (EFI), which conducted a valuable environment awareness walk for TAKE volunteers. Water scarcity status, significance of pond restoration, human interference and its environmental impact were some of the issues that were discussed during the awareness walk conducted near the Veppanthangal Lake in Alapakkam, Tamilnadu. Together, TAKE and EFI proposed to raise awareness about environmental issues by painting walls near the lake. Volunteers from TAKE painted the walls to drive home the message of saving water and avoiding plastic.

#### **Promoting Environment Sustainability by Increasing tree cover**

TAKE, along with EFI, planted nearly 80 Native species of tree saplings across the bunds of the Alapakkam lake in a bid to hold the bunds and to strengthen them. This initiative helped in raising awareness about proper waste management, need to restore water bodies and to safeguard the ecosystem around the lake.

### **Supporting Environmental Sustainability through Lake Clean-up**

TAKE volunteered with EFI to support the clean-up of Alapakkam, Nanmangalam and Kazhipattur lakes. The effort was aimed at clearing the waste around the lakes, with the waste collected around the Alapakkam lake amounting to 25 sacks of plastic, glass and paper waste. The volunteers got a glimpse of the magnitude of waste that is thrown around lakes, the environmental hazard that it could cause, its effect on marine biotech and the urgent need to clean-up water bodies. This initiative helped in restoring the beauty of the lakes and created a better habitat for birds and aquatic life in the lakes. It also helped in reducing interruption to ground water discharge.

### **Supporting Environmental Sustainability through Beach Clean-up**

TAKE volunteered with EFI to support the clean-up of Ashtalakshmi temple beach and the Pattinapakkam beach. The effort was aimed at clearing the waste on the shores of the beaches to restore their original beauty. During this initiative, waste such as plastics, clothes and bottles were cleared. The drive promoted awareness about proper waste disposal, the need for a clean and safe environment along the shores, its effect on marine life and the repercussions on the ecosystem.





## Our Response to COVID-19

We are in unprecedented and extremely volatile times as we confront COVID-19, one of the most significant health threats that the world has seen. On 11 March 2020, the World Health Organization declared COVID-19 as a global pandemic, highlighting the precipitous global uncertainty that has impacted lives and livelihoods into a crisis that continues to unfold.

As of July 2020, there are over 14.5 million confirmed cases, with some 606,000+ fatalities, across 190 countries/territories. COVID-19 has impacted every aspect of human life and is purported to change how we do business. The severe disruption in services caused by the global pandemic has had economic repercussions on the biopharmaceutical R & D sector in which TAKE operates.

### **Proactive initiatives to protect Employees and Operations**

As an employee-centric organisation, TAKE Solutions' first responsibility during these trying times are measures to protect the health and well-being of our employees and maintain business continuity. The Company has conformed with the directives issued by the Central and State Governments to maintain social distancing and take the required precautions for all our staff. We enabled a 'work from home' policy and ensured that teams were suitably supported to virtually connect with all stakeholders (employees, customers, sponsors etc.,) periodically via Skype and other teleconferencing modes.

We continuously disseminated information to our employees during the 'work from home' period, through different channels such as leadership messages, virtual Townhalls, Corporate social network and a 24/7 internal advisories help desk. We also enabled Information Security trainings and other upskill training programmes through video / audio conferencing for the benefit of the staff. Through regular internal social network communications, we reinforced the importance of personal hygiene and physical distancing measures to sensitise employees and reduce the risk of infection.

The Company has developed a "Workplace Guidelines" in line with directives issued by Ministry of Home

Affairs (MHA). All the facilities continue to be regularly sanitized for the safety and wellbeing of the employees. All safety protocols of temperature screening, wearing of safety gears, social distancing, sanitizing and recommended hand washing procedure are being adhered to very stringently. With a view to maintaining the social distancing norms and prioritizing employee wellbeing, the Company continues to provide the facility of 'work from home' to its employees with reduced staff coming to offices and workplace.

### **Business Continuity**

As immediate steps, the Company implemented the following precautionary measures in response to the pandemic:

- TAKE's management initiated the business continuity plan (BCP) measures planned for natural calamities to protect customers, colleagues and all relevant stakeholders
- TAKE's business leaders conducted detailed team mapping and devised risk management plans for different levels of risk alerts
- TAKE's management ensured complete compliance with all relevant government notifications and advisories in its entirety in all its relevant geographies of operations
- The result of these actions was that all technology led services in the Regulatory and Safety practices and platform-based services moved to a working from home (WFH) delivery model.



### **Proactive initiatives to support our Customers**

As a company with global operations across US, EU and Asia, we are aligned with the directives of the local governments where we operate. We had, even ahead of the Government mandates, arranged for our colleagues across all our offices to continue to work from home and ensured our teams continued using teleconferencing modes to manage their work and collaborate with teams and customers. All our colleagues have been provided with

*Navitas Life Sciences, a TAKE Solutions Enterprise supports COVID-19 clinical trials, in varying capacities. We have won 7 COVID-19 clinical trials to date, with more in the pipeline.*



the requisite infrastructure enabling them to engage effectively, even as they work from home while being sensitive about the occasional bandwidth and related technical issues that are not unique to us.

#### **Impact on Business Operations**

As a result of the COVID-19 pandemic, and the consequent global impact on businesses, we anticipate a challenging Q1 and Q2 in the fiscal year 2021. As the situation normalizes, we anticipate a recovery in clients' business activities,

enabling us to leverage our long-standing client relationships to gain new business. We anticipate this fall in revenue and earnings to be a temporary situation, with the company focusing on a return to profitability in Q3 FY2021.

#### **Support for COVID-19 Clinical Trials**

The effect of COVID-19 on Life Sciences has been two-fold, while biopharma companies are taking on the challenge of quickly bringing to market an intervention to mitigate its

impact, current non-COVID drug development initiatives, on the other hand, are affected by the ongoing pandemic. The main challenges facing ongoing clinical trials relate to safety and recruitment.

Owing to the current pandemic, Life Science Organizations can no longer depend on a non-digital, people-dependent clinical trial process. Instead, companies like ours are leveraging technology to ensure business continuity and support for clinical trials.

The unexpected emergence of the COVID-19 pandemic has meant that we have had to re-evaluate our methods of working and have brought in measures that we can see have helped in enabling us to deliver continued support for business processes, as well as providing a safe working environment for our employees.

Navitas Life Sciences, a TAKE Solutions Enterprise supports COVID-19 clinical trials, through various strategies:

**Leveraging Technology**

The Company has been on the path of digitization, adopting collaboration tools, clinical technology solutions, and more, to stay connected, collaborate, and perform tasks in clinical operations and data management. Managing the change from traditional systems to electronic systems remains crucial. We believe that our teams are empowered by the provision of

requisite training and support to help them use such systems effectively. Our investments in our people and technologies have paid off in light of the current pandemic, enabling our operations to continue unhindered as our teams moved to work remotely.

**AI and Analytics Platform**

All our clinical trials are backed by OneClinical Analytics, our Artificial Intelligence (AI) and Machine Learning (ML) driven platform that offers sponsors near real-time data visibility and analytics in an outcomes-based engagement model. This technology has been leveraged to monitor medical, safety and operational aspects of a study throughout the pandemic.

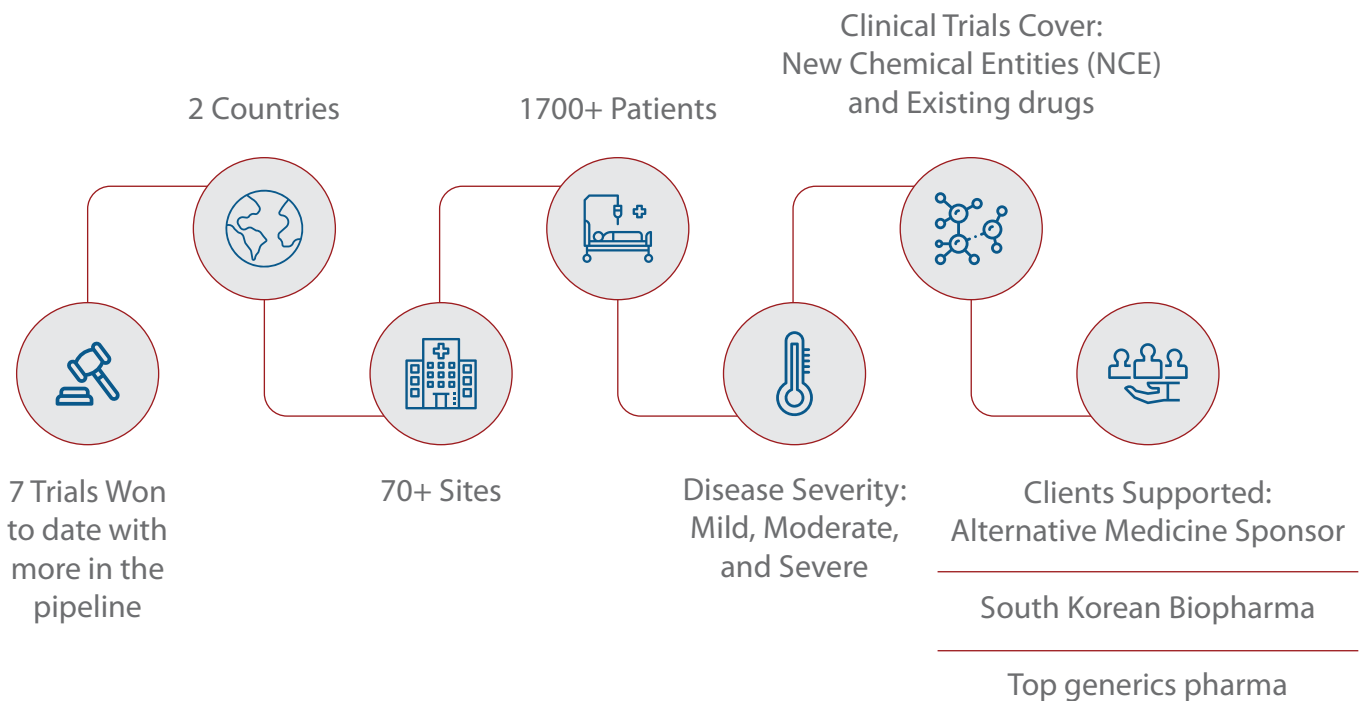
**Automation**

Our cloud-based systems like Laboratory Information Management System (LIMS), Electronic Data Capture (eDC), Imaging, and Statistical Analysis, amongst others,

ensure the reduced need for in-person support due to automation of specific processes. Such technological support allows a seamless transition to remote working. Backup and disaster recovery processes are crucial to ensure that these systems can support us through unexpected times.

**Enabled Remote Site Management**

In a bid to streamline processes and increase efficiency during the pandemic, we introduced remote site management for our clinical trials. Such measures enabled us to seamlessly collect data and monitor sites even during the current pandemic, which is critical for any trial to be successful.



## Board of Directors



**N Kumar**  
*Chairman*



**Srinivasan H R**  
*Vice Chairman and Managing Director*



**Balasubramanian (Srini) Srinivasan**  
*Independent Director*



**R Sundara Rajan**  
*Independent Director*



**Uma Ratnam Krishnan**  
*Independent Director*



**V Murali**  
*Independent Director*



**S Srinivasan**  
*Non-Executive Director*



**Shobana N S**  
*Executive Director*



# Management Discussion & Analysis

## Industry Outlook

### Global Economy

The COVID-19 pandemic has resulted in an unprecedented global turmoil – both economic and social. Protecting lives and ensuring continuity of the health care systems has taken a toll on economic activity across the globe. The international monetary fund expects the global economy to contract sharply by almost 4.9% in 2020, much worse than the financial recession of 2008-09. In the baseline scenario of the virus fading away in the second half of 2020, the global economy is expected to grow by 5.4% in 2021. Economic constraints in developing markets like India, further add to the strain on growth. However, strong multilateral cooperation and liquidity assistance could help strengthen economic activity and rebound quickly.

The pandemic has created a situation which makes forecasting future outcomes difficult, because the underlying assumptions are surrounded by a lot of uncertainties. Global business confidence has been shaken and the effects are already visible. At the time of writing this report (Quarter ended June 2020), the financial markets have become volatile combined with plummeting demand and capital reversals, the risk of worse outcome prevails.

(Source: IMF)

### Indian Economy

In FY20, the country recorded its highest Foreign Direct Investment (FDI) of US\$ 49.97 billion, 13% higher than the previous financial year. India witnessed a 23-notch jump to a record 63rd position in the World Bank's latest report on the Ease of Doing Business that captured the performance of 190 countries. The ongoing trade tensions between US and China has helped India gain almost US\$ 755 Million in additional exports in just the first half of FY20. Core inflation (i.e. non-food non-fuel) grew at just 3.8%, which is the lowest

since FY13. The rupee recorded a massive drop of 9.36% during FY20, closing at 75.60 against the US dollar, primarily due to the impact of the COVID-19 outbreak during the last weeks of the financial year.

India's initial response to the COVID-19 crisis helped in flattening the curve, but systemic issues like lack of healthcare infrastructure, high population density and supply chain disruptions have made it very difficult to contain the virus. At the time of writing this report, India stands 3rd globally in the number of corona cases reported and the situation is rapidly getting worse. Based on these recent developments, IMF has revised its initial projections and now expects the Indian economy

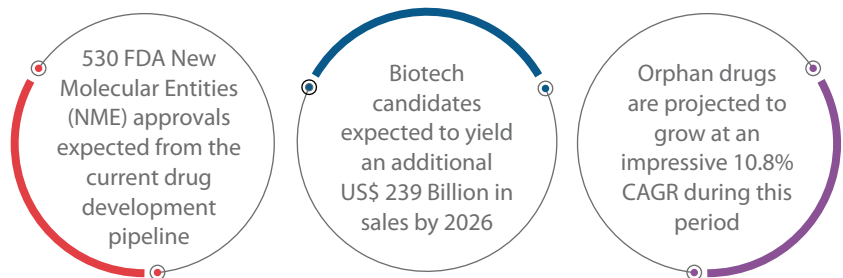
to contract by 4.5% in 2020 and recover to around 6% growth by 2021 under baseline conditions.

(Sources: IMF, Economic Times, Hindustan Times, UN trade and investment body)

### Pharmaceutical Industry

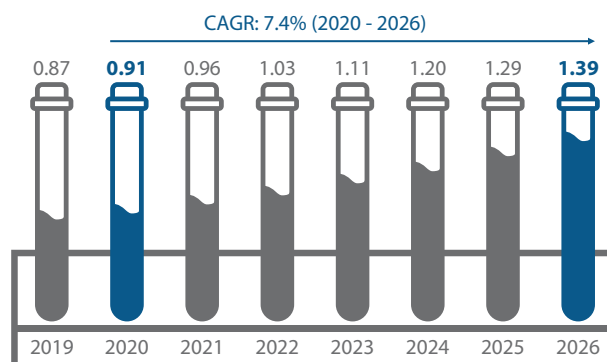
Globally, the COVID-19 pandemic is expected to have wiped out close to US\$ 7.8 billion from the near-term forecasts of pharmaceutical sales in just the first quarter of FY21. Despite this, the pharmaceutical industry is still expected to grow at a healthy CAGR of 7.4% between 2020 to 2026 to reach around US\$ 1.4 Trillion.

## Key drivers of Pharmaceutical growth



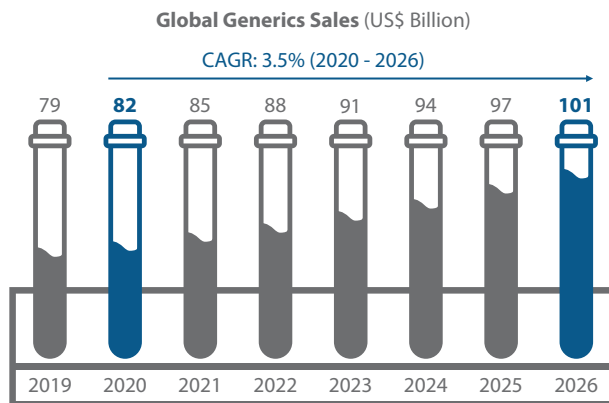
Source: Deloitte

## Global Pharmaceutical Sales (Incl. Generics) US\$ Trillion



Source: EvaluatePharma





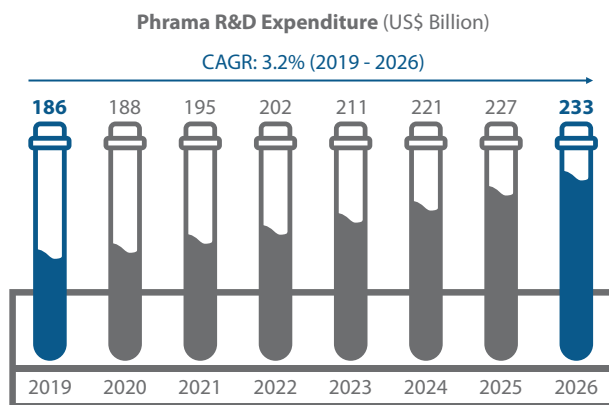
Source: EvaluatePharma

Global Generics market on the other hand is expected to grow at a CAGR of 3.5% between 2020 – 2026, reaching US\$ 101 Billion. According to a recent report published by International Generics and Biosimilar Medicine Association (IGBA), generics penetration has increased considerably across the globe. In terms of volume, 90% of drugs prescribed in the US are generics, while in Europe roughly 2 out of every 3 drugs are generics, and in India the penetration is at around 73%. On the supply side, India is the largest supplier of generics drugs to the global market. In the near-term, 27 drugs are going off patent between 2020 - 2021, creating a healthy pipeline for generics companies.

(Sources: EvaluatePharma, Deloitte, IGBA)

### Pharmaceutical R&D Expenditure

Pharmaceutical R&D spends stood at US\$ 186.0 billion in 2019, displaying a growth of just 3% y-o-y, much slower than the 2018 growth rate of 7.3%. The expenditure is expected to grow at a CAGR of 3.2% over the next 6 years to reach US\$ 232.5 Billion by 2026. This projection is significantly lower than the CAGR of 4.6% between 2012 and 2019.



Source: EvaluatePharma

Historically R&D spends accounts for a significant proportion of a biopharmaceutical's expenditure. On average, 1/5th of the revenue generated from sales of prescription drugs was spent on R&D, between the period of 2012 to 2019. However, current projections show this average will reduce to about 18.9% between 2020 and 2026. This change suggests that the industry expects to capitalize on their previous investments in the near-term, while looking for ways to improve efficiencies across the drug development landscape. The recent uptake of digital solutions and artificial intelligence across the industry is a testament to this change in mind set.

(Source: EvaluatePharma)

### Oncology Set to Remain as the Largest Therapy Area Till 2026.

Over the past few years, oncology has been the largest therapeutic area in terms of drug sales by a considerable margin. 2019 was no different. With a 16% market share, oncology remains on top, followed by anti-diabetics with a share of 5.6%. Current projections show that the sales of oncology drugs will continue to grow over the next 6 years at a CAGR of 11.5%, reaching around US\$ 311.2 Billion by 2026.

On the R&D side, PwC estimates that 34% of the more than 15000 assets currently under development are related to cancer, a 30% increase compared to 2013. FDA approved 11 oncology drugs in 2019, which accounts for 23% of all new drug approvals. Oncology expertise continues to remain one of the key drivers for M&A activity in the industry.

(Source: EvaluatePharma, Pharma manufacturing)

# Recent Development and Trends impacting the Life Sciences Domain

1



## Faster and Cheaper: AI For Drug R&D

According to a recent report by Deloitte, AI market in drug discovery is expected to grow from US\$ 159.8 million (2018) to US\$ 2.9 billion in 2025 at an impressive CAGR of 52.9%. Over the past 5 years, many artificial intelligence startups have entered the fray, deploying advanced machine learning and AI algorithms to repurpose existing formulations and create new candidates. Many companies have also started to invest in developing cloud computing capabilities targeted at streamlining collaboration with other stakeholders and improving efficiencies across the drug development landscape. This groundwork has opened-up a lot of new possibilities for adopting advanced data strategies across the Life Sciences space.

2



## Positive ROI from R&D Continues to be a Challenge

The cost of bringing a new drug into the market, from discovery to market approval, has been increasing exponentially over the past few decades, from around US\$ 800 million in 2003 all the way up to US\$ 2.6 billion in 2019. Adding to this, on an average only one candidate, out of every 10,000 candidates tested, receives market approval. Drug development has always been an inherently high-risk high-stakes investment, especially in the current scenario where the industry is also navigating pricing pressure across the globe as well as an economic crisis. All these factors have made generating a positive return on investment even more elusive for the sponsors. However, this is a silver lining for the CROs because more and more sponsors are turning to external partnerships to combat these structural issues. We expect the addressable market for CRO to increase significantly, not only because of increase in R&D costs but also because of an increase in the proportion of operations being outsourced.

3



## Biopharma Continues its Rise

For developing novel therapies, the spotlight is on the field of gene therapy and RNA-targeted therapeutics. The sector has attracted a lot of investments in the recent past. Biopharma companies raised over US\$ 12 billion in just the second quarter of the 2019. Industry experts are optimistic about the potential of this space, with reports estimating that the R&D spends on gene therapies will increase by almost 25 times over the next 5 years.

4



## Increasing Demand for New Types of Collaboration

As traditional avenues for innovation have become very competitive in recent years, there is increasing appetite among sponsors to explore new engagement models that will increase efficiencies of the drug development cycle. The sponsors are open to strategic collaborations for functions and operations which were traditionally siloed and executed in-house. This has allowed more Life Sciences entities to pool resources, tap into additional expertise, and have a significant impact across the value chain.

5



### Increasing Digitization

For many years, clinical research organizations and technology companies have been pitching the merits of deploying digital solutions for functions and operations that were traditionally paper-based and required in-person interactions. Although, a few pharma companies were earlier adopters, most of the industry preferred to just tread water and bide their time. COVID-19 brought a much-needed impetus to this transition. With new guidelines from FDA centered around patient safety, sponsors are scrambling for digital solutions which will allow them to collect patient data without the need for face-to-face interactions. We believe that this urgency to upgrade existing systems and policies will continue even after the COVID crisis fades away and will pave the way to a long-overdue digital transformation in the space.

### Role of digital platforms in business operations is rapidly evolving

The transition to digital channels has started to extend beyond just clinical trials. The challenge of working remotely during the current pandemic has forced Life Sciences practitioners to increasingly use digital channels – a change that experts thought would take many years. A recent survey by McKinsey revealed that almost 95% of Medical Science Liaisons (MSL) were interacting with physicians using virtual platforms which were either rolled out or upgraded during the end of Q4 FY20, as a business continuity measure. Digital interactions have taken hold in other functions as well. Leaders in regulatory and safety monitoring are experimenting with remote and virtual internal audits. Experts believe that this shift from face-to-face interactions to virtual interactions will become the new normal in the post-pandemic world, because of the advantages it offers in terms of efficiency and costs.

6



7



### Strengthening of Real-World Data and Evidence

Real-World Data (RWD) in Life Sciences includes both data pertaining to the health of patients as well as the delivery of healthcare. Real-World Evidence (RWE) is the evidence derived from RWD. Both will continue to play a pivotal role in making informed healthcare decisions. The FDA uses both RWD and RWE to monitor adverse events and form the basis of making regulatory decisions. The 21st Century Cures Act emphasizes RWD-and RWE-based decision-making. RWD and RWE will only continue to grow within the Life Science industry in 2020. Technology solutions built for compliance will continue to enable Life Sciences companies to make sense of the predictive data and ensure effective regulatory compliance.

8



### Oncology R&D Investment Moving Away from the Big Five

Traditionally most of the pharma assets under development were focused on the high-prevalence cancers called the “Big Five” – breast, lung, colorectal, prostate and gastric. However, recently pharma has found value in chasing after the rare cancers. The reason lies in the fact that some of the rare diseases have no effective treatment available, so this lowers the bar for a viable therapeutic approach. Also, regulatory bodies are more co-operative in expediting the drug development process for niche drugs, resulting in possible timeline advantages.



## Company Overview

TAKE Solutions began its journey in 2000, with a team of 20 founding members to 1509 members today. TAKE Solutions is a publicly listed company on the Bombay Stock Exchange and the National Stock Exchange. The Company's operations are spread across North America, Europe, Asia and South America. TAKE Solutions delivers domain-intensive services in Life Sciences and Supply Chain management. In the fast-growing Life Sciences space, TAKE Solutions offers clients a unique combination of full service Clinical, Regulatory and Safety services with unique technology expertise. The Company's services span clinical trials to regulatory submissions to post-marketing strategy with insights derived through proprietary industry network forums. The Company's team of experts in Life Sciences help deliver successful outcomes for global clients.

The Company continued to expand its global reach by acquiring Dataceutics and KAI Research in 2019. By the close of the last financial year, the post-merger integration activities have been successfully completed, and the company has started experiencing the benefits of the synergies. Dataceutics has been successfully rebranded as Navitas Data Sciences. The Go-to-Market strategies and Support functions of both entities have been aligned to the Company's Global strategy, resulting in significant cost savings, pipeline growth, and improved profitability. In the business of Supply Chain Management, TAKE Solutions focuses on high-margin niches in engineering services and supply chain collaboration. The Company's IP-led approach enables clients to automate supply chain processes, track, trace and control at the item level, mandate supplier compliance and streamline material shipment movement.



## Business Highlights

### Life Sciences

TAKE assists drug companies in bringing their products to the market and sustain the drugs throughout their market life cycle. The Company's client base comprises of innovator and generic pharma companies, biotechnology companies as well as federal and other institutions. The Company is a full-service clinical research organization with capabilities to support sponsors across the entire spectrum of clinical trials, regulatory submissions and post-marketing safety initiatives. All services and solutions are backed by insights derived through proprietary industry network forums and more than 17 years of benchmark data. At present, more than 90% of the Company's revenues are derived from Life Sciences. The Company has



completed around 1,100+ successful Bioavailability / Bioequivalence studies. The Company runs 10 proprietary Life Sciences industry networks with 120+ members having subscribed to these network forums. Eight unique technology IPs have so far been introduced, tailored for Life Sciences.

During this financial year, the Company managed to retain 3 out of the top 5 global pharma companies by signing long term multimillion-dollar contracts till 2022. The Company has also added 15 new logos to its client base. The Company takes pride in its capabilities to innovate and build Life Sciences solutions. This year, new features were developed and deployed for TAKE's IP solutions. The Company executed novel inhalation clinical studies and developed new controlled drug delivery mechanism for anemia studies. The Company places a lot of importance on quality control, which is evident from the fact that no critical findings were reported during the 4 regulatory inspections and 38 customer audits conducted on the company's facilities this year. The Company also expanded its offshore delivery centers across Chennai, Bangalore, & Hyderabad.

### **Clinical Trials**

Clinical trials are medical research studies conducted on volunteers and patients, aimed at evaluating the safety and efficacy of new drug candidates. These trials represent the primary means through which researchers appraise if a new treatment is effective with less harmful side-effects than the standard treatment. Other clinical trials test ways to diagnose disease before symptoms start to manifest. A clinical trial also seeks ways to make life better for people suffering from life-threatening diseases. Before the U.S. Food and Drug Administration (FDA) approves a clinical trial to begin, scientists perform laboratory tests and studies on animals to test a



potential therapy's safety and efficacy. Only when these studies indicate favorable results does the FDA provide an approval for the intervention to be tested on humans.

TAKE Solutions Enterprise has supported the successful execution of more than 450 clinical trials across the globe. The Company conducted clinical trials for the first stem cell product in India. By the end of the last financial year, the Company generated more than 110,000 bio-statistics & statistical analysis reports. The Company is still at a development stage in the clinical trial business, where it is investing in assets upfront with the prospect of generating follow-on revenues. The Company is strengthening global delivery capabilities. It is capitalizing on global cost arbitrage opportunities: it is getting work done out of low-cost geographies, while billing is completed in a profitable geography. This model maximizes the profits while globalized processes ensure a standard quality of deliverables, irrespective of the geography from which they are delivered.

### **Regulatory Affairs**

The drug development cycle is heavily regulated across geographies. Data and insights gathered at each stage of the process

needs to be documented and submitted to the regulatory bodies at pre-defined intervals and formats. Over the years, this aspect of conducting clinical trials has become increasingly complex and difficult to navigate. So many biopharmaceutical companies have partnered with companies like TAKE solutions with specialized knowledge and domain expertise to handle regulatory submissions.

The Company has developed 5 unique IPs specifically to cater to regulatory affairs. This technology-backed delivery model has helped the company deliver successful outcomes consistently. The company's cloud-based submissions management solution, pharmaREADY, has over 180 customers worldwide. The company has enabled more than 170,000 regulatory submissions across the globe. With close to 5% of USFDA regulatory submission being our market share for 2012- April 2020 and with over 90% customer retention rate, the Company foresees a promising future in this line of business.



### Pharmacovigilance & Safety

Safety monitoring is a key component of human clinical trials, because the health and wellbeing of the volunteers and patients are at stake. The safety function, referred to as pharmacovigilance (PV), focuses on monitoring and reporting on any adverse effects (AE) that a new potential drug candidate displays during the trials. Through acquisitions, TAKE Solutions has over 30 years of experience in the field of pharmacovigilance. This expertise has enabled the company to bag more than 300 safety consulting engagements. The Company has also developed 2 unique IPs, which help it stand out from the crowd.

### Supply Chain Management

The Company's Supply Chain business includes clients from the technology, consumer packaged goods, oil and gas and automotive sectors. The Company provides functional services and software solutions related to enterprise mobility, material tracking, value chain collaboration, business services sourcing, global trade management and engineering design. The three parts of the Company's Supply Chain Management business comprised a 100% owned unit in the US, joint venture in the Middle East (the WJ Towell Group in Oman) and joint venture in India with APA Engineering. The Company successfully exited the first two and is seeking a suitable transaction for the third. The Company enjoys a sound relationship with its joint venture partners, maintaining complete transparency of strategic imperatives and seeking mutually acceptable solutions.

### Engineering Services

The Company's engineering services (engineering, sourcing and technology) help clients design and build quality products, benefit from a global smart sourcing

platform and transform businesses through the latest technologies.

### Financial Review

The financial statements of TAKE Solutions Ltd and its subsidiaries (collectively referred to as 'TAKE' or the 'Company') are prepared in compliance with the Companies Act, 2013 and Indian Accounting Standards (IND-AS)). Details of Significant Accounting Policies used for the preparation of the financial statements are presented in the notes to the consolidated financial statements appended later in this Annual Report. The discussions below relate to the Consolidated Statement of Profit & Loss for the year ended March 31, 2020 and the Consolidated Balance Sheet as at March 31, 2020. The consolidated results are relevant for understanding the financial performance of TAKE, which has global operations and a significant presence outside India.





## Results of Operations

The Company continued to focus in the niche segment of Life Sciences, backed by strong domain expertise for long-term growth and margins. The five-year financial summary of the company is provided below:

	FY20	FY19	FY18	FY17	FY16
<b>OPERATIONS</b>					
Income from Operations	22,129	20,390	15,872	13,446	10,301
Operating EBITDA	1,689	3,835	3,065	2,622	2,133
Net Profit/(Loss) for the period after Minority Interest	(124)	1,773	1,605	1,431	1,197
Basic Earnings per Share	(0.85)	12.13	12.19	11.22	9.97
Diluted Earnings per Share	(0.84)	12.09	12.15	11.19	9.85
<b>FINANCIAL POSITION</b>					
Working Capital	9,188	8,832	10,310	6,319	4,576
Total Assets	24,833	23,339	18,436	13,727	12,150
Total external borrowings	5,532	4,739	3,226	2,372	3,358
Trade Receivables	7,008	5,254	4,692	4,362	3,013
Unbilled Receivables	1,123	1,779	629	700	556
DSO Days (TR + UBR)	134	126	122	137	126
Shareholders' Equity	15,753	15,182	13,283	9,109	6,378
<b>OTHER DATA</b>					
Net Fixed Assets excluding Goodwill	6,190	5,948	3,151	2,715	2,167
Goodwill on Acquisition	3,283	3,063	764	680	733
Goodwill on Consolidation	2,384	2,315	2,396	2,354	2,555

The Company financial performance deteriorated materially in Q4 FY20, owing to the steep reduction in clinical trials and temporary suspension of business due to the outbreak of COVID-19 pandemic. The steep decline in revenue in Q4 FY20 had absorbed the 22% YoY growth in revenue in 9M FY20, thereby leading to a reduced growth rate of 8% in the overall revenue in FY20, which has grown to INR 22,129 million.

The Company reported EBITDA margin loss of 43% in Q4 FY20 against an EBITDA margin of 17% generated in 9M FY20, since a large part of the expenses, such as, employee expense and license cost, could not be reduced significantly in line with reduction in revenue. This led to a decline in EBITDA margin to 7.6% in FY20.

## Revenue by Segment

The Company has been reporting strong and consistent growth in revenue from the Life Sciences segment, aided by acquisitions of KAI Research Inc. and Dataceutics Holdings Inc. towards the end of FY 19 – by 10.57% from Rs 18,805 Mn in 2018-19 to Rs 20,792 Mn in 2019-20. The Supply Chain management business of the Company reported 15.65% de-growth from Rs 1,585 Mn in 2018-19 to Rs 1,337 Mn in 2019-20.

Segment	FY20	FY19	Change (%)
Life Sciences	20,792	18,805	10.57
Supply Chain	1,337	1,585	-15.65

### Revenue By Geography

US continued to drive revenues, accounting for 84.7% of the Company's revenue in 2019-20 (83.6% in 2018-19), followed by Asia-Pac (13%) and Europe (2%). The key acquisitions in the recent past have contributed to the growth in revenue. The Company reported Rs 531 Mn of revenues from Europe, a 36.47% de-growth over 2018-19. Revenue from Asia-Pac grew 13.82% over 2018-19 to Rs 2,855 Mn in 2019-20.

Segment	FY20	FY19	Change (%)
USA	18,743	17,046	9.96
Asia-Pac	2,855	2,508	13.82
Europe	531	836	-36.47

### Cost Analysis

Total cost during the year grew 22.80% from Rs 18,341 Mn in 2018-19 to Rs 22,522 Mn in 2019-20. Total cost as a proportion of revenue grew 1110 bps from 89.48% in 2018-19 to 100.58% in 2019-20.

Direct Costs are those that are required to be incurred for purposes of completing the contractual obligations entered with customers - Employee and Contracted Resources compensation costs as well as technology licenses, subscriptions and such related costs necessary for the delivery of contracted services. As such, direct costs are closely correlated to revenue growth. Total direct cost in absolute terms increased from Rs 11,656 Mn in 2018-19 to Rs 13,802 Mn in 2019-20 owing to growth in business (22% revenue growth in 9M FY 20) and since our business expenses are largely related to employee costs and license costs, the same could not be reduced significantly in line with reduction in revenue in Q4 FY20.

Particulars	FY20		FY19	
	Amount (Rs Mn)	% of Total Income	Amount (Rs Mn)	% of Total Income
Employee Costs	7,186	32.09	5,916	28.86
Other Direct Costs	6,616	29.55	5,740	28.00
<b>TOTAL DIRECT COST</b>	<b>13,802</b>	<b>61.64</b>	<b>11,656</b>	<b>56.87</b>
SGA expenses	6,638	29.64	4,899	23.90
Amortization of Capitalized				
Software Costs	609	2.72	939	4.58
Depreciation	1,060	4.74	596	2.91
Finance Expenses	413	1.84	250	1.22
<b>TOTAL COST</b>	<b>22,522</b>	<b>100.58</b>	<b>18,341</b>	<b>89.48</b>

### Employee Cost

The Company's employee benefits cost increased 21.46% from Rs.5,916 Mn in 2018-19 to Rs.7,186 Mn in 2019-20 owing to an increase in employees, salary increments and bonus. As a percentage of total cost, employee cost was 32.09% in 2019-20 against 28.86% in the previous year.

### Depreciation

Depreciation and amortization expense for the Company increased

8.74% from Rs 1,535 Mn in 2018-19 to Rs 1,669 Mn comprising 7.45% of the revenue in 2019-20 compared to 7.49% in 2018-19. While write-off of purchased intangibles and tangibles is treated as depreciation, IP developed by the company is amortized.

### Finance Cost

Finance cost comprised interest charges on credit facilities availed by the company as well as the impact of forex rate fluctuations pertaining to

interest payments in other currencies incurred by subsidiary companies and related expenses like processing charges.

Interest costs increased in 2019-20 by 65.03%, as it stood at Rs. 413 Mn against Rs. 250 Mn in 2018-19. This year, the company has expanded the existing credit lines and also availed new credit facilities from the bank, which is reflected in the increased finance cost. The decline in the interest coverage ratio (0.69 in

2019-20 against 9.62 in 2018-19) is a temporary phenomenon, primarily caused by the shudders caused by the virus.

### **Taxation**

Total tax liability for the year stood at Rs (19.75) Mn against Rs 373 Mn in 2018-19. The effective tax rate for the Company stood at 15.29% during the year under review.

### **Earnings Per Share**

The COVID-19 pandemic has caused a significant drop in corporate profitability, thereby a decline in the company's earnings per share from Rs 12.13 per share in 2018-19 to Rs (0.85) in 2019-20.

### **Foreign Currency Transactions**

The company generated substantial part revenues from outside India, especially the USA. The accounting treatment for reporting financial performance and position at the end of the year was in consonance with the requirements of the IndAs. In conformance to this, the Statement of Profit and loss for the year reflected a 1.44% increase in average US\$ exchange rates over the previous year in Revenues and Expenses. The performance of international subsidiaries was translated at the average US\$ to INR rate for the current financial year at Rs 70.94 as against Rs 69.93 in 2018-19. However, on account of a significant natural hedge for risks associated with foreign currency fluctuations by virtue of international operations both in terms of revenues and costs, there was no significant impact on operations.

While conforming to IndAs in Balance Sheet reporting (requiring reporting at the closing rate on the last date of the year), there would be an impact of about 7.63% increase in closing rates of the Indian Rupee as of March 31, 2020 vis-a-vis March 31, 2019 respectively. The Balance Sheet reported a closing US\$ to INR rate of 74.88 in FY 2020 as against 69.57 in FY 2019.

### **Share Capital**

The equity share capital of the Company comprised 146.23 Mn equity shares of Re 1 each. The equity share capital of the Company during the year under review increased 0.06% from Rs 146.14 Mn as on March 31, 2019 to Rs 146.23 Mn as on March 31, 2020 owing to ESOPs being exercised.

### **Reserves and Surplus**

Reserves and surplus of the Company increased 3.80% from Rs 15,036 Mn as on March 31, 2019 to Rs 15,607 Mn as on March 2020. The increase was owing to increased foreign currency translation reserve arising from the translation of the financial statements of foreign operations.

### **Borrowings**

Borrowed funds of the Company increased 16.74% from Rs 4,739 Mn as on March 31, 2019 to Rs 5,532 Mn as on March 31, 2020 owing to additional borrowing for expanded operations of the Company. Long term borrowing for the Company stood at Rs 2,126 Mn as on March 31, 2020 as against Rs 576 Mn as on March 31, 2019. The Company's gearing stood at a comfortable 0.35 in 2019-20 compared to 0.31 in 2018-19.

### **Working Capital**

Trade receivables as on March 31, 2020 stood at Rs. 7,017 Mn against Rs. 5,254 Mn as on March 31, 2019, showing an increase of 33.55%. The Debtors cycle increased to 116 days in 2019-20 from 94 days in 2018-19. Debtors outstanding for more than six months comprised of 17.34% in 2019-20 compared to previous year's 5.03%.

Unbilled Revenue is the quantification of work done but for which the billing milestone/time cycle has not yet been reached. These Unbilled Receivables stood at Rs. 1,123 Mn as at March 31, 2020 as against Rs. 1,779 Mn as at March 31, 2019.

Current investments of the company increased 60.89% standing at Rs. 58 Mn as on March 31, 2020 as compared to Rs. 36 Mn as on March 31, 2019.

Loans and advances have come down to Nil as on March 31, 2020 from Rs. 21.64 Mn as on March 31, 2019.

The total Current Liabilities have marginally come down by 9.0% from Rs. 7,237 Mn March 31, 2019 to Rs.6,586 Mn as on March 31, 2020, owing to decrease in working capital facilities and other financial liabilities. The trade payables of the company increased from Rs.143 Mn March 31, 2019 to Rs.609 Mn as on March 31, 2020.

### **Cash and Bank Balance**

The cash and bank balance decreased 34.67% as it stood at Rs. 455 Mn as on March 31, 2020 compared to Rs. 696 Mn as on March 31, 2019.



## Ratio Analysis

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, The company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios. The company has identified the following ratios as key financial ratios:

	Ratio	FY20	FY19	Formula
(i)	Debtors Turnover	3.61	4.10	Turnover/Average Trade Receivables
(ii)	Interest Coverage Ratio	0.69	9.62	EBIT/Interest Expense
(iii)	Current Ratio	1.82	1.62	Current Assets/Current Liabilities
(iv)	Debt Equity Ratio	0.32	0.27	Net debt/Shareholders' equity
(v)	Operating Profit Margin (%)	8.82%	19.33%	Operating EBITDA/Operating Revenue
(vi)	Net Profit Margin (%)	-0.56%	8.70%	PAT/Operating Revenue
(vii)	Return on Net Worth (%)	-0.71%	12.46%	PAT/Average Net worth

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios are as follows:

**Interest Coverage Ratio** – The company's EBIT tumbled 88% due to the disruption in business caused by the pandemic. This year, the company has expanded the existing credit lines and also availed new credit facilities from the bank, which is reflected in the increased finance cost. The decline in the interest coverage ratio (0.69 in 2019-20 against 9.62 in 2018-19) is a temporary phenomenon, primarily caused by the shudders caused by the virus.

**Operating Profit Margin %, Net Profit Margin% and Return on Net worth%** - Covid-19 had a significant impact on the company's fourth quarter performance. Consequently, businesses have been impacted and so have operations and this has led to increased volatility on the key financial ratios.

## Cash Flow Statement

The cash flow statement comprises cash flow from operations and cash flow from investing / financing activities. The cash flow from operations indicates the health of the core business of the company. Cash flow from operations has always been positive in the last 10 years, utilised to invest in capex. As a CRO business, the company needs to invest upfront to generate prospective revenues, similar to any manufacturing business where the infrastructure needs to be built to generate future revenues.

The cash flow from investment and financing activities indicate long-term planning. The investment in fixed assets has been largely funded through internal cash accruals. The Company made two capital issues since 2006 - one in 2016 by way of a Qualified Institutional Placement and

the other in 2018 by way of a Preferential Allotment of equity to the promoters. The proceeds of these capital issues were used for funding the acquisitions of Ecron Acunova, KAI Research and DataCeutics. The Company invests its cash, which otherwise would have been available as free cash, in growing the business organically and inorganically.

## Working Capital Cycle

Our Trade receivables stands at around 116 days. This is well in-line with the trend observed in other CRO Companies.

The Unbilled Revenue, which is the revenue for which the billing milestone/time cycle has not yet been reached has seen a steep increase as at end of current year, as compared to end of last year.

The working capital of the company

is further pushed-up on account of not seeking large up-front payments for studies (as established competitors do). This is a part of the value delivered to customers, where superior cost-efficiency helps present customers with a compelling value proposition. The company has also been working on smaller projects marked by relatively low upfront payment. To grow to the level of peers, the company will have to grow to a scale (expected in the next couple of years) to provide a better control over receivables.

Further, the customers' days of payment outstanding (DPO) was around the company's receivables cycle, validating that clients did not take longer to pay the company than it was paid in turn.

## **Risk Management**

TAKE Solutions has a holistic approach to risk management, with participation from across the management in steering the company towards value, resilience and sustainable growth for its customers, employees, shareholders, and other stakeholders. Our corporate leaders navigate through an evolving risk landscape by embedding strategic risk capabilities across the organization.

## **Risk Governance**

Defining the risk leaders' scope of control to better anticipate and mitigate risk.

The Board of Directors is at the helm of risk management and is responsible for approving and ensuring focus towards accomplishing strategic organizational objectives.

An Executive Director is also the Chief Risk Officer with special focus on identifying, evaluation, mitigation and monitoring of the different classes of risks, while working closely with business units, and supporting functions including Quality & internal audit teams.

The Chief Risk Officer reports to the Chairman of the Audit Committee as well as to the Board of Directors on movements in the classification of risks, highlighting significant events, if any. Being a highly regulated industry, there is a culture of risk-awareness further reinforced by appropriate policies & standard operating procedures.

## **Identification of Key risks**

Advanced risk management practices yield invaluable insights and provide useful models for judicious operation. Our integrated approach to risk management has helped in classifying the major risks of the Organization into Strategic, Operational, Legal & Financial and Compliance.

Risk taxonomy was used to identify

potential risks that need to be carefully monitored. Business models that have been enhanced by the use of digital platforms require routine monitoring for information and data security risks. Beyond the cyberspace, other challenging risks are in Talent Sourcing & Management, Project Performance, and Infrastructure, alongside Compliance management that is fundamental to sustainable business.

The Company is in a transformative phase, in a complex environment where the Industry itself is changing at an ever-accelerating pace with innovations in drug development & administration as well as in clinical trial management processes & technologies. This makes it imperative to develop a robust process which will help to identify, quantify, and inventory risks.

## **Effective Risk Management Initiatives**

The Company has developed a strong risk framework to make informed decisions and to allocate the necessary resources for monitoring the risks and for mitigation. The strategic goals identified for near term as well as long term include financial performance, market penetration & range of offerings, differentiated solutions, operational efficiency and talent Management as key to Sustainability.

Operational Risks cover those factors that impact the successful and efficient delivery of services to our customers and include core operations teams as well as business support functions. A robust set of policies, procedures, trained personnel and appropriate technology have been put in place to address internal as well as external factors of risk. Such significant aspects are detailed in the Standard Operating Procedures, with regular internal reviews by a Quality team and Internal Audit team, for predictive maintenance.

Financial Risks include both internal and external factors that affect our financial performance including Capital efficiency, Credit risks and Currency fluctuations.

Compliance Risk Management entails ensuring compliance to all regulations relevant to the Life Sciences industry in which we operate as well as the Laws of the countries in which we operate.

Other highlights for the Year include successful completion of over 80 audits by Regulatory Agencies, Customers, Vendors and Certification Agencies.

During the last financial year, the Company successfully implemented a digital tool for risk management across all geographies. The tool has enabled better visibility of current/prospective risks at various levels in the organization and helped identify the need for proactive measures. The digital initiative has paved the way for a robust risk management practice in the organization.

In the wake of COVID-19, a special multi-functional risk committee met with cogent steps taken towards providing timely assurance to all stakeholders. We have taken adequate measures towards data security, enabling remote working for all our employees, safeguarding employee welfare and ensuring that all our facilities comply with the directives of the respective Government and Health Authorities.



## Internal Control Systems and their Adequacy

In a risk environment that continues to grow, the risk management board has helped in steering the Company towards resilience by ensuring internal control systems that safeguard assets, protect against loss from un-authorized use or disposition and that transactions are authorized, recorded and reported correctly. The internal controls have been structured to suit the specific needs of the Company and its extent of operations, with documented policies, guidelines and procedures.

Our robust approach to financial risk is designed to ensure that financial and other records are reliable for use while developing financial statements and for maintaining individual accountability. A calibrated approach to internal risk management is supported by an extensive internal audit conducted by in-house internal audit department. The observations from such audits and corrective action taken thereon provide the necessary framework, reviewed periodically by the audit committee, to ensure implementation of processes to develop a strong risk mitigation culture in the organization.

The Audit Committee conducts periodic interactions with the Statutory Auditors and Internal Auditors in dealing with matters within its terms of reference, to relentlessly lower risk.

## Human Resources

The Company provides equal opportunities to employees. The Company has created a meritocracy, using a Balanced Scorecard to appraise employee performance. The Company reinforced capabilities through intensive in-house training and job-specific training. As of 31st March, 2020, the Company had 1,297 permanent employees and another 212 on contract. The company's Life Sciences brand Navitas Life Sciences has a strength of 1088 employees,

out of which around 25% are domain experts (medical doctors, PhDs and bio-statisticians) with deep academic credentials and at least 10 years of hands-on experience in clinical trials and drug development.

## Cautionary Statement

The information and opinion expressed in this report and as well as Directors' Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the infrastructure spend in the country, significant changes in political and economic environment in India, volatility in the prices of major raw materials and its availability, tax laws, exchange rate fluctuations, interest and other costs.

THE MANAGEMENT'S DISCUSSION AND ANALYSIS CONTAINS CERTAIN "FORWARD LOOKING STATEMENTS" CONCERNING OUR FUTURE OPERATIONS, PROSPECTS, STRATEGIES, FINANCIAL CONDITION, FUTURE ECONOMIC PERFORMANCE (INCLUDING GROWTH AND EARNINGS), DEMAND FOR OUR PRODUCTS AND SERVICES AND OTHER STATEMENTS OF OUR PLAN, BELIEFS, EXPECTATIONS ETC. THESE FORWARD LOOKING STATEMENTS GENERALLY CAN BE IDENTIFIED BY WORDS OR PHRASES SUCH AS "AIM", "ANTICIPATE", "BELIEVE", "TARGET", "EXPECT", "ESTIMATE", "INTEND", "OBJECTIVE", "PLAN", "PROJECT", "SHALL", "WILL", "WILL CONTINUE", "WILL PURSUE", "CAN", "COULD", "MAY", "SHOULD", "WOULD" OR OTHER WORDS OR PHRASES OF SIMILAR IMPORT. SIMILARLY, STATEMENTS THAT DESCRIBE OUR OBJECTIVES, PLANS OR GOALS ARE ALSO FORWARD LOOKING. THESE FORWARD LOOKING STATEMENTS WE MAKE ARE NOT GUARANTEES OF

FUTURE PERFORMANCE AND ARE SUBJECT TO VARIOUS ASSUMPTIONS, RISKS AND OTHER FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE SUGGESTED BY THESE FORWARDLOOKING STATEMENTS. THESE FACTORS INCLUDE AMONG OTHERS, THOSE SET FORTH BELOW. FORWARD-LOOKING STATEMENTS THAT WE MAKE OR THAT ARE MADE BY OTHERS ON OUR BEHALF ARE BASED ON KNOWLEDGE OF OUR BUSINESS AND THE ENVIRONMENT IN WHICH WE OPERATE. WE CANNOT ASSURE YOU THAT THE RESULTS OR DEVELOPMENTS ANTICIPATED BY US WILL BE REALIZED OR, EVEN IF SUBSTANTIALLY REALIZED, THAT THEY WOULD HAVE THE EXPECTED CONSEQUENCES TO OR EFFECTS ON US OR ON OUR BUSINESS OPERATIONS.



# 'Nine out of 10 pharma firms are our customers'

Take Solutions will become a complete life sciences company in future as life science has a contribution of almost 94% to the revenues, says Srinivasan H R, its Vice Chairman & Managing Director. In a chat with Dimpy Kalra, Srinivasan said, "We are the only listed clinical research organisation in India and this provides a niche space for us."

**You wish to make Take Solutions into a \$500 million company by 2021. Let us know about the steps that will be taken for it?**  
The company was established in 2001 as a software product company, that too in the supply chain. Later, life science was added to our

portfolio, and during the journey in the segment we felt that we are growing well in this domain and then we started shifting our focus towards it. Life sciences has 94% contribution to our revenues and that's why I feel that we are a life science company. Secondly, we are the only listed clinical research organisation in India and this provides a niche space for us. As far as the \$500 million target is concerned, we have reached \$262 million mark in March 2019 end. And, I would like to inform you about two acquisitions made in March 2019, which led to accrual of around \$30 million. Secondly, if you look at our growth rate from the first quarter of fiscal 2016 then you will find



Q&A

SRINIVASAN H R  
Vice Chairman & MD,  
Take Solutions

that the compounded quarterly growth rate of our life sciences business stood at 7.65%. So, I feel that the growth trajectory and the

order-book that has been established at our end will help us in meeting the target.

**What are your margins in the life science business and do you think that these margins will continue to grow?**  
Our current margins stand at around 18-18.5%. At the same time, and I would like to say our capacity utilisation stands at around 50-52%. So, going forward, the margin will remain flatish this year, but it is likely to grow in the next fiscal.

**Let us know about the debt levels of Take Solutions?**  
Our leverage stands at 0.221, thus it is very low. As far as the balance-sheet and debt

are concerned, then we have a debt, but it is dollar-denominated and it is overseas. We don't have any Indian debt in our book. So, our average rate lies at Libor plus 2.50-3%. So, the company services it and I don't think that this can turn up to be a matter of concern for any investor.

**Tell us one thing that can prompt an investor to invest in your company?**  
Nine out of 10 top pharma companies in the world are our customer today. And I think that a clinical research organisation that emerged in India has nine out of 10 top pharma companies of the world as its customers is an endorsement of our capability and ability to deliver.  
Zee Media Newsroom

## TAKE Solutions posts ₹27 crore profit in Mar qtr

**Chennai:** City based Take Solutions, a life sciences solutions provider, has reported a net profit of ₹27 crore for the quarter ended March, a 20% decline from the previous December 2018 quarter. The profit declined 46% year-on-year from the same quarter last year. Revenue for the quarter stood at ₹534 crore growing marginally from the ₹532 crore revenue it made in the previous quarter, and growing 11% from the year-ago period.

TAKE Solutions' fiscal year 2019 revenues grew 29% from last year, as the company crossed the ₹2,000 crore revenue mark. TAKE Solutions attributed the dip in quarterly profit to a one-time expense of around ₹4.8 million during January to March, which includes expenses related to two major acquisitions and the cost of restructuring its operations in Germany.

**Scrip Informa Pharma Intelligence**

### Take's Chief On 'New Normal' For CRO Audits, Outcome-Based Pricing

By Topi Parthasarathy

**Executive Summary**  
Take Solutions' managing director outlined in an interview with Scrip a range of issues relating to the global research ecosystem, including the "tampering" nature of studies done from against the backdrop of compliance issues in the form of "split sites" and "ghost sites" from unethical marketing expenditure and sponsored data to enhance brand positioning in the CRO space.

**Key Points**  
- Compliance and industry split, subscribe today.  
- www.scrip.com/resources/industry-insights

**Topics**  
- Research  
- Clinical Trials  
- CROs  
- Regulatory  
- Industry

## TAKE Solutions records 29% increase in revenue at ₹2,039 cr

**OUR BUREAU**  
CHENNAI, May 14  
TAKE Solutions has reported a 29 per cent jump in annual revenue in FY 2019 as compared with that of the previous year. This marked a significant milestone with its revenue at ₹2,039 crore (₹1,587 crore).

Net profit increased by 12 per cent at ₹78 crore (₹60 crore).  
"Crossing ₹2,000 crore was a major milestone for us and we are on track of achieving annual revenue of \$500 million by 2021," said HR Srinivasan, Vice-Chairman and Managing Director, TAKE Solutions.

The firm operates in the life sciences space providing services like clinical trials, regulatory submissions, and post-market strategies.

For the fourth quarter ended March 31, 2019, the company reported a reduced net profit of ₹27 crore (₹46 crore) on increased revenue of ₹534 crore (₹454 crore).  
The drop in net profit was due to a one-time expenditure of \$4.83 million

TAKE Solutions operates in the life sciences space, providing services like clinical trials, regulatory submissions, and post-market strategy.

incurred in the US on lawyer fee and due diligence to acquire two US-based companies for a total ₹72 million.

Srinivasan told newsmen that there was also additional expenditure in the final settlement for 52 employees who were laid off in the German subsidiary as part of a restructuring.

Srinivasan said that TAKE Solutions completed the acquisition of data sciences company DataCeutics for \$45 million and K4J Bioscience, a health-research company for \$27 million.

"The two companies were integrated with TAKE Solutions from April 1," he said.

On the Bombay Stock Exchange, the stock price of TAKE Solutions closed at ₹139.35, down by ₹1.85.

## BioSpectrum AI and ML in Clinical Trials

Artificial intelligence could revolutionize clinical trials and drug development.

## Take Solutions rises 8% after robust Q1 numbers

Revenue of the company rose 8 per cent at Rs 582.77 crore against Rs 535.5 crore.

moneycontrol

Listen to the Audio Interview of this Article

Shares of Take Solutions rose more than a percent yesterday on August 14 on the back of robust numbers for the quarter ended June 2019 (Q1 FY20).

The company has registered 8.8 per cent jump to its Q1 consolidated net profit at Rs 41.2 crore against Rs 37.87 crore in the same period last year.

## BioSpectrum Is Bio Services Industry India's next big success story?

TAKE Solutions is a leading player in the Indian clinical research industry.

## Latest trends in life sciences sector: A

Dr Ayaz Khan

In the past couple of years, there have been multiple transformative changes in the life sciences industry due to scientific advancement and emerging technologies. Some key drivers and trends that are steadily gaining a strong foothold in the industry are discussed below.

**AI and ML**  
Artificial Intelligence (AI) and Machine Learning (ML) have been spearheading data driven decisions, which could help automate as well as streamline processes. Tech giants like Microsoft, IBM and Google have been designing tools for healthcare that are being incorporated into regulatory services.

Recently, Google designed a tool that can recognize heart attacks about 48 hours before it occurs, and another that can sponsor companies to detect issues quickly and take proactive action to rectify. This results in reduced cost of running the trial due to fewer feet on the ground, as well as improves the quality of the trial due to reduced errors.

The benefits that AI and ML exist in the pharmaceutical industry are extensive, with newer applications emerging in the healthcare landscape daily.

**Biosimilars**  
Biosimilars have been facing stiff competition from biosimilars due to innovative treatments and patient. Biosimilars are drugs that are developed from biological organisms or their components and they enjoy a fair share of the pharmaceutical market. The lack of affordability and access to biologics are driving the adoption of biosimilars, which are an almost identical copy of the original biological molecule. With biosimilars costing 30 per cent less (in

the same pharmaceutical capacity as innovator drugs. Needless to add, they are cheaper than the original drugs, resulting in their becoming the drug of choice for payers and national healthcare systems worldwide.

While USA is the largest market for generic drugs, India accounts for nearly 20 per cent of global generics output. Generic drugs are pharmaceutical equivalents of innovator drugs. They require the same standards of testing and manufacture as do innovator products. Complex generics are also coming into the market. These drugs require specialized testing and expertise. Navitas Life Sciences has conducted over 1000 bioavailability & bioequivalence studies, including support for complex generics to help generic companies bring their drugs to market quickly and effectively.

Clinical trials

Another significant way clinical trials are being conducted, virtual trials away from the drug and into reality, will meet patient comfort, the time taken to do them has been reduced. There has been a lot of research on study. Stanford University Apple watch heart included 400,000 time data provide study will devote standing of the health, providing that we are available.

Cloud computing  
The virtualization has brought in better helping labs and access data faster. Cloud.com from large capital higher costs requirements. Tech Google, Alibaba

## Take Solutions beets up board

**CHENNAI:** TAKE Solutions, a globally recognised domain intensive services provider in Life Sciences, has appointed Srinivasan as an Independent Director in its Board. Srinivasan has over three decades of experience at Pfizer, Novartis, GSK and Astra in global leadership roles in General Management, Commercial, R&D and Manufacturing. He

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# Statutory section

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## DIRECTORS' REPORT

*Dear members*

Your Directors have pleasure in presenting the Nineteenth Annual Report of the Company together with the Audited Statement of Accounts (standalone and consolidated) for the financial year ended March 31, 2020.

### 1. Financial Performance Summary

In compliance with the provisions of Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation"), the Company has prepared its standalone and consolidated financial statements as per Indian Accounting Standards (Ind AS) for the financial year 2020.

The Company's financial highlights for the year ended March 31, 2020 are summarized below:

(₹ in Mn.)

Particulars	Consolidated		Standalone	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Total Income	22,392.88	20,497.48	471.11	563.08
Total Expenses	20,440.03	16,555.39	194.38	359.97
<b>EBITDA</b>	<b>1,952.85</b>	<b>3,942.09</b>	<b>276.73</b>	<b>203.11</b>
Depreciation & Amortisation	1,669.28	1,535.09	17.42	8.02
<b>Profit before finance cost and tax expenses</b>	<b>283.57</b>	<b>2,407.00</b>	<b>259.31</b>	<b>195.09</b>
Finance cost	412.74	250.11	4.25	-
Tax expenses	(19.75)	372.97	5.68	21.14
<b>Profit/(Loss) for the year</b>	<b>(109.42)</b>	<b>1,783.92</b>	<b>249.38</b>	<b>173.95</b>
<b>Profit/(Loss) Attributable to:</b>				
Shareholders of the Company	(123.60)	1,772.96	249.38	173.95
Non-controlling interest	14.18	10.96	-	-
<b>Total other comprehensive income</b>	<b>718.75</b>	<b>316.69</b>	<b>(0.10)</b>	<b>(0.31)</b>
<b>Total comprehensive income</b>	<b>609.33</b>	<b>2,100.61</b>	<b>249.28</b>	<b>173.64</b>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the Company	596.38	2,089.64	249.28	173.64
Non-controlling interest	12.95	10.97	-	-
Opening balance of retained earnings	7,581.68	6,044.67	758.25	869.35
<b>Amount available for appropriation</b>	<b>7,458.08</b>	<b>7,817.63</b>	<b>1,007.63</b>	<b>1,043.30</b>
<b>Appropriations:</b>				
Dividend on equity shares	58.48	233.71	59.17	236.69
Tax on dividends	12.66	49.11	11.65	48.36
Capital reserve	-	-	-	-
Merger/Acquisition/Investments	-	(46.87)	-	-
On account of restructuring of Subsidiaries	(8.17)	-	-	-
<b>Closing balance of retained earnings</b>	<b>7,395.11</b>	<b>7,581.68</b>	<b>936.81</b>	<b>758.25</b>
Earnings Per Share	(0.85)	12.13	1.69	1.18
Equity Shares (in numbers) *	146.22	146.14	147.93	147.93

\* As per Ind-AS 102 for employee share-based payments, shares allotted to Trust but not transferred to employees is required to be reduced from share capital and reserves. Out of 2,400,000 equity shares allotted to Trust, 690,984 shares have been exercised by employees up to March 31, 2020.



## 2. COVID-19 Impact

The Novel Coronavirus (COVID-19), a Global Pandemic, is rapidly spreading throughout the world. Outbreak of COVID - 19 has significantly affected the social and economic activities worldwide and, as a result, could affect the operations and results of the Company. In line with the advisories, orders, and directions issued by the central and state government authorities to prevent and contain the spread of Coronavirus, the management has taken all necessary measures in this regard. The management has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic in the assessment of recoverability of trade receivables, contract assets and certain investments in subsidiaries up to the date of approval of these financial statements. In this assessment, the company has performed sensitivity analysis of the key assumptions used. Such a review and analysis performed by the company did not reveal any impairment losses. However, the impact assessment of COVID-19 is an ongoing process, given the uncertainties associated with its nature and duration. The impact of the global health pandemic might be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any significant impact on the Company's financial position.

## 3. Company's Performance

During the year under review, your Company earned a Consolidated Revenue of ₹ 22,393 Mn with an EBITDA margin of 9% as compared to ₹ 20,497 Mn with an EBITDA margin of 19% in the financial year 2018-19. The Company, during the year, had a Standalone Revenue of ₹ 471 Mn with an EBITDA margin of 59% compared to ₹ 563 Mn with an EBITDA margin of 36% in the financial year 2018-19.

An analysis of the Business and Financial Results are given in the Management Discussion and Analysis which forms part of this Annual Report.

## 4. Dividend

The Board of Directors of your Company, after holistically considering the prevailing scenario and future business requirements, has decided not to recommend Dividend for the year under review.

The Dividend Distribution Policy, in terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation"), is disclosed in the Corporate Governance Report and is also available on Company's website at [https://www.takesolutions.com/images/corporate\\_governance1/Dividend-Distribution-Policy.pdf](https://www.takesolutions.com/images/corporate_governance1/Dividend-Distribution-Policy.pdf)

## 5. Capital Structure

The Authorized Share Capital of the Company is ₹ 500,000,000 divided into 500,000,000 number of equity shares of ₹ 1/- each as on March 31, 2020.

During the year under review, the Company has neither increased its authorized share capital nor issued any equity shares or preference shares or securities which carry a right or option to convert such securities into shares. The paid-up share capital of the Company stood at ₹ 147,934,000 (147,934,000 shares of ₹ 1/- each) as at March 31, 2020. There is no change in the paid-up share capital as compared to the figure as at March 31, 2019.

## 6. Transfer to General Reserve

During the year under review, an amount of ₹ 0.18 Mn was transferred to General Reserve on account of Employee Stock Option Scheme exercised/ lapsed by employees. Apart from this, no other amount has been transferred from Profit and Loss to General Reserve for the financial year 2019-20.

## 7. Holding Company

TAKE Solutions Pte Ltd, Singapore, the Holding Company continues to retain substantial equity in your Company, and its present Equity Holding as on June 24, 2020, is 52.90%.

## 8. Subsidiaries, Joint Ventures and Associate Companies

The Company had 26 subsidiaries as on March 31, 2020. There were no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). The list of subsidiaries as on March 31, 2020 have been covered under **Annexure 3**, which forms part of this Report.

### Dissolution of step down subsidiary:

During the year, Ecron Acunova Limited, United Kingdom, a Wholly Owned Subsidiary of Navitas Life Sciences GmbH, Germany and a Step-Down Subsidiary of TAKE Solutions Limited was dissolved with effect from July 02, 2019.

## 9. Change in Nature of Business, if any

There were no changes in the nature of business of the Company and its subsidiaries during the financial year ended March 31, 2020.

## 10. Particulars of loans, guarantees or investments

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as under:



As on March 31, 2020, the Company had outstanding loans of ₹ 191.68 Mn. to its wholly owned subsidiary M/s. Ecron Acunova Limited and ₹ 946.91 Mn. to TAKE Solutions Global Holdings Pte Ltd.

During the year under review, the Company had provided a Corporate Guarantee in favor of its wholly owned subsidiary TAKE Solutions Global Holdings Pte Ltd for the loan amounting to ₹ 24.15 Mn.

During the year under review, the Company did not avail any loan.

During the Financial year the Company has not made any investment.

#### 11. Consolidated Financial Statements

The Consolidated Financial Statements have been prepared in accordance with the provisions of Sec 129(3) and Schedule III of the Companies Act, 2013 and Indian Accounting Standards ("Ind-AS"), and other recognized accounting practices and policies. The Consolidated Financials are also available at the website of the Company [www.takesolutions.com](http://www.takesolutions.com).

#### 12. Financials of the Company and its Subsidiaries

The detailed Balance Sheet and Statement of Profit and Loss Account (both Consolidated and Standalone) are provided along with this Annual Report and are also available on Company's website at [www.takesolutions.com](http://www.takesolutions.com).

The financial statements of the subsidiary Companies are available for inspection by the shareholders at the Registered Office of the Company. The Company will provide, the copy of the financial statements of its subsidiary companies to the shareholders at free of cost upon request of the shareholders. However, as required, the financial data of the subsidiaries have been furnished as per Section 129(3) in Form AOC-1 as **Annexure 7**, which forms part of this Annual Report.

Further, pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, separate audited financial statements of each subsidiary of the Company in respect of a relevant financial year, are uploaded, at least 21 days prior to the date of the Annual General Meeting are also available on the website of the Company at [www.takesolutions.com](http://www.takesolutions.com).

#### 13. Transfer of Unpaid and Unclaimed Amount to Investor Education and Protection Fund (IEPF)

In accordance with the provisions of Companies Act, 2013 and the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules"), the Company is required to transfer the following amount to IEPF established by the Government of India: -

- a) the dividend that remains unpaid or unclaimed for a period of seven (7) years;
- b) the shares on which dividend has not been paid or claimed by the shareholders for seven (7) consecutive years or more.

Accordingly, your Company in its various communications to the shareholders from time to time, request them to claim their unpaid/unclaimed amount of dividend and shares due for transfer to the IEPF account established by Central Government. Further, in compliance with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) including statutory modifications thereof, the Company publishes notices in newspapers and also sends specific letters to all the shareholders, whose shares are due to be transferred to IEPF, to enable them claim their rightful dues. During the year, company was required to transfer unclaimed amounts pertaining to the dividend declared for the financial years 2011-12, 2012-13 (Ist and IInd Interim Dividends). Out of which, unclaimed dividend for the financial year 2011-12 amounting to ₹ 273,710 has already been transferred to IEPF account. With respect to the remaining part, company has already initiated the required transfer within the stipulated timeline. However, due to some technical glitch from the MCA end, the said transfers could not be processed. Company has raised necessary complaints with the MCA Authority and will ensure to complete the transfers at the earliest. Further, 5,239 number of corresponding shares were also transferred to IEPF as per the requirement of the Rules. The unpaid dividend pertaining to the dividend declared for the financial year 2012-13 (Final Dividend), 2013-14 (Ist and IInd Interim Dividend) shall be transferred to IEPF on October 12, 2020, December 17, 2020 and March 7, 2021 respectively. Details of unclaimed dividend as on March 31, 2020 has been provided under the Corporate Governance Report that forms part of this Annual Report.

Members who have so far not encashed their dividend warrant(s) or those yet to claim their dividend amounts may write to the Company Secretary/Company's

Registrar and Share Transfer Agent (M/s. Link Intime India Private Limited) to claim their entitlements.

#### 14. Management Discussion and Analysis Report

The Management Discussion and Analysis Report (MD&A), *inter-alia*, capturing your Company's performance, industry trends and other material changes with respect to your Company's and its subsidiaries, wherever applicable, is presented separately, which forms part of this Annual Report.

The MD&A Report provides a consolidated perspective of economic, social and environmental aspects material to its strategy and its ability to create and sustain value to its stakeholders.

#### 15. Business Responsibility Report (BRR)

The Listing Regulations mandate the inclusion of the BRR as part of the Annual Report for the top 1,000 listed entities based on market capitalization. In compliance with the Listing Regulations, we have integrated BRR disclosures into this Annual Report. Business Responsibility Report is attached as **Annexure 8** to this Report and form part of this Annual Report and same is also available on Company website at [www.takesolutions.com](http://www.takesolutions.com).

#### 16. Corporate Governance

Your Company believes in adopting best practices of corporate governance. Your Company strives to maintain high standards of Corporate Governance through interactions with all stakeholders. As per the Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015, a separate section on Corporate Governance followed by your Company, along with a certificate from the auditors confirming the level of compliance with the corporate governance norms under SEBI LODR Regulation 2015 is attached as **Annexure-1** and forms part of the Board's Report.

#### 17. Board of Directors

##### a) Board's Composition and Independence

Your Company's Board consists of industry leaders and visionaries who provide strategic direction and guidance to the organization. As on June 24, 2020, the Board comprised of two Executive Directors, five Non-Executive Independent Directors and one Non-Executive Non-Independent Director. None of the Directors of your Company are disqualified as per Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required

under various provisions of the Companies Act, 2013 and Listing Regulations.

Definition of Independent Director is derived from Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013. The Company has received necessary declarations under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations, from the Independent Directors stating that they meet the prescribed criteria for independence. The Board, after undertaking assessment and on an evaluation of the relationships disclosed, considered the following Non-Executive Directors as Independent Directors:

- a) Mr. N. Kumar
- b) Mr. Sundara Rajan
- c) Mr. V. Murali
- d) Ms. Uma Ratnam Krishnan
- e) Mr. Balasubramian Srinivasan

All Independent Directors have also affirmed compliance with the code of conduct for independent directors as prescribed in Schedule IV to the Companies Act, 2013. For the purpose of Rule 8[5(iii)] of the Companies (Accounts) Rules, 2014, there was an appointment of an independent director during the year ended March 31, 2020. List of key skills, expertise and core competencies of the Board members is provided in Corporate Governance Report, which forms part of the Annual Report.

##### b) Meetings of the Board

The Board meetings are normally held on a quarterly basis and a calendar of Meetings is usually prepared and circulated in advance to the Directors. The Board met four (4) times during the financial year 2019-20 on May 16, 2019, August 08, 2019, November 06, 2019 and February 13, 2020. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days. The details of the meetings and the attendance of the Directors are provided in the Corporate Governance Report that forms part of this Annual Report.

##### c) Directors and Key managerial Personnel

During the year, based on the recommendations

of the Nomination and Remuneration Committee (“NRC”) and in accordance with the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the appointment and resignation of the Directors are as follow:

i. Directors retiring by rotation

Mr. Seshan Srinivasan

Pursuant to Section 152 of the Companies Act, 2013, read with Article 60(iv) of Articles of Association of the Company, Mr. Seshan Srinivasan (DIN 00014652), being the only Non- Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

A brief profile of Mr. Seshan Srinivasan is provided below:

Mr. Seshan Srinivasan, is a Mechanical Engineer with an MBA from IIRM, Anand. He is also a Cost & Management Accountant. He has overall managerial experience of 28 years, with 19 years in the pharmaceutical industry, with proven ability to set up businesses and achieve both organic as well as inorganic growth. He is currently the Co-founder and Vice Chairman of Eywa Pharma.

Mr. Seshan Srinivasan does not hold any share in the Company.

ii. Appointment of Mr. Balasubramanian Srinivasan as an Independent Director

After considering the experience, knowledge and skills and taking into account the recommendations of the Nomination and Remuneration Committee, Mr. Balasubramanian Srinivasan was appointed as an Additional Director (Independent Category) of the Company with effect from November 06, 2019 for a period of five years, subject to the approval of the shareholders in the General Meeting. The Board is of the opinion that Mr. Balasubramanian Srinivasan, Independent Director possesses requisite qualification,

experience, expertise and holds high standards of integrity.

Brief profile of Mr. Balasubramanian Srinivasan:

Mr. Srinivasan has over 30 years of experience at Pfizer, Novartis, GSK and AstraZeneca in global leadership roles in General Management, Commercial, R&D and Manufacturing. Mr. Srinivasan worked in Europe, USA, Asia Pacific and India. He holds a degree in Pharmacy from Madras Medical College, an MBA from London Business School and received executive training at Harvard Business School. Mr. Srinivasan Co-chaired CII National Committee for Pharma in 2018-19. Currently, he is Co-chairman of CII cross industry taskforce on Environment Sustainability and is the Chairman of CII Environment, Health and Safety Excellence Awards.

Mr. Balasubramanian Srinivasan does not hold any share in the Company.

As per the provisions of the Companies Act, 2013, the Independent Director is not liable to retire by rotation. The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and the Listing Regulations. The Shareholders of the Company will review and confirm the appointment of Mr. Srinivasan in the ensuing Annual General Meeting. The Board recommends his appointment for a period of five years.

iii. Resignation of Prof. G. Raghuram, Independent Director

Prof. G Raghuram resigned from the position of Independent Director of the Company with effect from the close of business hours of November 05, 2019. The Board places on record its sincere appreciation towards the contribution made by Prof. G. Raghuram in the growth of the Company during his association.

- iv. Resignation of Mr. Raman Kapur, Independent Director

Mr. Raman Kapur resigned as an Independent Director of the Company with effect from the close of business hours of June 11, 2020. The Board places on record its sincere appreciation towards the contribution made by Mr. Raman Kapur in the growth of the Company during his association.

- v. Resignation of Mr. D. V. Ravi, Non- Executive Director

Mr. D. V. Ravi resigned as a Non- Executive Director of the Company with effect from the close of business hours of June 23, 2020. The Board places on record its sincere appreciation towards the contribution made by Mr. D. V. Ravi in the growth of the Company during his association.

- vi. Resignation of Ms. Subhasri Sriram, Executive Director

Ms. Subhasri Sriram resigned as an Executive Director of the Company with effect from the close of business hours of June 23, 2020. The Board places on record its sincere appreciation towards the contribution made by Ms. Subhasri Sriram in the growth of the Company during her association.

- vii. Resignation of Mr. Ram Yeleswarapu from the position of Executive Director & President and CEO of the Company

Mr. Ram Yeleswarapu resigned from the position of Executive Director & President and CEO of the Company with effect from the close of business hours of June 23, 2020. The Board places on record its sincere appreciation towards the contribution made by Mr. Ram Yeleswarapu in the growth of the Company during his association.

#### 18. Re-classification of certain individuals and entities from Promoter /Promoters Group to Public Category

The Company has received intimation from the following entities and Individuals for re-classification of their status from Promoters Group Category to Public Category, *inter-alia*, due to the change in shareholding, change in control, resignation from Directorship etc, as the case may be.

- a) Investor Ventures Ltd;
- b) DRP Consultants Pvt Ltd;
- c) Mr. D V Ravi; and
- d) Mr. Ram Yeleswarapu

Pursuant to Regulation 31A of SEBI (LODR) Regulations, 2015, re-classification of a persons and entities from "Promoter and Promoter Group" category into "Public" Category requires approval of Board of Directors and Shareholders of the Company. The Board of Directors of the Company at their meeting held on June 24, 2020, has approved aforesaid re-classification and recommended the same for shareholders' approval. The resolution regarding re-classification of Promoter Group to Public category will be considered by the Shareholders in the forthcoming Annual General Meeting.

#### 19. Changes in Key Managerial Personnel

- (a) Resignation of Ms. Subhasri Sriram from the position of CFO of the Company

Ms. Subhasri Sriram resigned from the position of CFO of the Company with effect from the close of business hours of June 30, 2020. The Board places on record its sincere appreciation towards the contribution made by Ms. Subhasri Sriram in the growth of the Company during her association.

- (b) Appointment of Mr. Lalit Mahapatra, CFO

After considering the experience, knowledge and skills and taking into account the recommendations of the Nomination and Remuneration Committee, Mr. Lalit Mahapatra was appointed as the new "Chief Financial Officer" (CFO) of the Company w.e.f. July 1, 2020.

#### 20. Committees of the Board

Your Company's Board has the following committees:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders Relationship Committee;
- d) Corporate Social Responsibility Committee; and
- e) Risk Management Committee.

Details of terms of reference of the Committees, Committee membership changes, and attendance of Directors at meetings of the Committees etc. are provided in the Corporate Governance report that from part of this Annual Report.

## 21. Board Evaluation

In line with the Corporate Governance Guidelines of the Company and the provisions of the Companies Act, 2013, and Regulations 17 & 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Annual Performance Evaluation was conducted for all the Board Members. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013, Listing Regulations, and in accordance with the Guidance Note on Board Evaluation issued by SEBI in January 2017.

The evaluation of Board was carried out based on various criteria including, *inter-alia*, their attendance, participation in Meetings, engagement with the management in making decisions, understanding of the Company's business and that of the industry and guidance provided to the company to follow the best industry practices.

Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholder interest and enhancing shareholder value, experience and expertise to provide feedback and guidance to top management on business strategy, governance, risk and understanding of the organization's strategy, etc.

The Independent Directors reviewed the performance of the Non-Executive, Non-Independent Directors and the Board as a whole, as well as the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-Executive Director.

The Independent Directors were also evaluated by the Board based on the professional conduct, roles responsibilities etc. as specified in Section 178 read with Schedule IV to the Companies Act, 2013. The evaluation of the Board as a whole was based on composition and statutory compliance, understanding of business risks, adherence to process and procedures, overseeing management's procedures for enforcing the organization's code of conduct, ensuring that various policies, including the whistle blower policy of the Company, were in force and actions taken were appropriate.

The outcome of Board Evaluation for the financial year 2019-20 was discussed by the Nomination and Remuneration Committee and the Board at their meetings held on June 11, 2020. The Board has

received highest ratings on Board communication and relationships, functioning of Board Committees and legal and financial duties. The Board noted the actions taken in improving Board effectiveness based on feedback given in the previous year. Further, the Board also noted areas requiring more focus in the future, which include discussion on succession planning and updates to be provided on the recent trends on corporate governance scenario at a global level.

## 22. Policy on Director's Nomination and Remuneration

The Nomination & Remuneration Committee has laid down a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013. The policy also provides for criteria to determine the qualifications, positive attributes, independence of a Director, recommend to the Board their appointment and remuneration for the Directors, Key Managerial Personnel and other Senior Management Personnel. A copy of Nomination, Remuneration & Evaluation policy of the Company is available on the Company website [https://www.takesolutions.com/images/corporate\\_governance1/Nomination-Remuneration-and-Evaluation-Policy.pdf](https://www.takesolutions.com/images/corporate_governance1/Nomination-Remuneration-and-Evaluation-Policy.pdf). and is provided as **Annexure 6** to this Board's Report. The Managing director and other Executive Directors have drawn managerial remuneration as per the Act.

The Independent Directors are paid Commission on the Net Profits not exceeding 1% of the Net Profits of the Company, in accordance with the provisions of Section 197 of the Companies Act, 2013. The Nomination & Remuneration Committee recommended the remuneration payable to the KMPs. A note on the remuneration policy is provided under Corporate Governance Report that forms part of this Annual Report. The disclosures pursuant to Companies (Appointment & Remuneration) Rules, 2014 are provided in **Annexure 6A** to this Board's Report. Your directors affirm that the remuneration paid to Directors, senior management and other employees is in accordance with the remuneration policy of the Company.

## 23. Board Polices

The details of the policies approved and adopted by the Board are available on Company's website at <https://www.takesolutions.com/index.php/investor-relation#corporate>



#### 24. Declaration by Independent Directors

All Independent Directors of the Company have given declaration under Section 149(7) of the Companies Act, 2013 and clause (b) of sub-regulation (1) of regulation 16 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Further confirming that they are in compliance with the criteria laid down in the said section as well as Regulation 25 of the Listing Regulations for acting as an Independent Director of the Company.

In addition to the declaration by Independent Directors, pursuant to Regulation 34 (3) and Schedule V Part-C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached as **Annexure-2B** and forms part of this Board Report.

#### 25. Familiarization Programme

The Board Members are provided various updates and presentations with respect to Company's business and operations, its future plans and outlook and other important developments, from time to time. Subject matter experts from the organization also provide regular updates to the Board Members regarding various developments. These details are covered under various minutes and records maintained by the Company. Details regarding Company's business, operations and other requisite information may be found at the Company's website at [www.takesolutions.com](http://www.takesolutions.com).

#### 26. Risk Management

Your Company has put in place a Risk Management framework and adopted an enterprise risk management policy that provides timely & accurate decision, support and create an environment where every employee is an integral part of risk management. The Chief Risk Officer of the Company who is part of the Risk Management Committee monitors the framework and presents to the Audit Committee a quarterly report on the updates of the risk management and mitigation. The committee has evolved and identified various risks pertaining to the industry in which the company operates. The Risk Management Framework covers various categories of risks including, inter alia, information security and cyber security risks, effectiveness of the controls

that have been implemented to prevent such risks and continuous improvement of the systems and processes to mitigate such risks. Mitigation measures for those identified risks are prepared in consultation with the employees of the Company. The prioritised risk lists are reviewed, and action plans are drawn to mitigate the same.

The Audit Committee and Risk Management Committee and the Board periodically monitor status of compliances with applicable laws.

#### 27. Code for Prevention of Insider Trading

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at <https://www.takesolutions.com/images/corporate%20governance/code-of-conduct-for-prohibition-of-insider-trading.pdf>.

#### 28. Vigil Mechanism

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of Listing Regulations, to report concerns about unethical behavior. The details of the policy have been disclosed in the Corporate Governance Report, which is part of this report and is also available on Company's website at <https://www.takesolutions.com/images/corporate%20governance/whistle-blower-policy.pdf>

#### 29. Information Required under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and also has a policy and framework for employees to report sexual harassment cases at workplace. The Company's process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programme against sexual harassment are conducted across the organization. There were no complaints pending for the redressal at the beginning of the year and no complaints received during the financial year by the

Company's POSH Committee. The Policy on Sexual Harassment of Women at Workplace is available on Company's website at <https://www.takesolutions.com/images/corporate%20governance/policy-on-prevention-of-sexual-harassment-at-workplace.pdf>

### 30. Related Party Transactions

Your Company has historically adopted the practice of undertaking related party transactions in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency and accountability. In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions.

The Audit Committee had reviewed all related party transactions that were entered into during the financial year and found them to be on arm's length basis and in the ordinary course of business. As required under the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 & Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee had given its prior omnibus approval at the beginning of financial year for foreseeable related party transactions.

There were no materially significant related party transactions made by the Company during the year with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The disclosure pertaining to the same has been provided in Form AOC-2 as **Annexure 4**.

All Related Party Transactions as required under applicable Accounting Standards have been reported in the Notes to Accounts of the Standalone financial statements of your Company.

The Policy on related party transactions as approved by the Board is available in the Company's website at [www.takesolutions.com](http://www.takesolutions.com).

### 31. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management

and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2019-20.

Pursuant to clause (c) of sub-section (3) and sub-section (5) of Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 32. Particulars of Employees

Information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure 6A** to this report. Pursuant to Section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment of Managerial Personnel) Rules, 2014, no employee who draw a remuneration of more than ₹ 1.20 crores per annum or ₹ 8.5 lakh per month, was employed throughout the financial year or part of the financial year.

### 33. Employee Stock Options Scheme

In accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014, the excess of the market price of the underlying Equity Shares as of date of the grant over the exercise price of the option, including upfront payments, if any, is to be recognized and amortized on a straight-line basis over the vesting period.

During the current financial year, the Company has granted options to its employees under TAKE Solutions Limited Employee Stock Option Scheme 2007. Details of the options granted during the year are below :

**Disclosure in compliance with the Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014**

Particulars	Series – III	Series – IV	Series – V	Series – VI
1. Grant Price - ₹	73	73	73	73
2. Grant Date	07-Aug-15	24-Mar-16	17-May-18	08-Aug-19
3. Vesting commences on	06-Aug-16	23-Mar-17	16-May-19	07-Aug-20
4. Vesting Schedule	30% of grant on August 06, 2016, subsequent 30% of grant on August 06, 2017 and balance 40% of grant on August 06, 2018	30% of grant on March 23, 2017, subsequent 30% of grant on March 23, 2018 and balance 40% of grant on March 23, 2019	30% of grant on May 16, 2019, subsequent 30% of grant on May 16, 2020 and balance 40% of grant on May 16, 2021	30% of grant on August 08, 2020, subsequent 30% of grant on August 08, 2021 and balance 40% of grant on August 08, 2022
5. Option Granted and outstanding at the beginning of the year	547,473	100,000	465,000	Nil
6. Option granted during the year	Nil	Nil	Nil	425,000
7. Option lapsed and /or withdrawn during the year	15,043	Nil	25,000	Nil
8. Option exercised during the year against which shares were allotted	61,707	15,000	12,000	Nil
9. Option granted and outstanding at the end of the year of which				
- Options vested	470,723	85,000	120,000	Nil
- Options yet to vest	Nil	Nil	308,000	425,000
10. Money realised by exercise of options during the year -₹	4,504,611	1,095,000	876,000	Nil

Stock option details and the applicable disclosures as stipulated under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 with regard to Employees Stock Option Plan of the Company are available on the website of the Company at [www.takesolutions.com](http://www.takesolutions.com)

which are documented. All these processes are clearly communicated to all team members. These controls are continuously monitored and gaps, if any, are identified and new or improved controls are implemented as and when required.

### 34. Internal control system

The Company follows a detailed process of Internal Control System. The financial and operational controls are firmly built in with these internal processes

### 35. Internal Financial Controls and their Adequacy

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively. Your Company has adopted

policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

### 36. Internal Audit

The internal audit of your Company was carried out under the supervision of the Chief Internal Auditor of the Company. The reports of the Internal Auditor along with comments from the management are usually placed before the Audit Committee for review and comments, if any. The Audit Committee in consultation with the Statutory Auditor scrutinizes the audit plan, Audit process and the adequacy of the internal audits.

### 37. Statutory Audit

At 16<sup>th</sup> Annual General Meeting held on August 11, 2017, M/s. GD Apte & Co, Chartered Accountants (ICAI Registration No. 100515W) was appointed as Statutory Auditors of the Company for a term of five years commencing from conclusion of 16<sup>th</sup> Annual General Meeting till the conclusion of 21<sup>st</sup> Annual General Meeting. Accordingly, M/s. GD Apte & Co, Chartered Accountants will continue as statutory auditors of the Company till the financial year 2021- 22.

The Report given by the Auditors on the financial statement of the Company is part of this Report. There have been no qualifications, reservations or adverse remarks made by M/s. GD Apte & Co, Chartered Accountants, Statutory Auditors, in their report for the financial year ended March 31, 2020.

### 38. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Alagar & Associates, Practicing Company Secretary, to carry out the Secretarial Audit for the financial year ended March 31, 2020. The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2020 is enclosed as **Annexure 2** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, pursuant to the SEBI circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Annual Secretarial Compliance Report issued by M/s. Alagar & Associates, Practicing Company Secretary is attached as **Annexure 2A** to this Report.

### 39. Reporting of Frauds by Auditors

Pursuant to provisions of the Section 143(12) of the Companies Act, 2013, neither the Statutory Auditors nor the Secretarial Auditor has reported any incident of fraud to the Audit Committee during the year under review.

### 40. Corporate Social Responsibility

Your Company is at the forefront of Corporate Social Responsibility (CSR) and sustainability initiatives and practices and committed to on-going contributions to the society through a comprehensive Corporate Social Responsibility ("CSR") framework. Your Company believes in making lasting impact towards creating a just, equitable, humane and sustainable society.

As per the provisions of the Companies Act, 2013, a company meeting the specified criteria shall spend at least 2% of its average net profits for three immediately preceding financial years towards CSR activities. Accordingly, your Company has contributed an amount of ₹ 32,55,000 towards CSR during the financial year 2019-20. The contents of the CSR policy and CSR Report for the Financial year 2019-20 is attached as **Annexure 5** to this report. Contents of CSR Policy is also available on Company's website, at [www.takesolutions.com/index.php/investor-relation#corporate](http://www.takesolutions.com/index.php/investor-relation#corporate).

### 41. Particulars Regarding Conservation of Energy, Research and Development, and Technology Absorption

Details of steps taken by your Company to conserve energy through its "Sustainability" initiatives, Research and Development and Technology Absorption are given below:

- a) Conservation of Energy  
Measures taken to reduce energy consumption are –
  - Continual improvement of 9% efficiency by Optimal cooling of work areas and data centers, Preventive maintenance in the UPS and AC plant to ensure efficient working of the equipment, utilization of lights and stand- alone air conditioners only when required and disposal of HW obsolesces.
  - TAKE corporate office has been outfitted with LED lighting with controls programmed for usage and shut-off with manual override by using motion sensor in the cabins and meeting rooms. Cassette AC round flow of 360° air discharge for optimum energy efficiency and comfort.

- Motion Sensors have been placed in meeting rooms & Cabin areas to control the lighting usage effectively, by turn off the lights when no one is using the room, which helps to not waste excess energy and improve the environment.

b) Technology Absorption –

The Company has adopted-

- Cloud App security bundle on our O365 Mail service, which will provide sophisticated analytics to identify and combat cyber threats and enable us to control our data travel.
- Skype for business as an internal official communication tool along with Integrated reservation less audio conference bridge which allows participants to dial into Skype for Business meetings via multiple devices for the O365 users.
- Cloud manageable wireless AP's which gives centralized control over wireless network of across all geographical locations NLS offices.
- Email Security Solution which protects organizations from ransomware, email spoofing, phishing, advanced malware and other threats with simple, open, automated, and effective security across the entire attack continuum.
- Gateway Level protection of network using Next-Gen Firewall from Cisco Firepower Threat Defense. The Cisco Firepower Next-Generation Firewall (NGFW) is the industry's first fully integrated, threat-focused NGFW. It delivers comprehensive, unified policy management of firewall functions, application control, threat prevention, and advanced malware protection from the network to the endpoint.
- The technology to access our computers from anywhere during the COVID-19 lockdown by using Guacamole remote access tool - Around 230 users are fully operated by Guacamole- from any device to implement work from home effectively. Guacamole client is an HTML5 web application, use of our computers is not tied to any one device or location. As long as you have access to a web browser, you have access to your machines. Apache Guacamole is a free and open source software.

c) Research and Development

There were no expenditure incurred towards on Research and Development during the financial year 2019-20.

**42. Foreign Exchange Earnings and Outgoings**

Total Foreign Exchange earned and used

Forex Earned:

For the financial year 2019-20: ₹ 66.51 Mn

For the financial year 2018-19: ₹ 84.48 Mn

Forex Used:

For the financial year 2019-20: ₹ 853.48 Mn

For the financial year 2018-19: ₹ 1,319.87 Mn

**43. Extract of Annual Return**

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return as on March 31, 2020 in form MGT-9 is enclosed as **Annexure 3** to this report. Additionally, the Company has also placed a copy of Annual Return of the financial year 2018-19 on its website at [www.takesolutions.com](http://www.takesolutions.com).

**44. Material Changes and Commitments Affecting the Financial Position of the Company**

There are no material changes or commitments affecting the financial position of the Company, which has occurred between the end of the financial year of the Company to which the financial statements relate to and the date of this Report.

**45. Other Disclosures**

- Your Company has not accepted any deposits from the public within the meaning of the Companies' (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.
- Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review.
- Your Company has complied with the applicable Secretarial Standards relating to 'Meetings of the Board of Directors' and 'General Meetings' during the year.
- Maintenance of cost records and requirement of cost Audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not



applicable to the business activities carried out by the Company.

- e) There have been no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.
- f) Details of unclaimed dividends and equity shares transferred to the Investor Education and Protection Fund authority have been provided as part of the Corporate Governance report.

The electronic copies of the annual report and the notice convening the Nineteenth AGM would be sent to the members whose e-mail addresses are registered with the Company or their respective Depository Participants (DP). In terms of General Circulars no. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020 and 20/2020 dated May 05, 2020 issued by the Ministry of Corporate Affairs (MCA) read with SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 12, 2020, the Company has not printed physical copies of the Annual Report for distribution. The full Annual Report is available on the website of the Company and shall also be disseminated to the stock exchanges where shares of the Company are listed.

In view of the government advisories issued on travel / public gatherings, in combating the COVID-19 pandemic and to support the health and well-being of all stakeholders, the 19th AGM would be conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM) on September 25, 2020, as per the framework notified by Ministry of Corporate Affairs. The notice convening the 19th AGM shall contain detailed instructions and notes in this regard.

### Acknowledgement

Your Directors take this opportunity to thank the customers, shareholders, vendors, bankers, business partners/ associates, financial institutions, Reserve Bank of India, Stock Exchanges and Central and State Governments for their consistent support and encouragement to the Company. The management would also like to express great appreciation for the commitment and contribution of all employees of the Company and its subsidiaries and associates for their hard work and commitment.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

Sd/-  
**Srinivasan H.R.**  
Managing Director  
DIN: 00130277

Sd/-  
**Shobana N S**  
Executive Director  
DIN: 01649318

Place: Chennai  
Date: June 24, 2020

## Corporate Governance Report

### 1. Company's Philosophy on Code of Corporate Governance

TAKE's Corporate Governance comprises a set of systems and practices for enhancing the long-term stakeholder's value without compromising the ethical standard. To succeed, we believe that good and efficient Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. With this principle, the Company maintains a valuable relationship and trust with all its stakeholders such as shareholders, employees, customers, suppliers, investors, regulators and society. TAKE considers its stakeholders as associates and is always committed in maximizing their value. TAKE's corporate governance system ensures us to make timely disclosures and share accurate information regarding our financials and other performance, as well as make disclosures related to the leadership and governance of the Company. Our well-established and effective corporate governance practice has been an integral part of the organization in creating value since inception. In this report, we have provided details on how the corporate governance system and principles are put in to practice within TAKE.

The Board of Directors ('the Board') are responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the Industry and globe.

Your Company has been in compliance with all the applicable requirements as per various Regulations such as the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and amendments made thereof from time to time, and the Companies Act, 2013.

### 2. Board of Directors

The Board of Directors of the Company possess highest level of personal and professional ethics, integrity and values. They provide overall strategic supervision and control by setting the goals & targets, policies, governance standards, reporting mechanism & accountability and decision-making process to be followed by the Company. The Board is fully aware of its fiduciary responsibilities and is committed to represent the long-term interests of the stakeholders. We believe that an effective, well-informed and independent Board is necessary to ensure the highest level of standards of corporate governance.

#### a. Size and Composition of the Board

The Board's composition and size is robust and enables it to deal competently with emerging business development issues and exercise independent judgment. As on March 31, 2020, the Board comprised 12 Directors from diverse fields and professions with an optimum representation of Independent Directors. Of the twelve Directors, eight (i.e. 66.66 percent of total strength of Board) were Non-Executive Directors out of which Six (i.e. 50.00 percent of total strength of Board) were Independent Directors. The profiles of Directors can be found at [www.takesolutions.com](http://www.takesolutions.com). The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 as well as the requirements of Companies Act, 2013.

As per disclosures received from Directors, total Directorships held by the Directors are within the limits prescribed under Section 165 of the Companies Act, 2013 read with Regulation 17A of SEBI LODR. In compliance with Regulation 25 of SEBI LODR, none of the Independent Directors serve as Independent Director in more than seven (7) listed companies and where any Independent Director is serving as Whole-Time Director in a listed Company, he / she serves as Independent Director in not more than three (3) listed companies. Similarly, none of the Directors on the Board is a member of more than 10 Committees or Chairman /Chairperson of more than 5 Committees across all listed and unlisted public companies in which he/she is a Director in terms of Regulation 26 of SEBI LODR. The Directors periodically notify

the Company about changes in the Directorship / Committee positions as and when it takes place. In accordance with schedule V of the SEBI LODR, none of non- executive directors held any number of shares

of the Company except Mr. Raman Kapur, who held 194,823 shares as on March 31, 2020 and none of the Directors are related to each other.

The table below gives the composition of the Board, category of director and the number of other Directorships, Committee Chairmanship and Committee Memberships held by the Directors as on March 31, 2020.

Sl. No	Name of Director	Category	Name of the Indian Listed Entities & Category of Directorship	Number of Directorships held in other Public Companies	Number of Board Committee memberships held in other Companies	
					Member	Chairman
1	Mr. Narayanan Kumar	Chairman Non-Executive / Independent Director	1. Mphasis Limited - Non - Executive / Independent Director 2. Bharati Infratel Limited - Non - Executive /Independent Director 3. L& T Technology Services Limited - Non – Executive /Independent Director 4. Entertainment Network (India) Limited – Non - Executive / Independent Director 5. Larson and Turbo Limited- Non - Executive /Independent Director	7	2	3
2	Mr. Srinivasan. H.R.	Vice-Chairman & Managing Director	1. Sical Logistics Limited - Non - Executive / Independent Director	4	1	-
3	Mr. Balasubramian Srinivasan	Non - Executive / Independent Director	-	-	-	-
4	Mr. Rangaswamy Sundararajan	Non - Executive / Independent Director	1. Orient Green Power Company Limited- Non - Executive / Independent Director 2. Shriram Asset Management Company Limited - Non - Executive /Independent Director 3. Shriram EPC - Non - Executive / Independent Director	6	1	2
5	Ms. Uma Ratnam Krishnan	Non - Executive / Independent Director	-	1	-	-
6	Mr. Raman Kapur	Non - Executive / Independent Director	-	-	-	-

Sl. No	Name of Director	Category	Name of the Indian Listed Entities & Category of Directorship	Number of Directorships held in other Public Companies	Number of Board Committee memberships held in other Companies	
7	Mr. Venkataraman Murali	Non - Executive / Independent Director	1. Shriram City Union Finance Limited – Non - Executive / Independent Director	2	1	1
8	Mr. Ram Yeleswarapu	Executive Director	-	-	-	-
9	Mr. Ravi Devaki Venkataraman	Non-Executive & Non-Independent Director	1. Shriram Transport Finance Company Limited - Non-Executive & Non- Independent Director	5	2	-
10	Mr. Seshan Srinivasan	Non-Executive & Non-Independent Director	-	-	-	-
11	Ms. Subhasri Sriram	Executive Director & CFO	1. TVS Electronics Limited- Non-Executive & Non- Independent Director 2. Niyogen Fintech Limited	3	3	-
12	Ms. Shobana N S	Executive Director	-	-	-	-

- Does not include Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
- Membership in Audit Committee and Stakeholders' Relationship Committees has only been considered.
- Chairpersonship/Chairmanship in Audit Committee and Stakeholders' Relationship Committees has only been considered.

## b) Board Meetings and Attendance

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other routine Board businesses. We usually decide the date of Board and Committee meeting in consultation with the Board and Committee members. Once it is approved by the Board and Committee member, the schedule of the Board meetings and Board Committee meetings is circulated well in advance to the Directors and Committee members to enable them to attend the meetings. The Company usually holds at least one Board Meeting in every three months unless further board meetings are required. However, in case of a special and urgent business need,

the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting. During the financial year 2019-20 under review, four (4) board meetings were held and the gap between two meetings did not exceed one hundred and twenty (120) days. The said meetings were held on May 16, 2019, August 08, 2019, November 06, 2019 and February 13, 2020. The 18<sup>th</sup> Annual General Meeting of the Company was held on August 08, 2019.

The attendance records of Directors present in the meetings of the Board and last Annual General Meeting are as follows:



Name of the Director	No of Board Meetings		Annual General Meeting
	Held	Attended	
<b>INDEPENDENT (NON- EXECUTIVE)</b>			
Mr. Narayanan Kumar (Chairman)	4	4	√
Prof G Raghuram*	4	-	-
Mr. Balasubramian Srinivasan**	4	2	-
Mr. Rangaswamy Sundararajan	4	3	√
Mr. Raman Kapur	4	4	√
Ms. Uma Ratnam Krishnan	4	4	-
Mr. Ventakaraman Murali	4	4	√
<b>NON- INDEPENDENT (NON- EXECUTIVE)</b>			
Mr. Ravi Devaki Venkataram	4	3	-
Mr. Seshan Srinivasan	4	1	-
<b>EXECUTIVE</b>			
Mr. Srinivasan. H.R. (Vice-Chairman & MD)	4	4	√
Mr. Ram Yeleswarapu	4	3	√
Ms. Subhasri Sriram	4	4	√
Ms. Shobana	4	4	√

\* Prof G. Raghuram has step down from the position of the Independent Director of the Company with effect from the close of business hours of November 05, 2019.

\*\* Mr. Balasubramian Srinivasan was appointed as an Independent Director of the Company with effect from November 06, 2019.

### c) Information flow to the Board Member

Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time. More specifically, we present our annual business plan and operating plans of our business to the Board for their review, inputs and approval. Likewise, our quarterly financial statements and annual financial statements are first presented to the Audit Committee and subsequently to the Board for their approval. In addition, various matters such as appointment of Directors and Key Managerial Personnel, corporate actions, development and approval of overall business strategy, review of internal and statutory audits, details of investor grievances, acquisitions, important managerial decisions, material positive/negative developments and statutory matters are presented to the respective Committees of the Board and later with the recommendation of Committees to the Board of Directors for their approval.

As a matter of good governance practice, all Board meetings are called by proper notice along with structured agenda papers which is backed by comprehensive background information of the business transaction. Documents containing Unpublished Price Sensitive Information are submitted to the Board and Committee Members, at a shorter notice, as per the general consent taken from the Board, from time to time. The Board has complete unrestricted access to all information with regards to the Company.

### d) Director's Induction and Familiarization

The Board has adopted the provisions with respect to appointment and tenure of Independent Directors consistent with the Companies Act, 2013 and the Listing Regulations. As per the provisions of the Companies Act, 2013, the Independent Directors shall be appointed for not more than two terms of maximum of five years each and shall not be liable to retire by rotation. At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director.

The Company has an orientation/familiarization programme for its director that includes:

- a) Briefing on their role, responsibilities, duties, and obligations as a member of the Board;
- b) Nature of business and business model of the Company, Company's strategic and operating plans; and
- c) Providing various updates and presentations with respect to Company's business and operations, its future plans and outlook and other important developments from time to time.

Subject matter experts from the organization are also called to provide regular updates to the Board Members regarding various developments. These details are covered under various minutes and records maintained by the Company. Details regarding familiarization programmes imparted to independent directors, Company's business, operations and other requisite information may be found on Company's website at [www.takesolutions.com](http://www.takesolutions.com).

#### **Resignation of an Independent Director with detailed reason:**

In accordance with schedule V of SEBI (LODR), detailed reasons for the resignation of independent director who resigns before the expiry of his tenure, are as below:

- a) Resignation of Prof G Raghuram from the position of Independent Director

Prof G. Raghuram resigned from the position of the Independent Director of the Company with effect from the close of business hours of November 05, 2019 due to other personal and professional commitments. Prof G Raghuram was associated with the Company since October 15, 2001.

Further, the Company has received confirmation from Prof G Raghuram that there are no other material reasons for his resignation other than those which is provided in his resignation letter.

- b) Resignation of Mr. Raman Kapur from the position of Independent Director

Mr. Raman Kapur resigned from the position of the Independent Director of the Company with effect from the close of business hours of June 11, 2020 due to other personal and professional commitments. Mr. Kapur was associated with the Company since November 09, 2015.

Further, the Company has received confirmation from Mr. Raman Kapur that there are no other material reasons for his resignation other than those which is provided in his resignation letter.

#### **e) Confirmation on Independent Directors**

To the best of its knowledge and basis the declarations received from the Independent Directors, the Board hereby confirms that in the opinion of the Board, the Independent Directors fulfil the conditions specified under "Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015" and are independent of the management.

#### **f) Separate Meeting of the Independent Directors**

The meeting of Independent Directors was scheduled to be held in March 2020. However, due to the onset of COVID 19, the meeting of Independent Directors was postponed and held on June 11, 2020 without the presence of the Management team and the Non-Independent Directors of the Company, in line with the requirements of the Companies Act.

As and when required, the Independent Directors held discussions through audio visual means.

#### **g) Policy for Selection and Appointment of Directors and their Remuneration**

The Nomination and Remuneration Committee has adopted a policy which, *inter alia*, deals with the manner of selection of Directors and payment of their remuneration as described herein.

The Board usually evaluates the candidature of the prospective Board Members on the criteria mentioned under the Policy at the time of their appointment on the Board of the Company. As of now, all the criteria and other relevant requirements mentioned under the Nomination and Remuneration Policy are being

fulfilled by the Board of Directors. The profiles of the Board of Directors are available at Company's website at [www.takesolutions.com](http://www.takesolutions.com).

#### **h) Criteria of Selection of Independent Directors and Key Skills, Expertise, and Core Competencies of the Board**

The Board of the Company comprises of eminent personalities and leaders in their respective fields. Directors are nominated based on well-defined selection criteria as per the Policy. The Nomination and Remuneration Committee considers, inter alia, key qualifications, skills, expertise and competencies, whilst recommending to the Board the candidature for appointment as Independent Director. In case of appointment of Independent Directors, the Nomination and Remuneration Committee satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively. The Nomination and Remuneration Committee ensures that the candidates identified for appointment as Directors

are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013. In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level. Extract of Some of the core skill set requirements are as below:

- ✓ Personality, skills and professional knowledge
- ✓ Wide Knowledge and experience relevant to the business of the Company;
- ✓ Independence of judgment;
- ✓ Educational and professional qualification(s)
- ✓ Past performance and credentials, behavior & conduct
- ✓ Corporate Governance including Board room conduct
- ✓ Diversity
- ✓ Communication skills and
- ✓ Ethics and Values.

Skill description	Mr. Srinivasan. H.R.	Ms. Shobana	Mr. Narayanan Kumar	Mr. Rangaswamy Sundararajan	Mr. Balasubramian Srinivasan	Mr. S Srinivasan	Ms. Uma Ratnam Krishnan	Mr. Venkataraman Murali
<b>Leadership skills</b> Distinctive leadership skills, ability to represent the organization and set appropriate Board and organization culture. Demonstrated strengths in talent development, succession planning and bringing change and long-term future growth.	Y	Y	Y	Y	Y	Y	Y	Y
<b>Knowledge of Industry</b> Preferable experience with Pharma or Life Science Industry. However, administrative experience with a large or medium size organisation could also be considered	Y	Y	Y	Y	Y	Y	Y	-

Skill description	Mr. Srinivasan. H.R.	Ms. Shobana	Mr. Narayanan Kumar	Mr. Rangaswamy Sundararajan	Mr. Balasubramian Srinivasan	Mr. S Srinivasan	Ms. Uma Ratnam Krishnan	Mr. Venkataraman Murali
<b>Governance</b> Understanding of the various governance and compliance requirements under various applicable laws, supporting a strong Board base and management accountability, transparency, and protection of shareholder interests	Y	Y	Y	Y	Y	Y	Y	Y
<b>Financial</b> Basic understanding of Financials, oversight for risk management and internal controls	Y	Y	Y	Y	Y	Y	Y	Y
<b>Diversity</b> An appropriate mix of varied cultures, ethnicity, geography, gender, age, and other diversity perspectives with an aim of expanding the Board's understanding of the needs of diverse stakeholders and a better ability to respond to changes	Y	Y	Y	Y	Y	Y	Y	Y
<b>Ethics and values</b> High integrity and proven track record of demonstrating appropriate ethical standards and values in public life	Y	Y	Y	Y	Y	Y	Y	Y
<b>Independence of judgement</b> Possess adequate skills and experience so as to take independent decisions and articulate the point of view to the Board and Management in effective manner	Y	Y	Y	Y	Y	Y	Y	Y



### 3. Committees of the Board

The Committees of the Board play a crucial role in the sound corporate governance practice and focus on specific areas that helps to make decisions within the delegated authority. The Committees of the Board are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. Each Committee is guided by its Charter, which provides for the composition, scope, powers, duties and responsibilities. The recommendation and/or observations and decisions are placed before the Board for information or approval. The Chairman of respective Committee updates the Board regarding the discussions held / decisions taken at the Committee Meeting.

Your Company's Board has the following committees:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders Relationship Committee;
- d) Corporate Social Responsibility Committee; and
- e) Risk Management Committee.

#### a) Audit Committee

The Board has constituted an Audit Committee consisting of well-qualified members in line with the requirements of Section 177 of the Companies Act, 2013 & the rules framed thereunder and Regulation 18 of the SEBI (Listing and Disclosure Requirement) Regulations 2015.

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

##### i. Composition, Meeting and Attendance of Audit Committee

During year under review, the Audit Committee met four (4) times on May 16, 2019, August 07, 2019, November 06, 2019 and February 13, 2020 and the gap between two meetings did not exceed one hundred and twenty days.

Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and Chief internal auditors, to be present at its meetings. Company Secretary of the Company acts as the Secretary to the Audit Committee.

S. No	Name of the Director	Position	Category	No. of Meeting	
				Held during the tenure	Attended
1.	Mr. Rangaswamy Sundararajan	Chairman	Independent Director	4	3
2.	Mr. Venkataraman Murali	Member	Independent Director	4	4
3.	Mr. Ravi Devaki Venkataraman	Member	Non- Executive Director	4	3

##### ii Powers of Audit Committee

The Audit Committee shall have powers, as delegated by the Board, which includes the following:

- To investigate any activity within its terms of reference;

- To seek information from any employee;
- To obtain outside legal or other professional advice;
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

iii Extract of terms of reference of the Audit Committee

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending appointment, remuneration and terms of appointment of auditors, to the Board;
- Approving payments to statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - ii) Changes, if any, in accounting policies and practices and reasons for the same
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management
  - iv) Significant adjustments made in the financial statements arising out of audit findings
  - v) Compliance with listing and other legal requirements relating to financial statements
  - vi) Disclosure of any related party transactions
  - vii) Qualifications in the draft audit report
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of

funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take necessary steps in this matter;

- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approving any subsequent modification of transactions of the Company with its related parties;
- Scrutinizing inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- Assessing the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the Whistle Blower mechanism;
- Approving the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Companies Act 2013 and Rules thereunder.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Any other matter as may be assigned by the Board of Directors from time to time.

#### b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.

#### i. Composition, Meeting and Attendance of Nomination and Remuneration Committee

The Committee met three (3) times during the year on May 16, 2019, Nov 06, 2019 and Feb 13, 2020. The composition of the Nomination & Remuneration Committee and details of meetings attended by the members are given below:

S . No	Name of the Director	Position	Category	No. of Meeting	
				Held during the tenure	Attended
1.	Mr. Rangaswamy Sundararajan	Chairman	Independent Director	3	2
2.	Mr. Ravi Devaki Venkataraman	Member	Non- Executive Director	3	3
3.	Ms. Uma Ratnam Krishnan	Member	Independent Director	3	2

#### ii. Extract of terms of reference of Nomination and Remuneration Committee

- The Nomination and Remuneration Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management position in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance and the Board as a whole.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy,

relating to the remuneration of Directors, key managerial personnel and other employees.

- The Nomination and Remuneration Committee shall recommend to the board, all remuneration, in whatever form, payable to senior management.
- The Nomination and Remuneration Committee shall, while formulating the policy under Section 178(3) of Companies Act, 2013 ensure that:
  - i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

- ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- iii) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; and
- iv) Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Companies Act 2013 and Rules thereunder.

### iii. Performance evaluation criteria

The Nomination and Remuneration Committee determines and recommends the remuneration payable to the Executive Directors. The Board of Directors approves the remuneration payable to the Executive Directors on the basis of their performance as well as the Company's performance, subject to consents as may be required.

The performance evaluation of all the Independent directors have been done by the entire Board excluding the Director being evaluated. On the basis of performance evaluation done by the Committee, the Board determines whether to extend or continue their term of appointment whenever the respective term expires. Some of the important performance evaluation criteria for Independent Directors are as below:

- Providing independent view to the Board.
- Providing strategic guidance.
- Bringing in external expertise in decision making process.
- Exercising diligence and efficiency.

### iv. Remuneration Policy

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high-performance workforce. The Company follows a compensation mix of fixed pay, benefits and variable pay. Individual performance pay is determined by business performance and the performance of the individuals is measured through the annual appraisal process. The remuneration policy adopted by the Company is hosted on the Company's website at [www.takesolutions.com](http://www.takesolutions.com).

The Independent Directors are paid the following sitting fees for attending every Meeting of the Board and Committees:

S. No	Nature of Meetings	(₹) Sitting Fees per Meeting
1.	Board	1,00,000
2.	Audit Committee	50,000
3.	Nomination and Remuneration Committee	
4.	Corporate Social Responsibility Committee	
5.	Stakeholders' Relationship Committee	

The Independent Directors are paid a commission not exceeding 1% of the Net Profits of the Company computed under the provisions of Section 197 of the Companies Act, 2013. The basis of determining the amount of commission to the Independent Directors is related to their attendance and contributions at the meetings and extent of consultations provided by them. Members at the 15th Annual General Meeting of the Company had approved the payment of remuneration by way of commission to Independent Directors, a sum not exceeding 1% of the Net Profits of the Company for a period of 5 years from April 01, 2016 to March 31, 2021.

- v. Remuneration of Director & Shares held by Director as on March 31, 2020 are given below:

#### i. Non-Executive Directors



Name of the Director	Remuneration paid during the Financial year 2019-20			No of Equity Shares/ Convertible instruments held
	Salary (₹)	Sitting Fees (₹)	Commission (₹)	
Mr. N. Kumar	-	4,90,000	250,000	-
Prof. G. Raghuram	-	-	250,000	-
Mr. R. Sundara Rajan	-	5,20,000	250,000	25370
Ms. Uma Ratnam Krishnan	-	4,00,000	250,000	-
Mr. V. Murali	-	4,90,000	250,000	-
Mr. D. V. Ravi	-	-	-	-
Mr. S. Srinivasan	-	-	-	-
Mr. Balasubramian Srinivasan	-	2,00,000	-	-
Mr. Raman Kapur	-	350,000	250,000	194823

# Commission for the financial year 2018-19 amounting to ₹ 250,000 paid during the financial year 2019-20.

# Commission for the financial year 2019-20 amounting to ₹ 200,000 will be paid during the financial year 2020-21.

i. Managing Director and Executive Directors

Name of the Director	Remuneration paid during the Financial year 2019-20				No of Equity Shares/ Convertible instruments held
	Salary (₹)	Benefits, Perquisites and Allowances	Commission (₹)	Others (PF & other reimbursements) (₹)	
Mr. Srinivasan. H.R., Managing Director	2,12,82,900	-	-	-	135000
Mr. Ram Yeleswarapu, President & CEO	127,69,740	-	-	-	-
Ms. Subhasri Sriram, Executive Director	6,752,520	-	20,86,000	2,04,000	90200
Ms. Shobana N S, Executive Director	10,810,420	-	-	-	89000

The Performance linked incentive and perquisites and allowances were provided as per the rules of the Company and as per the statutory norms.

c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing and Disclosure Requirement) Regulations 2015.

i. Composition, Meeting and Attendance

During the year under review, four (4) meetings of the Stakeholders' Relationship Committee were held on May 16, 2019, August 07, 2019, November 06, 2020 and February 13, 2020. The composition of the Stakeholders' Relationship Committee and details of meetings attended by the members are given below:

S. No	Name of the Director	Position	Category	No. of Meeting	
				Held during FY 2019-20	Attended
1.	Mr. Narayanan Kumar	Chairman	Independent Director	4	4
2.	Mr. Srinivasasan H R	Member	Executive Director	4	4
3.	Mr. Rangaswamy Sundararajan	Member	Independent Director	4	3

ii. Extract of terms of reference of Stakeholders' Relationship Committee

- To approve transfer/transmission of share/debentures and such other securities, as may be issued by the Company from time to time;
- To issue duplicate certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- To issue new certificate against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- To oversee the implementation of ESOS Scheme, if any, implemented by the Company;
- To approve and monitor dematerialization of shares/debentures/other securities and all matters incidental or related thereto;
- To authorize Company Secretary/ Compliance Officer/ other officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend/interest, change of address for correspondence etc. and to monitor action taken;
- To monitor Company Secretary/Compliance Officer/ other officers of the Share Department to attend to matters relating to transfer/transmission of shares, issue of duplicate share certificates for shares reported lost, defaced or destroyed, to issue new certificates against subdivision of shares and renewal, split or consolidation of share certificates;

- To monitor Investor Relations activities of the Company and give guidance on the flow of information from the Company to the Investors
- To monitor expeditious redressal of grievances of shareholders/security holders including complaints relating to transfer/transmission of shares/securities, non-receipt of declared dividends/Annual Reports, issue of duplicate certificates and other complaints;
- All other matters incidental or related to shares or debentures and other securities of the Company;
- Any other matter as may be assigned to the Committee by the Board of Directors.

**Name, Designation and address of the Compliance Officer:**

Mr. Avaneesh Singh  
Company Secretary  
TAKE Solutions Limited  
No.27, Tank Bund Road, Nungambakkam  
Chennai – 600 034  
Phone No: 044 - 6611 0700  
Fax No: 044 - 6611 0800  
Email ID: secretarial@takesolutions.com  
investorrelations@takesolutions.com

iii. Details of investor complaints received and redressed during the financial year 2019-20 are as follows:

Nature of Complaints	Opening Balance	Received	Responded	Pending
Non Receipt of Share Certificates	-	-	-	-
Non-receipt of Dividend/Interest/ Redemption Warrant	-	-	-	-
Non-receipt of Annual Report	-	-	-	-
SEBI / Scores / Stock Exchange	-	-	-	-
<b>Total complaints</b>	<b>NIL</b>			<b>NIL</b>

#### d) Corporate Social Responsibility Committee

The Company has always been mindful of its obligations towards society at large and has been pursuing various CSR as required under the Companies Act, 2013. The Corporate Social Responsibility Committee has been duly constituted in line with the provisions of Section 135 of the Companies Act, 2013.

##### i. Composition, Meeting and Attendance

During the year under review, CSR Committee Meeting was held on May 16, 2019. The composition of the CSR Committee and details of meetings attended by the members are given below:

S. No	Name of the Director	Position	Category	No. of Meeting	
				Held during FY 2019-20	Attended
1.	Mr. Srinivasan H R	Chairman	Vice-Chairman & Managing Director	1	1
2.	Mr. Rangaswamy Sundararajan	Member	Independent Director	1	1
3.	Mr. Ravi Devaki Venkataraman	Member	Non- Executive Director	1	1

##### ii. Extracts of terms of reference of the Corporate Social Responsibility Committee

Corporate Social Responsibility ("CSR") Committee was constituted to direct and monitor the CSR activities of the Company. The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount

of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects. A report on the CSR activities during the financial year forms part of the Annual Report.

The CSR Policy is comprehensive and in alignment with the requirements of the Act. The CSR Policy Statement and the CSR Report forms part of the Board's Report to the Members of the Company.

#### 4. General body meetings:

##### a) Location and dates of the General Meetings held in the past three (3) years:

S. No	AGM /EGM	Location	Date & Time	Special Resolutions
1	18th AGM	Narada Gana Sabha (Mini Hall), TTK Road, Alwarpet, Chennai 600 018	08-08-2019 10:00am	6
2	17th AGM	Narada Gana Sabha (Mini Hall), TTK Road, Alwarpet, Chennai 600 018	10-08-2018 10:00am	2
3	16th AGM	Narada Gana Sabha (Mini Hall), TTK Road, Alwarpet, Chennai 600 018	11-08-2017 10:00am	4

- The Chairman of Audit Committee was present at all the above AGMs.
- No Extraordinary General Meeting was held in the last three years.
- The Special Resolutions were passed with requisite majority in the last 3 Annual General Meetings.

##### b) Postal Ballot

During the year under review, the Company did not conduct any business through Postal Ballot.

#### 5. Means of communication

- Financial results are published by the Company in Financial Express and Makkal Kural newspapers.
- Results are also displayed at the Company's website [www.takesolutions.com](http://www.takesolutions.com).
- Official news releases are also updated at the Company's website.
- All material information about the Company is submitted in website of BSE Limited and The National Stock Exchange of India Ltd.
- Presentations made to the institutional investors or to the analysts are hosted on our website [www.takesolutions.com](http://www.takesolutions.com).
- Pursuant to the Companies (Accounts) Rules, 2014, the Company proposes to send the financial statements for the year ended March 31, 2020, by electronic mode to the Members whose email Ids are registered with the Depository / Company for communication purposes.
- The financial results and other information filed by the Company from time to time are also available on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited. The said stock exchanges have introduced BSE Listing center and NSE Electronic Application Processing System (NEAPS). Various compliances as prescribed under the SEBI Listing Regulations are filed through these systems.

## 6. General shareholder information

### a) Annual General Meeting for financial year 2020

Date, time and mode	September 25, 2020, at 4.30 p.m IST. through Video Conferencing ("VC") / Other Audio Visual Means ("OVAM").
Financial Year	April 01, 2019 to March 31, 2020
Date of Book Closure	Saturday, September 19, 2020 to Friday, September 25, 2020 (both days inclusive)
Listing on Stock Exchanges	<p><b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India Tel: 91-22-22721233, 22721234, Fax: 91-22-22721919</p> <p><b>National Stock Exchange of India Limited</b> Regd Office: "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India Tel: 91-22-26598100, 56418114, Fax: 91-22-26598120</p>
Listing Fees	Listing fees for the financial year 2019-20 has been paid to both the Stock Exchanges
Stock Code	BSE Code: 532890 NSE Code : TAKE
ISIN	INE142I01023

### b) Monthly high and low quotations along with the volume of shares traded along with BSE & NSE for the financial year 2019-20 are:

	BSE			NSE		
	High	Low	Volume (No.)	High	Low	Volume (No.)
	₹	₹		₹	₹	
19-Apr	159.00	137.50	679138	152.65	139.15	5277432
19-May	159.30	131.00	720212	155.60	132.70	3629916
19-Jun	154.65	119.30	229528	152.35	120.05	2452229
19-Jul	134.00	94.50	232666	132.20	95.40	2803729
19-Aug	122.50	93.75	693503	119.40	95.05	4386509
19-Sep	137.90	102.50	425646	133.20	103.60	4636203
19-Oct	116.10	95.50	250984	112.85	100.05	2515280
19-Nov	117.40	94.65	176679	115.45	95.05	2493825
19-Dec	101.00	91.00	85619	116.50	93.80	1538529
20-Jan	113.65	94.55	262388	108.10	95.10	3084992
20-Feb	106.75	87.80	253238	105.55	90.00	3865257
20-Mar	92.80	37.15	289528	86.60	38.50	2530019

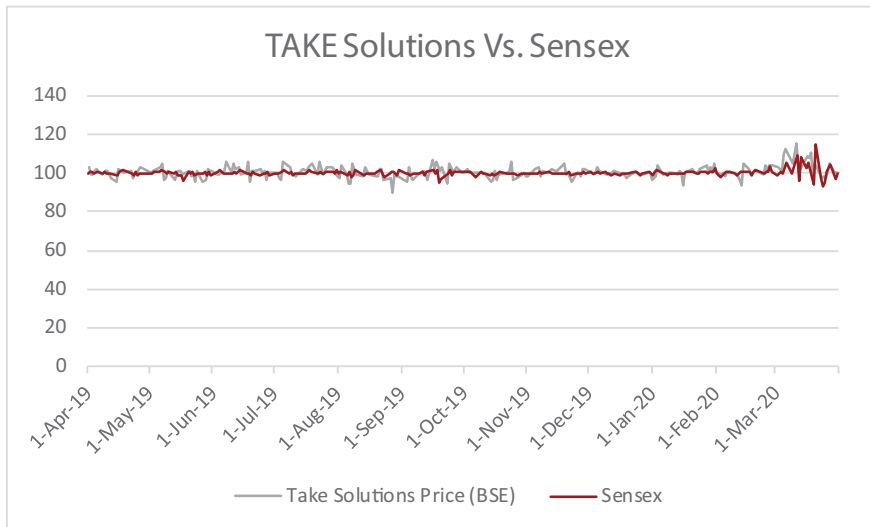
Note: The value provided in BSE is not formula derived, the source is from BSE & NSE website.

Source: [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com)

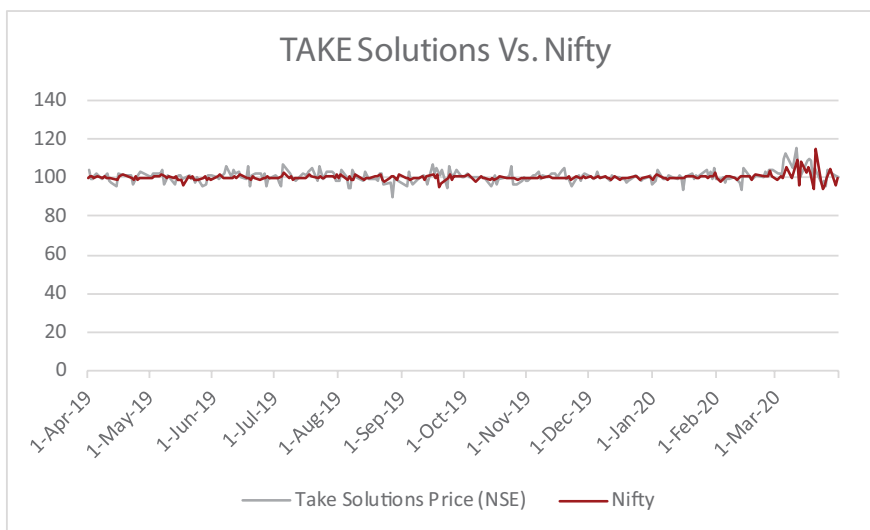


**c) Comparison of broad-based indices with share price of TAKE**

Comparison- Share price of TAKE vs BSE Index



Source: [www.bseindia.com](http://www.bseindia.com)



Source: [www.nseindia.com](http://www.nseindia.com)

**d) Registrar & Share Transfer Agent**

Name and Address : M/s. Link Intime India Pvt Limited  
: C-101, 247 Park, L B S Marg,  
: Vikhroli West, Mumbai - 400 083  
Ph : 022 - 4918 6000  
Fax : 022 - 4918 6060  
Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

e) Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

f) Shareholding as on March 31, 2020:

I. Distribution of Shareholding as at March 31, 2020

No. of Equity Shares held	No. of shareholders	% of Shareholders	No. of Shares held	% of shareholding
1-500	24838	87.8289	2383216	1.6110
501-1000	1505	5.3218	1206011	0.8152
1001-2000	838	2.9632	1307342	0.8837
2001-3000	301	1.0644	768904	0.5198
3001-4000	169	0.5976	597623	0.4040
4001-5000	115	0.4066	547308	0.3700
5001-10000	205	0.7249	1499637	1.0137
10001 & above	309	1.0926	139623959	94.3826
<b>Total</b>	<b>28280</b>	<b>100.00</b>	<b>147934000</b>	<b>100.00</b>

II. Shareholding Pattern as at March 31, 2020

	Category	No. of shares held	Percentage of shareholding
<b>A.</b>	Promoter Holding		
1	Indian	20698144	13.9
2	Foreign	78253450	52.90
	<b>Sub-total (1 + 2)</b>	<b>98951594</b>	<b>66.89</b>
<b>B</b>	Public Shareholding		
<b>3</b>	<b>Institutional Investors</b>		
A	Mutual Funds	2138333	1.45
B	Financial Institutions / Banks	56711	0.04
C	Insurance Companies	350000	0.24
D	Foreign Portfolio Investors	15171796	10.26
E	Alternate Investment Funds	929114	0.63
	<b>Sub-total (3)</b>	<b>18645954</b>	<b>12.62</b>
4	<b>Non- Institutions</b>		
A	INDIVIDUALS		
	Individuals holding nominal share capital up to INR 2 Lakh	10929948	7.47
	Individuals holding nominal share capital In excess of INR 2 Lakh	969120	0.66
B	NBFC registered with RBI	199900	0.14
C	Others		

	Category	No. of shares held	Percentage of shareholding
I	Directors	399293	0.27
ii	Clearing Member	123202	0.08
iii	Trust	1709066	1.56
iv	NRIs	1722849	1.46
v	Employees	530000	0.14
vi	HUF	544758	0.37
vii	Investor Education and Protection Fund	146343	0.09
viii	Bodies Corporate	12119250	8.19
ix	Foreign Nationals	2045	0.00
x	Foreign Portfolio Investor (Individuals)	304964	0.20
	<b>Sub-total (4)</b>	<b>29700838</b>	<b>20.50</b>
	<b>TOTAL (1+2+3+4)</b>	<b>147934000</b>	<b>100.00</b>

**g) Dematerialization of shares**

Electronic/Physical	No of Shares	% of Share Capital
NSDL	37326980	25.23
CDSL	109971406	74.34
Physical	635614	0.43
<b>TOTAL</b>	<b>147934000</b>	<b>100.00</b>

Equity Shares of the Company are traded on the Stock Exchanges only in electronic form. As on March 31, 2020, 99.57% of the shares are held in dematerialized form. In order to enable us to serve better, we request the shareholders whose shares are in physical mode to dematerialize their shares. Dematerializing results in marketability.

The Company obtains from a Company Secretary in practice, a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 7(3) of SEBI (LODR) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

**h) Address for Correspondence:**

TAKE Solutions Limited  
No.27, Tank Bund Road, Nungambakkam  
Chennai – 600 034  
Phone No: 044 - 6611 0700  
Email ID : investorrelations@takesolutions.com

**i) Credit Rating**

The Company has obtained a Credit rating from CARE Rating Limited for the year ended March

31, 2020. The Company has been rated under the category AA- (Double A minus) (Stable). There has been no change in the rating as compared to last year.

**7. Disclosures with respect to demat suspense account/ unclaimed suspense account**

There were no unclaimed shares lying with the Company as of March 31, 2020 that was required to be transferred to the special demat account for the year.

**a) Transfer to the Investor Education and Protection Fund:**

**i. Unclaimed Dividends**

Under the provisions of the Companies Act, 2013 dividends that remain unclaimed for a period of seven consecutive years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. The unclaimed dividend as on March 31, 2020 is as follows:

Financial Year	Amount (in ₹)	Date of Declaration	Due Date for Transfer to IEPF
2012-13 – Final Dividend	157,609.60	September 6, 2013	October 12, 2020
2013-14 - 1 <sup>st</sup> Interim Dividend	95,575.20	November 11, 2013	December 17, 2020
2013-14 - 2 <sup>nd</sup> Interim Dividend	114,050.40	January 31, 2014	March 7, 2021
2013-14 – Final Dividend	130,471.60	September 19, 2014	October 26, 2021
2014-15- 1 <sup>st</sup> Interim Dividend	116,043.90	November 12, 2014	December 18, 2021
2014-15- 2 <sup>nd</sup> Interim Dividend	157,658.10	February 6, 2015	March 14, 2022
2014-15 – Final Dividend	137,214.80	August 28, 2015	October 03, 2022
2015-16 – 1 <sup>st</sup> Interim Dividend	95,373.00	November 09, 2015	December 15, 2022
2015-16 – 2 <sup>nd</sup> Interim Dividend	143,372.40	February 05, 2016	March 13, 2023
2015-16 – Final Dividend	323,016.40	August 26, 2016	October 02, 2023
2016-17 - Interim Dividend	131,418.90	November 03, 2016	December 10, 2023
2016-17- 2 <sup>nd</sup> Interim Dividend	139,490.10	February 02, 2017	March 11, 2024
2016-17- Final Dividend	232,599.20	August 11, 2017	September 17, 2024
2017-18-1 <sup>st</sup> Interim Dividend	151,630.50	November 08, 2017	December 15, 2024
2017-18- 2 <sup>nd</sup> Interim Dividend	129,605.70	February 08, 2018	March 17, 2025
2017-18 – Final Dividend	307,535.09	August 10, 2018	September 16, 2025
2018-19 – 1 <sup>st</sup> Interim Dividend	75,306.00	October 30, 2018	December 06, 2025
2018-19 – 2 <sup>nd</sup> Interim Dividend	94,583.98	February 13, 2019	March 19, 2026
2018-19 – Final Dividend	2,63,314	August 08, 2019	September 14, 2026

During the year, company was required to transfer unclaimed amounts pertaining to the dividend declared for the financial years 2011-12, 2012-13 Ist Interim & 2012-13 IInd Interim. Out of which, unclaimed dividend for the financial year 2011-12 amounting to ₹ 273,710 had already been transferred to IEPF account. With respect to the remaining part, company had initiated the required transfer within the stipulated timeline. However, due to some technical glitch from the MCA end, the said transfers could not be processed. Company has raised necessary complaints with the MCA Authority and will ensure to complete the transfers at the earliest.

#### ii. Unclaimed Shares

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (“IEPFA”) within a period of thirty days of such shares becoming due to be so transferred.

Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules.

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

The Company has transferred 5,239 equity shares belonging to the Shareholders of the Company who have not claimed their dividends (interim as well as final) for the last seven consecutive years.

#### iii. Electronic Clearing Service / Mandates

To prevent fraudulent encashment of dividend warrants, members are requested to provide their bank account details (if not provided earlier) to the Company/Share Transfer Agent (if shares are held in physical

form) or to the Depository Participants (if shares are held in electronic form) as the case may be for printing of same on their dividend warrants.

## 8. Other Disclosures

### a) Disclosure on materially significant related party transactions

There were no material significant related party transaction and pecuniary transactions that may have potential conflict with the interest of the Company at large, which requires a separate disclosure. The details of Related Party Transaction are disclosed in the financial Section of this Annual Report. The Financial Statement as at March 31, 2020 contains the list of related party transactions as required by Accounting Standards, as applicable, on Related Party Disclosures issued by the Institute of Chartered Accountants of India. Policy dealing with related party transactions is hosted at the Company website at [www.takesolutions.com/images/corporate%20governance/policy-on-related-party-transactions.pdf](http://www.takesolutions.com/images/corporate%20governance/policy-on-related-party-transactions.pdf)

### b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI) and any statutory authority on matters related to Capital Markets, as applicable. There were no penalties or strictures imposed by Stock Exchanges or SEBI and any statutory authority on any matter related to capital markets during last three years.

### c) Vigil Mechanism and Whistle Blower Policy

The Company has formulated a vigil mechanism and framed a whistle blower policy wherein the directors and employees are free to report any concerns about unethical behavior or improper activity resulting in violations of laws, rules, regulations or code of conduct. The policy provides a framework for adequate safeguard against victimization of employees.

The Whistle Blower Policy has been disclosed on the Company's website under the web link [www.takesolutions.com/images/corporate%20governance/whistle-blower-policy.pdf](http://www.takesolutions.com/images/corporate%20governance/whistle-blower-policy.pdf)

We affirm that no employee of the Company has been denied access to the Audit Committee in respect of any incident.

### d) compliance with corporate governance requirements

The Company has complied with all the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### e) Policy on Determination of Material Subsidiaries for Disclosures

The Company has adopted a policy on determination of Material Subsidiaries in accordance with regulation 24 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015. The policy on Material Subsidiary of the Company is hosted on the Company website at [www.takesolutions.com/images/corporate%20governance/policy-on-determination-of-material-subsidiary.pdf](http://www.takesolutions.com/images/corporate%20governance/policy-on-determination-of-material-subsidiary.pdf)

### f) Policy on Archival and Preservation of Documents

The Company has adopted a policy on Archival and Preservation of Documents in accordance with regulation 9 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015. The policy on Archival and Preservation of Documents of the Company is hosted on the Company website at [www.takesolutions.com](http://www.takesolutions.com)

### g) Code of Conduct

The Company has adopted a Code of Conduct as required under Regulation 17(5) of the SEBI (LODR) Regulations 2015 with Stock Exchanges, which applies to all the Board Members and Senior Management of the Company. The Board Members and Senior Management personnel affirm their compliance on an annual basis and their confirmations have been duly received in this regard. A declaration to this effect signed by



the Managing Director & CEO is provided as an **annexure** to this Report. The Code of Conduct is available on the Company's website at [www.takesolutions.com](http://www.takesolutions.com).

**h) Certificates from Auditor**

The certificate dated June 11, 2020, issued by Mr. Umesh S. Abhyankar, Partner, G. D. Apte & Co, Chartered Accountants, is attached to this Annual Report in compliance with corporate governance norms prescribed under the Listing Regulations.

The Company has received certificate dated June 17, 2020, from by Mr. M. Alagar, Managing Partner, M. Alagar & Associates, Practicing Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate of Affairs or any such authority. The certificate is attached to this Annual Report.

**i) Accounting Treatment**

In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards. There have been no deviations from the treatment prescribed in the Accounting Standards as per Schedule III of the Companies Act, 2013. Significant Accounting Policies are provided elsewhere in the Annual Report.

**j) CEO / CFO Certification**

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Certificate duly signed by Mr. Srinivasan H. R., Vice Chairman & Managing Director and Ms. Subhasri Sriram, Executive Director & Chief Financial Officer (CFO) was placed at the meeting of the Board of Directors held on June 11, 2020.

**k) Utilization of funds raised through preferential allotment or qualified institutions placement**

During the year under review, there were no fund raised through preferential allotment or qualified institutional placement.

**l) Management Discussion and Analysis Report**

The Management Discussion and Analysis Report' forms part of this Annual Report.

**m) Prohibition of Insider Trading: [Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations,2015]**

In pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board had approved the "Code of Conduct for prevention of insider trading". The Policy also includes practices and procedures for fair disclosure of unpublished price sensitive information, initial and continual disclosures. The Board has designated Company Secretary as the Compliance Officer. The Code of Conduct for prevention of insider trading is available in the Company website at [www.takesolutions.com](http://www.takesolutions.com)

**n) Disclosure on Dividend Distribution policy**

The Company has adopted a policy on dividend distribution in accordance with regulation 43A of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015. The policy on dividend distribution of the Company is hosted on the Company website at [www.takesolutions.com](http://www.takesolutions.com)

**o) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The details about Sexual Harassment of Women at Workplace has been disclosed in the Business Responsibility Report forming part of the Annual Report.

**p) Investor Relations ("IR")**

In the continuous search for excellence, your Company continues to engage with investors in many ways, including one on one meetings, telepresence meetings, participation in investor conferences, quarterly earnings calls and annual analyst meet. Your Company continuously strives to improve IR engagement with Indian and International investors and has set up feedback mechanism to measure IR effectiveness. Structured con-calls and periodic investor/analyst interactions with the Senior Management and Business Heads were organized during the year.

Your Company always believes in leading from the front with emerging best practices in IR and building a relationship of mutual understanding with investor/analysts.

**q) Transaction with Senior Management Personnel**

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

**r) Director Seeking Appointment & Re-Appointment**

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment / re-appointment at the forthcoming AGM are given herein and in the **Annexure** to the Notice of the 19<sup>th</sup> AGM to be held on September 25, 2020.

**s) Audit Fee Paid by Company & Its Subsidiaries**

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which the statutory auditor is a part, is given below:

<b>G. D. Apte &amp; Co</b>	<b>Financial Year 2019-20 ( ₹ In Mn.)</b>
Audit Fees	8.65
Taxation Matters	0.80
Other Services	0.15
Reimbursement of Expenses	0.36
<b>Total</b>	<b>9.96</b>

**t) website**

The Company's website [www.takesolutions.com/](http://www.takesolutions.com/) contains a separate dedicated section namely "Investors Relationship" where shareholders information is available. The Annual Report of the Company is also available on the website of the Company [www.takesolutions.com](http://www.takesolutions.com/) in a downloadable form.

**u) Intimation to Stock Exchanges:**

The Company also regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

**v) Compliance with mandatory requirements and adoption of the non-mandatory requirements.**

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations.

For and on behalf of the Board of Directors

Sd/-  
**Srinivasan H.R.**  
Managing Director  
DIN: 00130277

Sd/-  
**Shobana N S**  
Executive Director  
DIN: 01649318

Place: Chennai  
Date: June 24, 2020

## CERTIFICATE ON CORPORATE GOVERNANCE

### Code of Conduct Certification

The Board of TAKE Solutions Limited has laid down a Code of Conduct for all Board Members and Senior Management. The Code of Conduct has been posted in the Company's website [www.takesolutions.com/images/corporate%20governance/Code%20of%20conduct%20for%20Directors%20%20&%20SMP.pdf](http://www.takesolutions.com/images/corporate%20governance/Code%20of%20conduct%20for%20Directors%20%20&%20SMP.pdf) All the Board Members and the Senior Management Personnel have affirmed compliance with the Code.

Place: Chennai  
Date: June 11, 2020

Sd/-  
**Srinivasan H.R.**  
Managing Director

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## To the Members of TAKE Solutions Limited

### CERTIFICATE BY THE AUDITORS ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by TAKE Solutions Limited (the Company), for the year ended 31st March, 2020, as stipulated in Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (the Regulations).

The compliance of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the Regulations of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and in accordance with the explanations given to us, we certify that the Company has complied with the Regulations of Corporate Governance as stipulated in the above-mentioned Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Sd/-  
**Umesh S. Abhyankar**  
Partner  
Membership No.: 113053  
Place : Pune  
Date: June 11, 2020

UDIN : 20017532AAAAAE9978

Form No. MR-3

## SECRETARIAL AUDIT REPORT

For the financial year 2019-2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members

**TAKE SOLUTIONS LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TAKE SOLUTIONS LIMITED** hereinafter called the("Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **TAKE SOLUTIONS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2020("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended March 31, 2020 according to the provisions of:

1. The Companies Act, 2013('Act') and the rules made thereunder, as amended from time to time;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under, as amended from time to time;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, as amended from time to time;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to

the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as amended from time to time;

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:-

- a). The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b). The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c). The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d). The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e). The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding dealing with client;
- f). The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- g). The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable during the Audit period.

I have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and as mandated by the Companies Act, 2013.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc., mentioned above.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Environmental, Labour and Industrial laws, rules, regulations and guidelines made thereunder. The Company has confirmed compliance with the following labour and industrial laws;

1. The Contract Labour (Regulation and Abolition) Act, 1970
2. The Employees' Compensation Act, 1923
3. The Employees' Provident Funds & Miscellaneous Provisions Act, 1952
4. The Equal Remuneration Act, 1976 and The Equal Remuneration Rules, 1976
5. The Maternity Benefit Act, 1961
6. The Minimum Wages Act, 1948
7. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
8. The Tamil Nadu Labour Welfare Fund Act, 1972
9. The Tamil Nadu Shops and Establishments Act, 1947
10. The Tamil Nadu Tax on Professions, Trades & Callings and Employments Act, 1992

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to them at least seven days in advance or as the case may be, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I Further report that during the period under review we observed that, Ecron Acunova Limited, United Kingdom a Wholly Owned Subsidiary of Navitas Life Sciences GmbH, Germany and a Step-Down Subsidiary of TAKE Solutions Limited has been dissolved with effect from July 02, 2019.

#### **For M.Alagar & Associates**

Sd/-

**M.Alagar**

FCS No: 7488

CoP No.: 8196

UDIN:F007488B000346684

Place: Chennai

Date: June 17, 2020



## SECRETARIAL COMPLIANCE REPORT OF TAKE SOLUTIONS LIMITED FOR THE YEAR ENDED MARCH 31, 2020

I, M. Alagar have examined:

- a) All the documents and records made available to us and explanation provided by Take Solutions Limited("the listed entity").
- b) The filings/ submissions made by the listed entity to the stock exchanges.

Website of the Listed Entity

- c) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,
- d) For the year ended March 31, 2020("Review Period") in respect of compliance with the provisions of:

The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

- a) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI")
- b) The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- a) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable during the period under review.
- d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable during the period under review.
- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; Not Applicable during the period under review.
- g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and circulars/ guidelines issued thereunder; and based on the above examination, I hereby report that, during the Review Period:
- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks
-------	--	------------	-----------------------

Nil

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr.No	Action taken	Details of violation	Details of action taken	Observations/ remarks
Not Applicable				

- d) The listed entity has taken the following actions to comply with the observations made in previous reports-

Sr.No	Observations in the previous reports	Observations made in the secretarial compliance report for the year ended March 31, 2020	Actions taken by the listed entity, if any	Comments on the actions taken by the listed entity
Not Applicable				

**For M.Alagar & Associates**

**M. Alagar**

*Practicing Company Secretaries*

FCS No.: 7488

CoP No.: 8196

UDIN: F007488B000348246

Place: Chennai

Date: June 17, 2020

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of  
**Take Solutions Limited**  
No.27, Tank Bund Road, Nungambakkam,  
Chennai - 600034

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Take Solutions Limited** having CIN L63090TN2000PLC046338 and having registered office at No.27, Tank Bund Road, Nungambakkam, Chennai - 600034 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of the information received and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No	DIN/PAN	Name	Date of Appointment
1	00007848	Narayanan Kumar	02/12/2006
2	00014652	Seshan Srinivasan	14/02/2013
3	00130277	Srinivasan Ramani Harikesanallur	06/06/2006
4	00171603	Ravi Devaki Venkataraman	06/06/2006
5	00370425	Uma Ratnam Krishnan	12/11/2014
6	00498404	Rangaswamy Sundararajan	28/09/2005
7	00730218	Venkataraman Murali	18/05/2017
8	01649318	Shobana	02/02/2017
9	01998599	Subhasri Sriram	02/02/2017
10	02363491	Ram Yeleswarapu	22/06/2005
11	02968020	Raman Kapur	09/11/2015
12	07121117	Balasubramanian Srinivasan	06/11/2019

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai  
August 12, 2020

**For M. Alagar & Associates**  
**M. Alagar**  
Managing Partner  
Practising Company Secretaries  
FCS No. 7488/C P No. 8196  
UDIN: F007488B000572151

## FORM NO. MGT 9

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2020  
Pursuant to Section 92 (3) of the Companies Act, 2013 and  
rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L63090TN2000PLC046338
2	Registration Date	12/20/2000
3	Name of the Company	TAKE Solutions Limited
4	Category/Sub-category of the Company	Company Limited by Shares
		Non- Government Company
5	Address of the Registered office & contact details	No:27, Tank Bund Road, Nungambakkam, Chennai-600 034 Phone: +91 44 66110700 secretarial@takesolutions.com
6	Whether listed company	Yes, listed on BSE & NSE
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Link Intime India Pvt Limited C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083 Phone : 022 - 4918 6000 Email : rnt.helpdesk@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Scientific Research and Development	72	94

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	TAKE Solutions Pte. Ltd 10, Anson Road, #34-15, International Plaza, Singapore-079903	Not Applicable	Holding	52.9	2(46)
2	APA Engineering Private Limited E7 to E10, Gem & Jewellery Complex, Phase-1, MEPZ-SEZ, Tambaram, Chennai- 600045	U72200TN2000PTC044317	Subsidiary	58	2(87)

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3	TAKE Solutions Global Holdings Pte. Ltd 10, Anson Road, #34-15, International Plaza, Singapore-079903	Not Applicable	Subsidiary	100	2(87)
4	Ecron Acunova Limited Mobius Towers, SJR -I PARK, EPIP, Whitefield, Bangalore-560066	U73100KA2004PLC035260	Subsidiary	100	2(87)
5	Navitas LLP No:27, Tank Bund Road, Nungambakkam, Chennai-600 034	AAA-0367	Subsidiary	100	2(87)
6	TAKE Solutions Limited ESOP Trust No 27, Tank Bund Road, Nungambakkam, Chennai 600034	Not Applicable	Subsidiary	100	2(87)
7	APA Engineering Pte Ltd, 10, Anson Road, #34-15, International Plaza, Singapore-079903	Not Applicable	Step-down Subsidiary	58	2(87)
8	TAKE Enterprise Services Inc 502, Carneige Center, Suite 102, Princeton New Jersey-08540	Not Applicable	Step-down Subsidiary	100	2(87)
9	TAKE Solutions Information Systems Pte Ltd 10, Anson Road, #34-15, International Plaza, Singapore-079903	Not Applicable	Step-down Subsidiary	100	2(87)
10	Navitas Inc 502, Carneige Center, Suite 102, Princeton New Jersey-08540	Not Applicable	Step-down Subsidiary	100	2(87)
11	Navitas Life Sciences Holdings Limited Pure Offices, Suite 58, One Port Way, Port Solent, Portsmouth, Hampshire PO6 4TY	Not Applicable	Step-down Subsidiary	100	2(87)
12	Navitas Life Sciences Limited Pure Offices, Suite 58, One Port Way, Port Solent, Portsmouth, Hampshire PO6 4TY	Not Applicable	Step-down Subsidiary	100	2(87)
13	Navitas Lifesciences S.A.S Colombia Cl. 70a #4-41, Bogota, Colombia.	Not Applicable	Step-down Subsidiary	100	2(87)



S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
14	Intelent Inc 500 Alexander Park Dr, #102, Princeton, NJ 08540	Not Applicable	Step-down Subsidiary	100	2(87)
15	Million Star Technologies Limited 4th Floor, Ebene Skies, Rue De l'Institut, Ebene, Republic of Mauritius	Not Applicable	Step-down Subsidiary	100	2(87)
16	TAKE Innovations Inc 502, Carneige Center, Suite 102, Princeton New Jersey-08540	Not Applicable	Step-down Subsidiary	100	2(87)
17	Acunova Life Science Inc, 502, Carneige Center, Suite 102, Princeton New Jersey-08540	Not Applicable	Step-down Subsidiary	100	2(87)
18	Acunova Life Sciences Limited Taparia House, 1096 Uxbridge Road, Hayes Middlesex UB4 8QH	Not Applicable	Step-down Subsidiary	100	2(87)
19	Navitas Life Sciences GmbH (fka Ecron Acunova GmbH) Germany Hahnstrasse 70, D-60528 Frankfurt Main, Germany	Not Applicable	Step-down Subsidiary	100	2(87)
20	Ecron Acunova Sdn. Bhd.. 22-2, Jalan 1/64, Off Jalan Kolam Air/Jalan Ipoh, 51200 Kuala Lumpur, WP Kaula, Malaysia.	Not Applicable	Step-down Subsidiary	100	2(87)
21	Navitas Life Sciences Company Ltd. (fka Ecron Acunova Company Ltd) Thailand Goldenlang Building, G-3, 153 Ratchadamri Road, Soi, Mahadlekluang 1, Pathumwan, Bangkok 10330, Thailand	Not Applicable	Step-down Subsidiary	82	2(87)
22	Navitas Life Sciences sp.z.o.o. Poland (fka Ecron Acunova sp.z.o.o. Poland) Slominskiego 5 M.42 PL-00-195 Warszawa	Not Applicable	Step-down Subsidiary	100	2(87)
23	Ecron LLC, Ukraine 4a Lysenko Str., Off. 68 Ua-01030 Kiev	Not Applicable	Step-down Subsidiary	51	2(87)
24	Navitas Life Sciences, LLC office 809B/4/22, 4 bld 2, 22nd km of Kievskoye highway, village Moscowskiy, 108811, Moscow, Russia	Not Applicable	Step-down Subsidiary	100	2(87)

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
25	Navitas Life Sciences A/S (fka Ecron Acunova A/S), DenmarkScion- DTU, Agern Alle 13, 2970 Horsholm, Denmark	Not Applicable	Step-down Subsidiary	100	2(87)
26	Navitas Life Sciences Pte. Ltd (fka Ecron Acunova Pte Ltd), 10, Anson Road,#34-15, International Plaza, Singapore-079903	Not Applicable	Step-down Subsidiary	100	2(87)
27	APA Engineering Inc 502 Carnegie Center, Suite 102, Princeton, NJ 08540	Not Applicable	Step-down Subsidiary	58	2(87)

Note:

\*Ecron Acunova Limited, United Kingdom was dissolved with effect from July 02, 2019.

#### IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 -March -2019]				No. of Shares held at the end of the year [As on 31- March -2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	135000		135000	0.09	135000		135000	0.09	0.00
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	13263144		13263144	8.97	20563144		20563144	13.90	4.93
e) Banks / FI									
f) Any other									
<b>Sub Total (A) (1)</b>	13398144	-	13398144	9.06	20698144	-	20698144	13.99	4.93
<b>(2) Foreign</b>									
a) NRI Individuals									
b) Other Individuals									
c) Bodies Corp.	85553450	-	85553450	57.83	78253450	-	78253450	52.90	-4.93
d) Any other									
<b>Sub Total (A) (2)</b>	85553450	-	85553450	57.83	78253450	-	78253450	52.90	-4.93
<b>TOTAL (A)</b>	98951594	-	98951594	66.89	98951594	-	98951594	66.89	0.00

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 -March -2019]				No. of Shares held at the end of the year [As on 31- March -2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

### B. Public Shareholding

<b>1. Institutions</b>									
a) Mutual Funds	1949626	-	1949626	1.32	2138333	-	2138333	1.45	0.13
b) Banks / FI	122654	-	122654	0.08	56711	-	56711	0.04	-0.04
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	-		-	0.00	350000		350000	0.24	0.24
g) FIs	17143151		17143151	11.59	15171796		15171796	10.26	-1.33
h) Foreign Venture Capital Funds									
i) Others (Alternate Investment Funds)	762372		762372	0.52	929114		929114	0.63	0.11
<b>Sub-total (B)(1):-</b>	<b>19977803</b>	<b>-</b>	<b>19977803</b>	<b>13.50</b>	<b>18645954</b>	<b>-</b>	<b>18645954</b>	<b>12.60</b>	<b>-0.90</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	9868604	-	9868604	6.67	12119250		12119250	8.19	1.52
ii) Overseas	-	-	-						
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	10834729	212783	11047512	7.47	10625652	196173	10821825	7.32	-0.15
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	794120		794120	0.54	1273416		1273416	0.86	0.32
<b>c) Others (specify)</b>									
Non Resident Indians (Non-Repa)	471967		471967	0.32	497185		497185	0.34	0.02
Non Resident Indians(Repa)	376735	439440	816175	0.55	1225664	439440	1665104	1.13	0.57
Overseas Corporate Bodies				0.00					
Foreign Nationals	2045		2045	0.00	2045		2045	0.00	0.00
Clearing Members	2256995		2256995	1.53	123202		123202	0.08	-1.44
Trusts	2337655		2337655	1.58	1709066		1709066	1.16	-0.42
HUF	549262	1	549263	0.37	544758	1	544759	0.37	0.00
Office Bearer	16635		16635	0.01	0		-	0.00	-0.01

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 -March -2019]				No. of Shares held at the end of the year [As on 31- March -2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
NBFC Registered with RBI	1346		1346	0.00	199900		199900	0.14	0.13
Trust Employee			-	0.00	530000		530000	0.36	0.36
IEPF	138029		138029	0.09	146343		146343	0.10	0.01
FPI-Individual	304964		304964	0.21	304964		304964	0.21	0.00
Other director	369293	30000	399293	0.27	399393		399393	0.27	0.00
Foreign Bodies - D R									
<b>Sub-total (B)(2):-</b>	<b>28322379</b>	<b>682224</b>	<b>29004603</b>	<b>19.61</b>	<b>29700838</b>	<b>635614</b>	<b>30336452</b>	<b>20.51</b>	<b>0.90</b>
<b>Total Public (B)</b>	<b>48300182</b>	<b>682224</b>	<b>48982406</b>	<b>33.11</b>	<b>48346792</b>	<b>635614</b>	<b>48982406</b>	<b>33.11</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-						
<b>Grand Total (A+B+C)</b>	<b>147251776</b>	<b>682224</b>	<b>147934000</b>	<b>100</b>	<b>147298386</b>	<b>635614</b>	<b>147934000</b>	<b>100</b>	<b>0.00</b>

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	TAKE Solutions Pte Limited	85553450	57.83	-	78253450	52.90	-	-4.93
2	Aakanksha Management Consultancy and Holdings Private Limited	522921	0.35	-	522921	0.35	-	0.00
3	DRP Consultants Private Limited	100000	0.07	-	100000	0.07	-	0.00
4	Asia Global Trading (Chennai) Private Limited	6096514	4.12	-	6096514	4.12	-	0.00
5	Esyspro Infotech Limited	6096515	4.12	-	6096515	4.12	-	0.00
6	Envestor Ventures Limited	447194	0.30	-	7747194	5.24	-	4.93
7	Mr. Srinivasan H R	135000	0.09	-	135000	0.09	-	0.00

(iii) Change in Promoters Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			98,951,594	66.89		
	Changes during the year						
	At the end of the year					<b>98951594</b>	<b>66.89</b>

(iv) Shareholding Pattern of top ten Shareholders  
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Share Held	% of Total Shares of the Company	Date of Transaction	No of Shares	No of Shares Held	% of Total Shares in the Company
1	SCHRODER INTERNATIONAL SELECTION FUND ASIAN SMALLER COMPANIES	2524200	1.7063			2524200	1.7063
	Transfer			19 Apr 2019	(26987)	2497213	1.6881
	Transfer			26 Apr 2019	(95330)	2401883	1.6236
	Transfer			03 May 2019	(259)	2401624	1.6234
	Transfer			17 May 2019	(199493)	2202131	1.4886
	Transfer			24 May 2019	(20392)	2181739	1.4748
	Transfer			31 May 2019	(92283)	2089456	1.4124
	Transfer			07 Jun 2019	(195946)	1893510	1.2800
	Transfer			14 Jun 2019	(13551)	1879959	1.2708
	Transfer			21 Jun 2019	112875	1992834	1.3471
	Transfer			19 Jul 2019	59109	2051943	1.3871
	Transfer			23 Aug 2019	141579	2193522	1.4828
	Transfer			15 Nov 2019	14127	2207649	1.4923
	Transfer			22 Nov 2019	33882	2241531	1.5152
	Transfer			29 Nov 2019	62277	2303808	1.5573
	Transfer			06 Dec 2019	68784	2372592	1.6038
	Transfer			27 Dec 2019	22339	2394931	1.6189
	Transfer			31 Dec 2019	26557	2421488	1.6369
	Transfer			03 Jan 2020	22959	2444447	1.6524
	Transfer			10 Jan 2020	7802	2452249	1.6577
	Transfer			21 Feb 2020	(31506)	2420743	1.6364
	Transfer			28 Feb 2020	(42)	2420701	1.6363
	AT THE END OF THE YEAR					2420701	1.6363
2	FIRST STATE INVESTMENTS ICVC - FIRST STATE ASIA ALL-CAP FUND	2301489	1.5558			2301489	1.5558
	Transfer			16 Aug 2019	(85947)	2215542	1.4977
	Transfer			21 Feb 2020	153652	2369194	1.6015
	Transfer			28 Feb 2020	46118	2415312	1.6327
	AT THE END OF THE YEAR					2415312	1.6327



Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Share Held	% of Total Shares of the Company	Date of Transaction	No of Shares	No of Shares Held	% of Total Shares in the Company
3	SUNDARAM MUTUAL FUND A/C SUNDARAM SMALL CAP FUND	1947495	1.3165			1947495	1.3165
	Transfer			19 Apr 2019	86201	2033696	1.3747
	Transfer			26 Apr 2019	90001	2123697	1.4356
	Transfer			18 Oct 2019	5000	2128697	1.4390
	Transfer			20 Mar 2020	5000	2133697	1.4423
	AT THE END OF THE YEAR					2133697	1.4423
4	TKP INVESTMENTS BV - AEGON CUSTODY B.V. RE MM EQUITY SMALL CAP FUND	1975230	1.3352			1975230	1.3352
	Transfer			05 Apr 2019	(89233)	1885997	1.2749
	Transfer			17 May 2019	(72387)	1813610	1.2260
	Transfer			24 May 2019	(16884)	1796726	1.2145
	Transfer			23 Aug 2019	122278	1919004	1.2972
	Transfer			21 Feb 2020	(27556)	1891448	1.2786
	Transfer			28 Feb 2020	(37)	1891411	1.2786
	AT THE END OF THE YEAR					1891411	1.2786
5	HESPERA REALTY PRIVATE LIMITED	0	0.0000			0	0.0000
	Transfer			26 Jul 2019	41148	41148	0.0278
	Transfer			02 Aug 2019	291171	332319	0.2246
	Transfer			09 Aug 2019	504098	836417	0.5654
	Transfer			16 Aug 2019	148254	984671	0.6656
	Transfer			23 Aug 2019	127910	1112581	0.7521
	Transfer			30 Aug 2019	121862	1234443	0.8345
	Transfer			06 Sep 2019	157383	1391826	0.9408
	Transfer			13 Sep 2019	190986	1582812	1.0699
	Transfer			20 Sep 2019	28456	1611268	1.0892
	Transfer			22 Nov 2019	17000	1628268	1.1007
	Transfer			24 Jan 2020	19431	1647699	1.1138
	Transfer			31 Jan 2020	1300	1648999	1.1147
	Transfer			07 Feb 2020	18137	1667136	1.1269
	Transfer			14 Feb 2020	15836	1682972	1.1377
	Transfer			28 Feb 2020	44050	1727022	1.1674
	Transfer			06 Mar 2020	86983	1814005	1.2262
AT THE END OF THE YEAR					1814005	1.2262	

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Share Held	% of Total Shares of the Company	Date of Transaction	No of Shares	No of Shares Held	% of Total Shares in the Company
6	TAKE SOLUTIONS LTD. ESOP TRUST	1797723	1.2152			1797723	1.2152
	Transfer			12 Apr 2019	(4500)	1793223	1.2122
	Transfer			26 Apr 2019	(15000)	1778223	1.2020
	Transfer			24 May 2019	(9560)	1768663	1.1956
	Transfer			31 May 2019	(18147)	1750516	1.1833
	Transfer			21 Jun 2019	(7800)	1742716	1.1780
	Transfer			12 Jul 2019	(2000)	1740716	1.1767
	Transfer			19 Jul 2019	(9600)	1731116	1.1702
	Transfer			26 Jul 2019	(4800)	1726316	1.1670
	Transfer			02 Aug 2019	(4400)	1721916	1.1640
	Transfer			16 Aug 2019	(2000)	1719916	1.1626
	Transfer			20 Sep 2019	(3400)	1716516	1.1603
	Transfer			30 Sep 2019	(3000)	1713516	1.1583
	Transfer			28 Feb 2020	(4500)	1709016	1.1553
		AT THE END OF THE YEAR					1709016
7	PERPETUAL ENTERPRISES LLP	1458173	0.9857			1458173	0.9857
	Transfer			27 Sep 2019	(200000)	1258173	0.8505
						1258173	0.8505
8	SEB SICAV 2 - SEB ASIA SMALL CAPS EX JAPAN FUND	1254374	0.8479			1254374	0.8479
	Transfer			05 Apr 2019	(57468)	1196906	0.8091
	Transfer			17 May 2019	(45251)	1151655	0.7785
	Transfer			24 May 2019	(10555)	1141100	0.7714
	Transfer			07 Jun 2019	(51438)	1089662	0.7366
	Transfer			14 Jun 2019	(7229)	1082433	0.7317
	Transfer			23 Aug 2019	35550	1117983	0.7557
	Transfer			21 Feb 2020	(20334)	1097649	0.7420
	Transfer			28 Feb 2020	(27)	1097622	0.7420
	AT THE END OF THE YEAR					1097622	0.7420
9	SCOTIA ENTERPRISES PRIVATE LIMITED	1269992	0.8585			1269992	0.8585
	Transfer			19 Jul 2019	(36000)	1233992	0.8342
	Transfer			30 Sep 2019	(151000)	1082992	0.7321
	Transfer			04 Oct 2019	(50336)	1032656	0.6981
	Transfer			18 Oct 2019	(12300)	1020356	0.6897
	Transfer			08 Nov 2019	(16000)	1004356	0.6789
		AT THE END OF THE YEAR					1004356
10	WELLINGTON MANAGEMENT FUNDS LUXEMBOURG- WELLINGTON EMERGING MARKETS RESEARCH EQUITY FUND	742892	0.5022			742892	0.5022
	Transfer			05 Jul 2019	85180	828072	0.5598
	Transfer			12 Jul 2019	76617	904689	0.6115
	Transfer			19 Jul 2019	52098	956787	0.6468
		AT THE END OF THE YEAR					956787

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Rangaswamy Sundara Rajan						
	At the beginning of the year			25,370	0.02		0.00
	Changes during the year				0.00		0.00
	At the end of the year				0.00	25,370	0.02
2	Mr. Srinivasan H R, Vice Chairman & MD (KMP)						
	At the beginning of the year			135,000	0.09		0.00
	Changes during the year				0.00		0.00
	At the end of the year				0.00	135,000	0.09
3	Ms. N. S. Shobana, Executive Director						
	At the beginning of the year			89,000	0.06		0.00
	Changes during the year				0.00		0.00
	At the end of the year				0.00	89,000	0.06
4	Ms. Subhasri Sriram, Executive Director & CFO (KMP)						
	At the beginning of the year			90,200	0.06		0.00
	Changes during the year				0.00		0.00
	At the end of the year				0.00	90,200	0.06
5	Mr. Raman Kapur, Independent Director						
	At the beginning of the year			194,823	0.13		0.00
	Changes during the year				0.00		0.00
	At the end of the year				0.00	194,823	0.13
6	Mr. Ram Yeleswarapu						
	At the beginning of the year			-	0.00		0.00
	Changes during the year				0.00		0.00
	At the end of the year				0.00	-	0.00
7	Mr. Avaneesh Singh, Company Secretary (KMP)						
	At the beginning of the year			-	0.00		0.00
	Changes during the year				0.00		0.00
	At the end of the year				0.00	-	0.00

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	47,389.96			47,389.96
ii) Interest due but not paid				
iii) Interest accrued but not due	0.96			0.96
<b>Total (i+ii+iii)</b>	<b>47,390.92</b>	<b>-</b>	<b>-</b>	<b>47,390.92</b>
<b>Change in Indebtedness during the financial year</b>				

(Amt. in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Addition	15,069.20			15,069.20
* Reduction	7,136.61			7,136.61
Net Change	7,932.59	-	-	7,932.59
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	55,323.50			55,323.50
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>55,323.50</b>	<b>-</b>	<b>-</b>	<b>55,323.50</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (Rs.)
		Mr. Srinivasan H R	Ms. Subhasri Sriram	Ms. Shobana NS	Mr. Ram Yeleswarapu	
	Name					
	Designation	Vice Chairman & Managing Director	Executive Director & CFO	Executive Director	Executive Director	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,282,900.00	6,752,520.00	10,810,420.00	12,769,740.00	51,615,580.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission					-
	- as % of profit					-
	- others(Variable Pay#)		2,086,000.00			2,086,000.00
5	Others, please specify (PF & Others)		204,000.00			204,000.00
	<b>Total (A)</b>	<b>21,282,900.00</b>	<b>9,042,520.00</b>	<b>10,810,420.00</b>	<b>12,769,740.00</b>	<b>53,905,580.00</b>

## B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors							Total Amount (Rs.)
		Mr. Narayanan Kumar	Mr. Rangaswamy Sundara Rajan	Prof. Ganesan Raghuram	Ms. Uma Ratnam Krishnan	Mr. Raman Kapur	Mr. Balasubramian Srinivasan	Mr. Venkataraman Murali	
1	Independent Directors								
	Fee for attending board committee meetings	350,000.00	250,000.00	-	300,000.00	350,000.00	200,000.00	350,000.00	1,800,000.00
	Commission	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	-	250,000.00	1,500,000.00
	Others please specify								-
	Total (1)	600,000.00	500,000.00	250,000.00	550,000.00	600,000.00	200,000.00	600,000.00	3,300,000.00
2	Other Non-Executive Directors								-
	Fee for attending board committee meetings	140,000.00	270,000.00		100,000.00	-		140,000.00	650,000.00
	Commission								-
	Others please specify								-
	Total (2)	140,000.00	270,000.00	-	100,000.00	-	-	140,000.00	650,000.00
	Total (B)=(1+2)	740,000.00	770,000.00	250,000.00	650,000.00	600,000.00	200,000.00	740,000.00	3,950,000.00
	Total Managerial Remuneration								<b>57,855,580.00</b>
	Overall Ceiling as per the Act								<b>29,148,449.00</b>

#Company had obtained the relevant approval from the members of the Company.

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel ##	Total Amount ₹
	Name	Mr Avaneesh Singh	
	Designation	Company Secretary	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,803,496.00	3,803,496.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-



SN.	Particulars of Remuneration	Name of Key Managerial Personnel ##	Total Amount ₹
4	Commission		
	- as % of profit		-
	- others (Variable Pay #)	359,856.00	359,856.00
5	Others, (PF & Others)	36,000.00	36,000.00
	<b>Total</b>	<b>4,199,352.00</b>	<b>4,199,352.00</b>

# Variable Payment is finalized only after the approval of accounts by the Board of Directors and completion of annual appraisal process. Accordingly, the payment for the financial year 2018-19 was paid in 2019-20, the payment from 2019-20 will be paid in the financial year 2020-21.

## Ms. Subhasri Sriram being an Executive Director & CFO, remuneration paid to her is given in Table A of section VI

#### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					

## FORM AOC – 2

**(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

## 1. Details of contracts or arrangements or transactions not at arm's length basis:

(Amount in ₹)

S. No	Particulars	Amount
A	Name(s) of the related party and nature of relationship	NIL
B	Nature of contracts/arrangements/transactions	
C	Duration of the contracts / arrangements/transactions	
D	Salient terms of the contracts or arrangements or transactions including the value, if any	
E	Justification for entering into such contracts or arrangements or transactions	
F	Date(s) of approval by the Board	
G	Amount paid as advances, if any	
H	Date on which (a) the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	

## 2. Details of material contracts or arrangement or transactions at arm's length basis:

(Amount in ₹)

S. No	Particulars	Amount
A	Name(s) of the related party and nature of relationship	NIL
B	Nature of contracts/arrangements/transactions	
C	Duration of the contracts/arrangements/transactions	
D	Salient terms of the contracts or arrangements or transactions including the value, if any	
E	Date(s) of approval by the Board, if any	
F	Amount paid as advances, if any	

## CORPORATE SOCIAL RESPONSIBILITY REPORT PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013

1. Our Corporate Social Responsibility (CSR) Policy reiterates our commitment to be a socially and environmentally conscious organization. Further, it gives the details of the governance structure of our CSR initiatives and the details of the CSR projects we have undertaken. The CSR Policy of the Company is hosted in our website at [www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf](http://www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf).

The projects *inter-alia* covers the following;

- a. Ensuring environmental sustainability
- b. Promotion of preventive healthcare.

2. CSR Committee

The CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR policy. The composition of CSR Committee FY20 is given below;

- i. Mr. Srinivasan H R (Vice Chairman & Managing Director)
- ii. Mr. R. Sundara Rajan (Independent Director)
- iii. Mr. D.V. Ravi (Non- Executive Director)

3. Average net profit of the Company for last three financial years – ₹ 162,760,308
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) – ₹ 3,255,000(Rounded Off)
5. Details of CSR spent during the financial year:
  - a. Total amount to be spent for the financial year– ₹ 3,255,000
  - b. Actual Amount Spent - ₹ 3,255,000 (rounded off)
  - c. Amount unspent, if any – ₹ NIL
  - d. Manner in which the amount spent during the financial year is detailed in the table below.

Sr. no.	CSR project or activity	Sector in which the project is covered	Location of the Projects/ programs	Amount outlay(budget)	Amount spent on the projects or programs (Direct)	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency	Details of implementing agency
1	Supporting Preventive Oncology Initiative in Tamil Nadu	Health-care	Chennai, Tamil Nadu	₹ 7,100,000.00	₹ 20,55,000.00	₹ 9,055,000.00	Through Implementing Agency	Cancer Institute, Adyar

2	Support for creation of curriculum on health literacy to prevent diabetes – pilot project in Delhi		New Delhi	₹ 1,000,000.00	₹ 1,000,000.00	₹ 4,000,000.00	Through Implementing Agency	Public Health Foundation of India (PHFI)
3	Creating Awareness about prevention, early detection, identification and treatment of mental retardation and associated disabilities	Health-care	Chennai, Tamil Nadu	-	₹ 200,000.00	₹ 400,000.00	Through Implementing Agency	Madhuram Narayanan Centre For Exceptional Children
<b>Total</b>				₹ 8,100,000.00	₹ 3,255,000.00	₹ 13,455,000.00		

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report

Not applicable. The Company had spent the prescribed under the Companies Act, 2013, during the year.

7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

We hereby confirm that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

By Order of the Board

**Srinivasan. H. R.**  
Managing Director  
Chairman- CSR Committee  
DIN: 00130277

Place: Chennai  
Date: June 24, 2020

## NOMINATION AND REMUNERATION POLICY

### 1. BACKGROUND AND APPLICABILITY

This Policy is in compliance with Section 178 of the Companies Act, 2013, read with applicable rules made thereunder.

This Nomination, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and the Senior Management Personnel of TAKE Solutions Limited (TSL).

### 2. DEFINITION

a) Nomination and Remuneration Committee (NRC):

It means a Committee of Directors constituted under the requirements of Companies Act, 2013, read with rules made thereunder.

b) Key Managerial Personnel" (KMP):

KMP means and includes:

- i. the Chief Executive Officer or the Managing Director or the Manager;
- ii. the Company Secretary;
- iii. the Whole-time Director;
- iv. the Chief Financial Officer; and
- v. such other officer as may be prescribed.

c) Senior Management Personnel (SMP):

The expression "Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors, comprising all members of management one level below the Executive Directors, including the functional heads.

### 3. OBJECTIVE

The Nomination and Remuneration Committee shall provide a policy framework for:

- a) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal;
- b) Carrying out evaluation of every Director's performance;
- c) Identifying the criteria for determining qualifications, positive attributes and independence of a director;
- d) Finalizing the remuneration for the Directors, Key Managerial Personnel and Sr. Management Personnel;
- e) Assessing the independence of Independent Directors; and
- f) Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Companies Act 2013 and Rules thereunder.

### 4. ACCOUNTABILITY

The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel. However, the Board, in terms of requirements of Companies Act, 2013 and rules made thereunder, has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes nominations & recommendations to the Board.

## 5. APPOINTMENT OF DIRECTORS AND KMPs/SENIOR OFFICIALS

### a) Directors

Enhancing the competencies of the Board and providing strategic inputs to the management of the Company should be the main criteria/focus area while selecting Directors of the Company. The proposed person should be assessed against a range of criteria which includes but not limited to:

- Personality, skills and professional knowledge
- Knowledge and experience relevant to the business of the Company;
- Understanding of and experience in performing his roles and responsibilities;
- Independence of judgment;
- Educational and professional qualification(s)
- Past performance and credentials, behavior & conduct
- Ability to work individually as well as a member of team;
- Ability to represent the Company;
- Interaction and relationship with the other members of the Board, KMPs and key stakeholders.
- Board room conduct
- Communication skills and
- Ethics and Values.

#### **Independence of Directors:**

Independence of Directors shall be decided on the basis of criteria provided under the relevant provisions of the Companies Act, 2013, read with rules made thereunder, and any modification/ amendments done from time to time. A declaration of Independence shall also be taken from the Independent Directors before their induction on the Board of Directors and at certain periodic intervals.

### b) KMP/Sr. Officials

KMP and Sr. Officials shall be identified by the Company and informed to the Nomination and

Remuneration Committee from time-to-time. Their Individual job descriptions shall also be updated from time-to-time based on the business and legal requirements.

## 6. LETTERS OF APPOINTMENT

The Company will issue a formal letter of appointment to each Director, KMP/Senior Officials which will, inter-alia, contain the terms of appointment and the role assigned by the Company and get it accepted and signed by the concerned individual.

## 7. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

While fixing the remuneration, the guiding principle should be that the level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials. The Directors, Key Management Personnel and other senior official's salary shall be based and determined on the basis of individual's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any. Individual remuneration packages for Directors, KMPs and Senior Officials of the Company will be determined after taking into account relevant factors, including but not limited to:

- Qualification and experience
- Level of engagement in the affairs of the Company,
- Market conditions,
- Financial and commercial health of the Company,
- Practice being followed in comparable companies,
- Prevailing laws and government/other guidelines.

#### *Remuneration Structure*

The remuneration structure would depend upon the roles and responsibilities as well as the prevailing market practices. In normal circumstances, the remuneration of an individual shall be divided between fixed and variable components.

- a) Base Compensation (fixed salaries): It should be competitive and reflective of the individual's



role, responsibility and experience in relation to performance of day -to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

- b) Variable salary: The NRC may in its discretion, structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set in this regard.
- c) Any other component/benefits as may be recommended by the management and approved by the NRC Committee.

#### 8. EVALUATION/ ASSESSMENT OF DIRECTORS:

The evaluation/assessment of the Directors is to be conducted on an annual basis. The following criteria may assist in determining how effective the performances of the Directors have been:

- a) Vision and clarity of roles & responsibility: The Individual Director should have awareness of fiduciary and statutory requirements and a clearly articulated vision. This includes clarity of role as a member of the Board of the Company.

- b) Board Processes: The quality of board processes such as decision making (i.e. how directors ensure they are well informed to be able to make the decisions in the best interest of the Company and its stakeholders) selection and induction etc.
- c) Engagement with Management: How well the board engages with the management to ensure it is well supported and able to meet the needs of its members.
- d) Board dynamics: At the heart are the board dynamics. It is the quality of individual relationships and dialogues that directly influences the quality of decision making and relationships with key stakeholders.
- e) Frequency of participation: The Individual should make him /her available for attending the Board meetings of the Company and be available for providing his/her guidance and support in case of need.

#### 9. REVIEW AND REVISION

The policy shall be reviewed by the Nomination & Remuneration Committee at appropriate intervals and based on its recommendations; the Board may revise the same from time to time.

## Disclosure pursuant to Companies (Appointment & Remuneration) Rules, 2014

*(Information provided pertains to employees of TAKE Solutions Limited as a Standalone entity)*

- i. The ratio of the remuneration and percentage increase in remuneration of each Director to the median remuneration of the employees of the company for the financial year:

Sl. No	Name of the Director	Remuneration paid (₹)*	Ratio of remuneration of director to the median employee remuneration	% increase / (Decrease)
1	Mr. Narayanan Kumar	2,50,000	1:0.07	-
2	Mr. Rangaswamy Sundara Rajan	2,50,000	1:0.07	-
3	Prof G Raghuram	2,50,000	1:0.07	-
4	Ms. Uma Ratnam Krishnan	2,50,000	1:0.07	-
5	Mr. Raman Kapur	2,50,000	1:0.07	-
6	Mr. Venkataraman Murali	2,50,000	1:0.07	-
7	Mr Srinivasan H R	2,12,82,900	1:0.06	-
8	Mr. Ram Yeleswarapu	1,27,69,740	1:0.11	-
9	Mr. Ravi Devaki Venkataraman	NIL	-	-
10	Mr. Seshan Srinivasan	NIL	-	-
11	Ms. Subhasri Sriram	90,42,520	1:0.16	-
12	Ms. Shobana N S	1,08,10,420	1:0.13	-

\*Sitting fees paid to the Directors has not been considered

- ii. The percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer & Company Secretary in the financial year:

Name	Designation	% increase/decrease
Mr. Ram Yeleswarapu	President & CEO	-
Ms. Subhasri Sriram	Chief Financial Officer	-
Mr. Avaneesh Singh	Company Secretary	11.75%

- iii) The percentage increase in the median remuneration of employees in the financial year: 23%
- iv) The number of permanent employees on the rolls of the Company: 26 (Standalone basis)
- v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration (and justification thereof if there are any exceptional circumstances for an increase in managerial remuneration): Average Percentage Ratio of Employees and Managers is 14:10
- vi) Key parameters for variable component of remuneration availed by the Directors - It is based on performance of the individual, organization and participation in meetings, contribution made in decision making process and other relevant factors.
- vii) The remuneration paid is as per the remuneration policy of the Company.

## Statement containing salient features of financial statement of subsidiaries

(Information provided pertains to employees of TAKE Solutions Limited as a Standalone entity)

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

1	Name of Subsidiary	APA Engineering Private Limited
2	Reporting period of the subsidiary concern	April 01, 2019 to March 31, 2020
		Amount in ₹ Mn
3	Share Capital	0.52
4	Reserves and Surplus	247.73
5	Total Assets	461.78
6	Total Liabilities	213.53
7	Investments	58.26
8	Turnover	1,336.91
9	Profit/(Loss) before Taxation	65.33
10	Provision for Taxation	25.87
11	Profit/(Loss) after Taxation	39.46
12	% of Shareholding	58%
1	Name of Subsidiary	Navitas LLP
2	Reporting period of the subsidiary concern	April 01, 2019 to March 31, 2020
		Amount in ₹ Mn.
3	Share Capital	10.00
4	Reserves and Surplus	1,084.00
5	Total Assets	1,938.65
6	Total Liabilities	844.65
7	Investments	-
8	Turnover	1,199.16
9	Profit/(Loss) before Taxation	253.71
10	Provision for Taxation	91.77
11	Profit/(Loss) after Taxation	161.94
12	% of Shareholding	100%
1	Name of Subsidiary	Ecron Acunova Limited
2	Reporting period of the subsidiary concern	April 01, 2019 to March 31, 2020
		Amount in ₹ Mn.
3	Share Capital	262.47
4	Reserves and Surplus	1,187.35
5	Total Assets	3,579.57
6	Total Liabilities	2,129.75
7	Investments	0.00
8	Turnover	4,164.23
9	Profit/(Loss) before Taxation	116.18
10	Provision for Taxation	44.60
11	Profit/(Loss) after Taxation	71.58
12	% of Shareholding	100%

1	Name of Subsidiary	TAKE Solutions Limited ESOP Trust
2	Reporting period of the subsidiary concern	April 01, 2019 to March 31, 2020
		Amount in ₹ Mn
3	Share Capital	-
4	Reserves and Surplus	75.31
5	Total Assets	126.73
6	Total Liabilities	51.42
7	Investments	-
8	Turnover	-
9	Profit/(Loss) before Taxation	0.55
10	Provision for Taxation	-
11	Profit/(Loss) after Taxation	0.55
12	% of Shareholding	100%

1	Name of Subsidiary	TAKE Solutions Global Holdings Pte Ltd
2	Reporting currency and Exchange rate as on the last date of the relevant financial year	USD 74.878
3	Reporting period of the subsidiary concern	April 01, 2019 to March 31, 2020
		Amount in ₹ Mn
4	Share Capital	4,762.76
5	Reserves and Surplus	6,146.39
6	Total Assets	20,140.58
7	Total Liabilities	9,231.43
8	Investments	116.73
9	Turnover	16,171.86
10	Profit/(Loss) before Taxation	-655.72
11	Provision for Taxation	-187.67
12	Profit/(Loss) after Taxation	-468.04
13	% of Shareholding	100%

## Business Responsibility Report

TAKE Solutions is firm in its commitment to be a responsible corporate, creating superior value for all its stakeholders through its offerings, operations, and CSR efforts. TAKE is governed by a diverse and experienced Board and Leadership, who bring rich expertise from various avenues of business, domain, and academia to ensure a sustainable and value generating business and growth model.

We take pride in our policies, practices and philosophies that drive our outputs and regular operations. We are mindful of our impact on our social and natural environment and actively formulate and implement policies that reflect this intention.

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:**  
L63090TN2000PLC046338
2. **Name of the Company:** TAKE Solutions Ltd.
3. **Registered address:** No. 27, Tank Bund Road, Nungambakkam, Chennai - 600034, India
4. **Website:** [www.takesolutions.com](http://www.takesolutions.com)
5. **E-mail id:** [investorrelations@takesolutions.com](mailto:investorrelations@takesolutions.com)
6. **Financial Year reported:** 2019 - 2020
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):** The Company provides end-to-end services and solutions in the dynamic domain of Life Sciences. The NIC Code is 72.
8. **List three key products/services that the Company manufactures/provides:** The Company is a domain intensive, knowledge centric provider of IP-driven and technology backed solutions, consulting and functional services across Clinical, Regulatory and Safety in the Life Sciences industry.
9. **Total number of locations where business activity is undertaken by the Company**
  - a. **Number of International Locations** – The Company's global footprint encompasses 14

offices across 6 countries including North America, UK, Colombia, India, Singapore and Thailand.

- b. **Number of National Locations** – The Company is headquartered in Chennai, with a presence across Bangalore, Mangalore, Manipal and Mumbai.

10. **Markets served by the Company** – The Company serves global Life Sciences clients across the Americas, Europe and the Asia Pacific region.

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR)** – ₹147.93 Mn (Standalone) and ₹146.22 Mn (Consolidated)
2. **Total Turnover (INR)** - ₹24.66 Mn (Standalone) and ₹22,129.00 Mn (Consolidated)
3. **Total profit after taxes (INR)** – ₹249.38 Mn (Standalone) and ₹(109.42) Mn (consolidated)
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)** 1.31%
5. **List of activities in which expenditure in 4 above has been incurred:** A detailed description is available in the Corporate Social Responsibility report annexed as part of the Annual Report, financial year 2019-20.

### SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**  
Yes, a detailed list of Subsidiaries is available on Directors Report part of the Annual Report, financial year 2019-20.
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company?**  
The Subsidiary Companies are guided by the working philosophies of the parent company and imbibe similar values in its functioning and operations.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?**  
While vendor and supplier companies that TAKE

is involved with do not directly participate in the Company's BR initiatives, TAKE ensures involvement only with socially and ethically conscious organizations.

## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR –

The Company does not have a specific committee responsible for BRR. However, the Board is actively involved in the form of multiple functional committees to oversee specific segments of business operations. These include Corporate Social Responsibility Committee, Stakeholder Relationship Committee and Risk Management Committee amongst others. Further details on committees can be found in the Corporate Governance Report of the Annual Report, financial year 2019-20. Below is an overview of our Committees –

**Audit Committee:** Audit committee reviews all High exposure and risk areas. The Committee oversees the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible. The Committee reviews with the management, the financial statements and auditor's report thereon before submission to the Board for approval amongst other key matters referred in the Companies Act, 2013 and Rules made thereunder. They interact closely with both statutory and internal auditors. Additional meetings are held for specific purposes (such as changes in law, new acquisitions, and business circumstances – any major change management triggers).

**Stakeholders' Relationship Committee:** The Committee reviews all stakeholder engagement for TAKE and provides inputs on better engagement with key stakeholders. Currently, the Committee is overseeing a multi- year stakeholder engagement exercise to evaluate and improve stakeholder engagement.

**Nomination and Remuneration Committee:** The Nomination and Remuneration Committee identifies persons who are qualified to become Directors and who may be appointed in a senior management position in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

The Nomination and Remuneration Committee formulate the criteria for determining qualifications,

positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees. The Nomination and Remuneration Committee shall, while formulating the policy under Section 178(3) of Companies Act, 2013 ensure that:

**Internal Complainants Committee:** A Presiding officer, social activist and nominated employees form this committee to provide a work place free from sexual harassments and to implement and effectively comply with the provisions of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013". An established process enables the committee to hold inquiry proceedings and take necessary actions to deal with the issue in a confidential approach.

**CSR Committee:** The CSR Committee of the Board of Directors consists of 3 directors, and is chaired by an Independent Director. The Vice Chairman and Managing Director of TAKE himself is personally involved in this committee due to his personal interest in Social Responsibility. The committee meets as and when required to review and guide all CSR activities as reported by the management. The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects. The Committee takes a strategic view to CSR. This impels the management to identify implementation partners who align to our core values and define projects in line with our vision and mission.

**Risk Management Committee:** TAKE has Risk Management System which assists in risk-sensitive decision making. Our Risk Management Process clearly defines roles and responsibilities. It is integrated with planning and operational processes of the organization. It is supervised by the Risk Management Committee of the Board.

Stakeholder grievances are obtained and addressed through appropriate e-mail and direct mail present across the Company website and other published communication. The Company also engages in regular stakeholder surveys to ensure policy adherence.



## 2. Principle-wise (as per NVGs) BR Policy/policies

a) Details of compliance (Reply in Y/N)

No.	Questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
1	Do you have a policy/ policies for...*	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?***	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policy conforms to the requirements of the Companies Act 2013, and SEBI LODR Regulations 2015. Further, the Company, ensures to incorporate the principles as required under the national/international standards in due course of time								
4	The policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The policies have been approved by the appropriate committee with the final approval being provided by the Board of Directors								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?***	Y	Y	Y	Y	Y	Y	Y	Y	Y

No.	Questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
6	Indicate the link for the policy to be viewed online?	<a href="https://www.takesolutions.com/index.php/investor-relation#corporate">https://www.takesolutions.com/index.php/investor-relation#corporate</a>	<a href="https://www.takesolutions.com/images/about-take/Sustainability-Policy.pdf">https://www.takesolutions.com/images/about-take/Sustainability-Policy.pdf</a>	<a href="https://www.takesolutions.com/index.php/investor-relation#corporate">https://www.takesolutions.com/index.php/investor-relation#corporate</a>	<a href="https://www.takesolutions.com/images/corporate%20governance/Investors%20right%20-%20handbook.pdf">https://www.takesolutions.com/images/corporate%20governance/Investors%20right%20-%20handbook.pdf</a>	<a href="https://www.takesolutions.com/index.php/investor-relation#corporate">https://www.takesolutions.com/index.php/investor-relation#corporate</a>	<a href="https://www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf">https://www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf</a>	<a href="https://www.takesolutions.com/index.php/investor-relation#corporate">https://www.takesolutions.com/index.php/investor-relation#corporate</a>	<a href="https://www.takesolutions.com/index.php/about-us#pb-tab2-1">https://www.takesolutions.com/index.php/about-us#pb-tab2-1</a>	<a href="https://www.takesolutions.com/index.php/investor-relation#corporate">https://www.takesolutions.com/index.php/investor-relation#corporate</a>
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Stakeholder grievances are obtained and addressed through appropriate e- mail and direct mail present across the Company website and other published communication. The Company also engages in regular stakeholder engagement to ensure policy adherence.								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Our Management Audit Committee independently reviews and evaluates adherence and efficacy of our policies.								

\* Some of the principles might not have been fully covered under specific policies however these principles are generally covered under different policies viz., Code of Conduct policy, Sustainability Policy, Corporate Social Responsibility policy and Remuneration policy formulated by the company. The Company will formulate specific policies covering the aforementioned principles, in due course.

\*\* The Company might not have specific committees to oversee some of these principles, however the Board is actively involved through the various committees of the Board to oversee these principles under various segments of business operations.

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

### 3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.

The Company tracks and reviews policy adherence and efficacy every quarter during the meeting of its Board. The meetings comprise of an overview presentation of updates and other noteworthy points related to the specific quarter.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

TAKE's sustainability initiative is called TAKE Infinity. The Infinity team is a cross-functional team with representation from every practice and function within our organization. The Infinity team conducts activities throughout the year that contribute towards the triple bottom line and these are reported in this Business Responsibility Report.

### SECTION E: PRINCIPLE-WISE PERFORMANCE

#### Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?

The Company has an exhaustive Code of Conduct policy which covers all aspects of ethical practices and what constitutes unethical practices. There are separate provisions in place for the different levels of Management as well as for the organization, under specific heads. Tenets of this policy extends to all the Company's subsidiaries and joint ventures.

#### Code of Conduct for Prohibition of Insider Trading

TAKE has a strict code of conduct to prevent insider trading and ensure integrity. There are standard communications before board meeting that communicates the time when they should not trade, and clear instructions about what to do when they do trade.

The Company has a comprehensive Insider Trading Policy which acts as a guidance document for preventing Insider Trading based on any unpublished price sensitive information. Appropriate disclosures are made by the stakeholders covered under the policy and the Company, in turn, also makes appropriate disclosures to the Stock Exchanges as and when required. The change in shareholding is also monitored by closely analyzing weekly shareholders data received from NSDL and CDSL. The Company seeks clarification /further information in case of any possible suspect of Insider Trading instance.

### **Whistle Blower Policy**

TAKE has a whistle blower policy which is applicable to the Company and its Subsidiaries and is fundamental to the Company's professional integrity. In addition, it reinforces the value the company places on staff to be honest and respected members of their individual professions. It provides a method of properly addressing bona fide concerns that individuals within the organization might have, while also offering whistleblowers protection from victimization, harassment or disciplinary proceedings.

TAKE is committed to satisfy the company's Code of Conduct and Ethics, particularly in assuring that business is conducted with integrity and that the company's financial information is accurate. To promote the highest ethical standards, the Company maintains a workplace that facilitates the reporting of potential violations of Company policies or applicable regulatory compliances, fraud, malpractices, criminal activity, bribery, improper behavior or any wrongdoing which may affect the reputation of the Company.

### **Policy on Related Party Transactions**

The company has framed a policy on related party transactions to ensure the governance and

reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders. The Company discloses each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Parties.

### **Policy on Disclosure of Material Events / Information**

TAKE Solution's policy on disclosure of material events / information is framed for the purpose of systematic identification, categorization, review, disclosure and updating the website the details of information / events which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.

TAKE conducts statutory audits through external auditors. This ensures that information provided to stakeholders is accurate. The scope of these audits is dictated by the Audit Committee. The Auditors interact directly with the Audit Committee to present the results and their recommendations. The company also conducts internal audits at frequent intervals conducted under the supervision of the Audit Committee. Internal Audits provide inputs for risk management and are under the remit of the Chief Risk Officer. Along with this Annual General meeting, Quarterly board meeting, special board meetings are in place and running to ensure accountability.

The company also has defined Code of Conduct for Director & Senior Management Personnel and Code of Conduct for Independent Directors

These policies are available at [www.takesolutions.com/index.php/investor-relation#corporate](http://www.takesolutions.com/index.php/investor-relation#corporate)

- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Details of investor complaints received and redressed during the financial year 2019-20 are as follows:

Nature of Complaints	Opening Balance	Received	Responded	Pending
Non Receipt of Exchange - Share Certificates	-	-	-	-
Non Receipt of Share Certificates	-	-	-	-
Non-receipt of Dividend/Interest/Redemption Warrant	-	-	-	-
Non receipt of Rejected DRF	-	-	-	-
Non-receipt of Annual Report	-	-	-	-
SEBI SCORES / Stock Exchanges	-	-	-	-
<b>Total complaints</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

It is of utmost importance to TAKE to ensure that our stakeholders' concerns are resolved expeditiously. To this end, we are happy to report that no stakeholder grievances were reported in the last year.

defined as a matrix and is strictly followed for all purchases. Purchases are reviewed by Business Financial Managers, who evaluate the purchase across multiple parameters, and get final approval from the Chief Financial Officer and approve the expense.

## Principle 2

- List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

As a Life Sciences services and solutions provider, we deliver truly transformative and end to end solutions and outcomes across process, technology and analytics to our clients in the Life Sciences sector with the end goal of improving patient health and drug safety. Our products and services suite offer distinct technology, consulting and functional services. Our current portfolio of offerings includes strategic consulting, end-to-end services, technology implementation and industry networks across Clinical, Regulatory and Safety in the Life Sciences industry.

- For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional) – As our products are all services or software, we are unable to measure the resources used per unit of product.
- Does the company have procedures in place for sustainable sourcing (including transportation)?

The purchase approval process has been

- Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

We encourage our team to engage local suppliers for the most part and vendors wherever applicable based on the requirements of the Company. We believe in benefitting the regional economy we are situated in, and our offices across the globe take pride in providing opportunities to local talent.

In the last year, 100% of suppliers at our largest facility are local vendors.

- Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Through our sustainability initiative, all of the dry paper waste in our offices in Chennai is recycled through an approved vendor, and our e-waste is disposed off through a government-approved vendor. Further, the food waste at our corporate office is composted, and the compost is used in maintaining the greenery around the office.

### Principle 3

1. **Please indicate the Total number of employees.**  
We have approximately 1500 and above employees across our various offices and geographies.
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**  
We have approximately 212 contractual employees.
3. **Please indicate the Number of permanent women employees.**  
Approximately 434 employees are women.
4. **Please indicate the Number of permanent employees with disabilities.**  
Approximately 1 employee at our largest facility is differently abled.
5. **Do you have an employee association that is recognized by management?**  
There is no management-recognized association formed by employees. All employee engagement activities are run centrally with a view to creating a positive and vibrant work environment.
6. **What percentage of your permanent employees is members of this recognized employee association?**  
Not applicable.
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**  
We are pleased to report no incidences pertaining to the above in the last financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	0	0
2	Sexual harassment	0	0
3	Discriminatory employment	0	0

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Around 98% of our employees at our global delivery center have benefitted from upskilling and safety training programs held by various functional areas and the Human Resources department. Below are further percentages on the beneficiaries of our skill training programs -

- a) Permanent Employees - 80.5%
- b) Permanent Women Employees - 32.44%
- c) Casual/Temporary/Contractual Employees - 19.49%
- d) Employees with Disabilities - .09%

#### Training & Education

We believe in continuous improvement – both of our team and our deliverables. With this in mind, we have setup systems and processes to ensure that our team members receive adequate training to meet the requirements of their jobs. Further, we offer training in soft skills, leadership, innovation and communication to offer our team the opportunity for overall growth. Employees are also encouraged to attend industry conferences and workshops to improve their knowledge base and identify future trends. This is further augmented by our bi-annual performance reviews that allow our employees to evaluate their performance and plan their future growth.



## Average Hours of Training

We offer up to 40 hours of training per employee per year for all employees across all grades, and actively encourage all employees to meet this quota. In financial year 20, we have trained employees for an average of 26.90 hours per employee.

## Performance Reviews

All our full-time employees (regardless of gender and level) receive regular performance reviews. Reviews are carried out every October and April based on the strategic balanced score-card principle. Employees do a self-evaluation, followed by evaluation from their direct managers and functional managers. This system spurs on employees to plan their activities for the year, set goals and encourages them to perform to the best of their abilities and progress in their careers.

### Principle 4

1. **Has the company mapped its internal and external stakeholders?**

Yes, the Company had undertaken a stakeholder mapping activity to understand various stakeholder requirements and build a stronger long-term association. This is a multi-functionary multi-level activity that takes place across the organization.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

Through its stakeholder engagement initiatives, the Company regularly touches base with its various stakeholders to ensure their requirements are being met.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

We ensure that we uplift our social and natural environment through our CSR and sustainability initiatives across the spectrum of environmental stewardship and preventive healthcare which are detailed in the CSR overview which is provided in the Annual Report, financial year

2019-20. Our Sustainability Policy can be found at [www.takesolutions.com/images/about-take/Sustainability-Policy.pdf](http://www.takesolutions.com/images/about-take/Sustainability-Policy.pdf) and our CSR Policy can be found at [www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf](http://www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf)

### Principle 5

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Our policies as detailed previously extend across our subsidiaries and entities. We take pride in being an equal opportunities employer, with fair and just employment practices based on the requisite industry qualifications and experiences. We also have a series of initiatives to promote and provide a platform for our talent pool to develop their skills, personalities and careers. A highlight of our people and practices are available as part of the Annual Report financial year 2019-20.

## Equal Opportunity

In line with our core value Equity with fairness we are an Equal Opportunity Employer. Our Equal Employment Opportunity Policy gives our views on this topic. We do not discriminate on the basis of race, creed, colour, national origin, nationality, ancestry, age, religion, gender, gender identity, sexual orientation, disability, mental status, veteran status, family status, or any other discriminatory factor recognized by law.

## Non-Discrimination

In line with our core value Equity with fairness we follow a policy of non-discrimination. We do not discriminate on any basis other than merit. Every team member is treated equally and given every opportunity to thrive and grow in our organization. We pay our employees fairly, as per the market and there is no difference in remuneration between our male and female employees for similar positions. We have a Prevention of Sexual Harassment Policy in place, and have conducted trainings to create awareness amongst our employees. Team members are encouraged to talk freely to their managers and escalate any issues through our open-door policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Details of investor complaints received and redressed during the financial year 2019-20 are as follows:

Nature of Complaints	Opening Balance	Received	Responded	Pending
Non Receipt of Exchange - Share Certificates	-	-	-	-
Non Receipt of Share Certificates	-	-	-	-
Non-receipt of Dividend/Interest/ Redemption Warrant	-	-	-	-
Non receipt of Rejected DRF	-	-	-	-
Non-receipt of Annual Report	-	-	-	-
SEBI SCORES / Stock Exchanges	-	-	-	-
<b>Total complaints</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

It is of utmost importance to TAKE to ensure that our stakeholders' concerns are resolved expeditiously. To this end, we are happy to report that there were no investor grievances raised in the last year.

3. Does the company identify and assess potential environmental risks?

Yes, the Company assess the impact of potential environmental risks and has an active Business Continuity Plan (BCP) in case of exigencies.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Policy related to Principle 6 covers the company and extends to the Group and Joint Ventures.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Through our sustainability initiative – TAKE Infinity – we stay mindful of our environment. We have ongoing initiatives for environment stewardship to bring about tangible change as well as spread awareness. Our employees volunteer their time and efforts to our various activities such as awareness wall painting, tree and sapling plantation drives, pond restorations and clean-ups. We have also adopted 4 water bodies near our global delivery center, to restore and maintain their health. Our Sustainability Policy can be found at [www.takesolutions.com/images/about-take/Sustainability-Policy.pdf](http://www.takesolutions.com/images/about-take/Sustainability-Policy.pdf) and our CSR Policy can be found at [www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf](http://www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf)

TAKE's Datacenter

Our ISO27000 certified, 1700-sq-ft Tier III datacenter is equipped with all mission-critical systems sourced from best-of-breed platforms and vendors. Designed to meet the broadest range of Life Sciences business application needs, from secure and critical production & validation environments, to adherence to regulatory processes in infrastructure compliance and controls.

TAKE helps our clients use the cloud to support their application and infrastructure needs with flexibility and choice. By providing high-quality technology, a solid cloud infrastructure, that is built from the ground to exceed regulatory requirements, and providing 24/7 support for the same, TAKE enables our clients to eliminate capital expenses and save on operating costs so customer can focus on core business initiatives.

Recently, we have brought in the following changes to our datacenter, to improve the efficiency:

- Virtualized and consolidated server racks and storage to decrease the total number of servers, enabling us to execute more work in less space, and saving about 12 kWh of energy per day

- Rearranged the racks, network and power cables, to minimize air gaps, nullify obstruction of airflow, and enhance cooling to reduce overheating and power consumption
- Consolidated the UPS system to one common synchronized UPS to increase power efficiency and avoid excess redundancy losses, enabling us to save about 170kWh of energy per day

Feature	Advantage
Tier III datacentre with N+N Redundancy	99.98% availability
Uninterrupted power supply (UPS)	Reduced downtime
Precision Air Conditioning Systems	Maintains temperature and humidity
Available in India & USA	Choice of location
Disaster Recovery Plans for both sites	Minimize data loss
Log collection, change management, integrity monitoring	Minimize issues
Vulnerability scanning, intrusion detection, and cloud-optimized web-application firewall services	Ensures data security
24/7 Network Operating Centre	Monitors traffic and performance

TAKE is committed to complying with all statutory and regulatory requirements pertaining to the environment. Our facilities are regularly monitored as per the requirements of the Pollution Control Board. E-waste management at TAKE is taken care of by a government recognized vendor to ensure minimal impact on the environment.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

The Company uses the Environmental Management Principles of Energy Conservation and ISO4001 as guidelines.

**Other Measures Adopted for Energy Efficiency**

- Continual improvement of 9 % efficiency by Optimal cooling of work areas and data centers, Preventive maintenance in the UPS and AC plant to ensure efficient working of the equipment, utilization of lights and stand-alone air conditioners only when required and disposal of HW obsolesces.
- TAKE corporate office is outfitted with LED lighting with controls programmed for usage and shut-off with manual override by using motion sensor in the cabins and meeting rooms. Cassette AC round flow of 360° air discharge for optimum energy efficiency and comfort.

- Motion Sensors have been placed in meeting rooms & Cabin areas to control the lighting usage effectively, by turn off the lights when no one is using the room helps to not waste excess energy and improve the environment.
- We have adopted various cloud and security technologies to enable remote working so as to reduce carbon emissions due to travel and commute.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes, there are such initiatives in place. Measures have been put in place to ensure that we limit our energy consumption – these include using fans instead of air-conditioning when only few employees are present in bays; using motion sensors to ensure lights (excepting emergency lights) are turned off when nobody is present; and, running the air conditioning unit in the cafeteria only during breakfast, lunch and tea times. Our cloud services are enabled by our data center, which is managed to ensure the optimal energy consumption. Our corporate office facility is outfitted with LED lighting with controls programmed for usage and shut-off with manual override by using motion sensor in the cabins and meeting rooms.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

This is not applicable to our operations

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

This is not applicable to our operations

#### Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of multiple industry associations such as DIHK.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No, the Company does not lobby through associations.

#### Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has undertaken several long-term CSR initiatives in the areas of environmental stewardship and preventive healthcare with active involvement from its employees. Greater details and the financial outlay of this is available in the CSR overview as part of the Annual Report, financial year 2019-20. Our CSR Policy can be found at [www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf](http://www.takesolutions.com/images/about-take/Corporate-Social-Responsibility.pdf)

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

All projects are conducted through external NGOs and partners with regular oversight from the company representatives.

3. Have you done any impact assessment of your initiative?

Yes. Local engagement is done to understand the impact of the initiatives.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Implementation Partner	Description	Amount (INR)
Cancer Institute, Adyar	Supporting Preventive Oncology Initiative in Tamil Nadu	2,055,000
Madhuram Narayanan Centre For Exceptional Children	Creating Awareness about prevention, early detection, identification and treatment of mental retardation and associated disabilities	200,000
Public Health Foundation of India (PHFI)	Support for creation of curriculum on health literacy to prevent diabetes – pilot project in Delhi	1,000,000
<b>TOTAL</b>		<b>3,255,000</b>

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

We work with established partners who have a good relationship with the local community. This ensures that our programs are well adopted and accepted. Some of our initiatives have sustained for over 6 years, lending credibility to our approach.

## Principle 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

There are no incidents of customer complaints reported during the reporting period.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

This is not applicable to the nature of the services and offerings of our organization.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. (check and update)**

There are no such cases recorded against the organization

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

Yes, there is an annual customer satisfaction survey carried out by the Quality function of our enterprise. The survey is an elaborate one with assessments on various parameters of delivery and quality, arriving at a customer satisfaction score on a weighted average basis. The survey indicates areas of specific strengths and workable avenues to ensure constant evaluation and reinvention to best satisfy our customer.

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# Financial

## section

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# INDEPENDENT AUDITOR'S REPORT

**The Members of TAKE Solutions Limited**

**Report on the Audit of the Consolidated Financial Statements**

## **1. Opinion**

We have audited the accompanying Consolidated Financial Statements of TAKE Solutions Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year the ended and notes to the Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

## **2. Basis for Opinion**

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

## **3. Emphasis of Matter**

We draw attention to the following matter in the Notes to the consolidated financial statements:

The management has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic in the assessment of recoverability of trade receivables, goodwill on acquisition, intangible assets and contract assets up to the date of approval of these consolidated financial statements. In this assessment, the group has performed sensitivity analysis on the key assumptions used. Such review and analysis performed by the group did not reveal any impairment losses.

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

Our opinion is not modified in respect of the above matter.

#### 4. Key Audit Matters

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

The matters described below have been determined to be the Key Audit Matters for the Group:

Sr. No	Particulars	Auditors Response
1.	<p>Accuracy of recognition and measurement of revenues (Billed and Unbilled), under Ind AS 115 "Revenue from Contracts with Customers" (the revenue accounting standard) and the associated expenses/ costs.</p> <p>The revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, allocation of transaction price of the identified performance obligations and the appropriateness of the basis used to measure the revenue recognised. Significant judgments and estimations are also required in ascertainment of associated costs and project expenses.</p>	<p><b>Principal Audit Procedures</b></p> <p>We assessed the Groups process to recognise revenue as per the revenue accounting standard and also the associated costs and project expenses. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to the revenue accounting standard.</li> <li>• Scrutinised the terms and conditions of the existing and the new contracts, the books of accounts and other project records.</li> <li>• We have also reviewed the Project Progress Reports, time logs, price and expenditure/ cost estimations of the Group entities where the discharge of services and the performance obligations had started as per the business and industry practices, creating legally enforceable rights and obligations as referred to in the revenue accounting standard and where the documentation of contracts was in progress. We also enquired and had discussions with the management and the Audit Committee to ensure enforceability of such rights and obligations and review whether the cost and price estimations fairly represented the industry practices.</li> <li>• Ascertained the distinct performance obligations and reviewed whether these performance obligations were similar with that identified and recorded by the Group entities in the context of revenue recognition and the associated costs.</li> <li>• Considered the terms of the contracts and arrangements to determine the transaction price including variable consideration, if any, to verify the transaction price used to compute</li> </ul>

Sr. No	Particulars	Auditors Response
		<p>revenue and to test the basis of estimation of the variable consideration, if any.</p> <ul style="list-style-type: none"> <li>• Test checked the revenue and the associated costs recorded for time and material contracts with reference to time logs including customer acceptances, subsequent invoicing and historical trend of collections and disputes.</li> <li>• In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time of recording and budgeting systems.</li> <li>• Performed analytical procedures for reasonableness of revenues and costs disclosed by type and service offerings.</li> <li>• Our audit procedures did not reveal any significant inconsistencies in recognition of revenue and the associated costs.</li> </ul>

## 5. Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report of the Board of Directors and the Report on the Corporate Governance but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information identified above and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## 6. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets 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 Consolidated Financial

Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the respective 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 Group or to cease operations, or has no realistic alternative but to do so.

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

## **7. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated 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 and its subsidiaries which are companies incorporated in India, have 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated 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 Consolidated 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.

## **8. Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in equity and the Consolidated 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 Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and of its subsidiaries incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2020 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 and the operating effectiveness of such controls of the Holding Company and its subsidiary incorporated in India, refer to our separate report in "Annexure A" to this report.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to 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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, – Refer Note 4 to the Consolidated Financial Statements.
- ii. The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2020.
- iii. According to the information and explanations given to us and based on the audit procedures conducted by us, we report that there has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding company and its subsidiary incorporated in India, except the following in respect of the Holding company:

Financial Year	Amount (₹ Mn)	Date of Declaration of Dividend	Due date for transfer to IEPF
2012-13 1st Interim Dividend	0.10	09/11/2012	15/01/2020

According to the information and explanations given to us, though the transfer was initiated by the Holding Company prior to the due date, the Holding Company was not able to complete the transfer due to technical problems at the website of Ministry of Corporate Affairs (MCA). The Holding Company has formally raised a query with the MCA and the amount is expected to be deposited as soon as the technical problem is resolved.

**For G. D. Apte & Co**

Chartered Accountants

Firm Registration Number: 100 515W

UDIN: 20017532AAAAAD7148

**C. M. Dixit**

Partner

Membership Number: 017532

Pune, June 11, 2020



## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TAKE Solutions Limited**

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

We have audited the internal financial controls over financial reporting of TAKE Solutions Limited (hereinafter referred to as "Holding Company") and its subsidiaries incorporated in India as of March 31, 2020 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiaries, which is a Company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Holding Company and its subsidiaries, which are companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

#### **Meaning of Internal Financial Controls over Financial Reporting with reference to Financial Statements:**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to Financial Statements:**

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

**Opinion**

In our opinion, the Holding Company and its subsidiaries which are companies incorporated in India, have maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

***For G. D. Apte & Co***

Chartered Accountants

Firm Registration Number: 100 515W

UDIN: 20017532AAAAAD7148

***C. M. Dixit***

Partner

Membership Number: 017532

Pune, June 11, 2020

TAKE Solutions Limited  
**Consolidated Balance Sheet** as at March 31, 2020

Particulars		Note	As at March 31, 2020	As at March 31, 2019
			₹Mn	
<b>I.</b>	<b>ASSETS</b>			
<b>1.</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipment	2.01	2,895.58	2,637.60
	(b) Right of Use Assets	2.02	487.06	-
	(c) Capital work-in-progress	2.03	7.69	14.16
	(d) Goodwill	2.04	2,383.75	2,314.82
	(e) Other intangible assets			
	(i) Goodwill on Business acquisition	2.05	3,282.74	3,063.40
	(ii) Other Intangible assets	2.05	3,286.03	2,897.58
	(f) Intangible assets under development	2.06	0.60	398.37
	(g) Financial assets			
	(i) Investments	2.07	116.73	66.09
	(ii) Loans	2.08	71.58	70.93
	(h) Deferred tax assets (net)	2.09 (a)	187.98	27.90
	(i) Income tax assets (net)		87.81	94.39
	(j) Other non-current assets	2.10	36.28	34.44
	<b>Total non-current assets</b>		<b>12,843.83</b>	<b>11,619.68</b>
<b>2.</b>	<b>Current assets</b>			
	(a) Inventories	2.11	34.22	175.54
	(b) Financial assets			
	(i) Investments	2.12	58.25	36.21
	(ii) Trade receivables	2.13	7,008.30	5,254.04
	(iii) Unbilled Receivables	2.14	1,123.31	1,779.03
	(iv) Cash and cash equivalents	2.15	451.32	467.65
	(v) Bank balances other than (iv) above	2.16	3.62	228.73
	(vi) Loans	2.17	-	21.65
	(vii) Other financial assets	2.18	1,400.99	2,030.75
	(c) Other current assets	2.19	1,908.68	1,725.86
	<b>Total current assets</b>		<b>11,988.70</b>	<b>11,719.46</b>
	<b>TOTAL ASSETS</b>		<b>24,832.53</b>	<b>23,339.14</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1.</b>	<b>Equity</b>			
	(a) Equity share capital	2.20	146.22	146.14
	(b) Other equity	2.21	15,607.27	15,036.19
	<b>Equity attributable to shareholders of the Company</b>		<b>15,753.49</b>	<b>15,182.33</b>
	Non-controlling interests		100.41	91.77
	<b>Total equity</b>		<b>15,853.90</b>	<b>15,274.10</b>

**Consolidated Balance Sheet** as at March 31, 2020

Particulars		Note	As at March 31, 2020	As at March 31, 2019
			₹Mn	
<b>2.</b>	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	2.22	1,735.32	388.84
	(ii) Lease liability	2.23	391.74	-
	(b) Provisions	2.24	71.98	11.07
	(c) Deferred tax liabilities (net)	2.09 (b)	182.16	426.93
	(d) Other non-current liabilities		-	0.76
	<b>Total non-current liabilities</b>		<b>2,381.20</b>	<b>827.60</b>
<b>3.</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	2.25	3,406.24	4,163.41
	(ii) Trade payables	2.26	609.27	142.70
	(iii) Other financial liabilities	2.27	1,397.37	1,987.10
	(iv) Lease liability	2.28	105.80	-
	(b) Other current liabilities	2.29	854.31	550.51
	(c) Provisions	2.30	8.23	44.78
	(d) Income tax liabilities (net)		216.21	348.94
	<b>Total current liabilities</b>		<b>6,597.43</b>	<b>7,237.44</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>24,832.53</b>	<b>23,339.14</b>

Notes form an integral part of the Consolidated Financial Statements - 1 to 12

As per our report attached

For and on behalf of the Board of Directors

For **G.D.Apte & Co.**

**Chartered Accountants**

Firm Registration Number: 100515W

**Srinivasan H.R.**

**Managing Director**

DIN: 00130277

**Ram Yeleswarapu**

**Chief Executive Officer**

DIN: 02363491

**D.V.Ravi**

**Director**

DIN: 00171603

**C.M. Dixit**

**Partner**

Membership Number: 017532

Pune, June 11, 2020

**Subhasri Sriram**

**Chief Financial Officer**

**& Executive Director**

**Avaneesh Singh**

**Company Secretary**

Membership Number: F7338

Place: Chennai

Date : June 11, 2020

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

	Particulars	Note	March 31, 2020	March 31, 2019
			₹ Mn, except per share data	
I.	Revenue from operations	2.31	22,128.99	20,389.99
II.	Other income	2.32	263.89	107.49
III.	<b>Total income</b>		<b>22,392.88</b>	<b>20,497.48</b>
IV.	<b>Expenses</b>			
	Cost of revenue	2.33	6,616.20	5,739.97
	Employee benefits expenses	2.34	7,185.80	5,916.23
	Finance costs	2.35	412.74	250.11
	Depreciation and amortisation	2.36	1,669.28	1,535.09
	Other expenses	2.37	6,638.03	4,899.19
	<b>Total expenses</b>		<b>22,522.05</b>	<b>18,340.59</b>
V.	<b>Profit/ (Loss) before tax</b>		<b>(129.17)</b>	<b>2,156.89</b>
VI.	<b>Tax expense</b>	2.38		
	(i) Current tax		414.80	319.94
	(ii) Short/(Excess) provision for earlier years		(17.21)	2.73
	(iii) Deferred tax		(417.34)	50.30
VII.	<b>Profit/ (Loss) for the year</b>		<b>(109.42)</b>	<b>1,783.92</b>
VIII.	<b>Other Comprehensive Income/(Loss)</b>			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans		(13.92)	(4.23)
	(b) Income tax provision/(reversal) relating to items that will not be reclassified to profit or loss		(2.75)	(1.32)
	(c) Items that will be reclassified to profit or loss			
	(i) Exchange difference in translating the financial statements of foreign operations		734.47	315.38
	(ii) Deferred gain/(loss) on cash flow hedge		(6.08)	5.95
	(d) Income tax provision/(reversal) relating to items that will be reclassified to profit or loss		(1.53)	1.73
	<b>Total other comprehensive income for the year, net of tax</b>		<b>718.75</b>	<b>316.69</b>
	<b>Total comprehensive income for the year</b>		<b>609.33</b>	<b>2,100.61</b>
IX.	<b>Profit/ (Loss) attributable to</b>			
	Shareholders of the Company		(123.60)	1,772.96
	Non-controlling interest		14.18	10.96
			<b>(109.42)</b>	<b>1,783.92</b>
X.	<b>Other Comprehensive Income attributable to</b>			
	Shareholders of the Company		719.98	316.68
	Non-controlling interest		(1.23)	0.01
			<b>718.75</b>	<b>316.69</b>
XI.	<b>Total Comprehensive Income attributable to</b>			
	Shareholders of the Company		596.38	2,089.64
	Non-controlling interest		12.95	10.97
			<b>609.33</b>	<b>2,100.61</b>
	<b>Earnings per equity share</b>			
	Equity Shares of par value ₹ 1/- each			
	Basic		(0.85)	12.13
	Diluted		(0.84)	12.09

Notes form an integral part of the Consolidated Financial Statements - 1 to 12

As per our report attached

For and on behalf of the Board of Directors

For G.D.Apte & Co.

Chartered Accountants

Firm Registration Number: 100515W

Srinivasan H.R.  
Managing Director  
DIN: 00130277

Ram Yeleswarapu  
Chief Executive Officer  
DIN: 02363491

D.V.Ravi  
Director  
DIN: 00171603

C.M. Dixit

Partner

Membership Number: 017532

Pune, June 11, 2020

Subhasri Sriram  
Chief Financial Officer  
& Executive Director

Avaneesh Singh  
Company Secretary  
Membership Number: F7338

Place: Chennai  
Date : June 11, 2020

TAKE Solutions Limited

Consolidated Statement of Cash Flows for the year ended March 31, 2020

Particulars	March 31, 2020	March 31, 2019
	₹ Mn	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT/ (LOSS) BEFORE TAX	(129.17)	2,156.89
Adjustments for		
Depreciation & Amortisation	1,669.28	1,535.09
Finance Cost	412.74	250.11
Interest income	(12.59)	(40.31)
(Profit)/Loss on sale of fixed assets / investments	(0.16)	(7.89)
Employee stock option expense	31.93	40.56
Dividend income	(0.11)	(11.23)
Foreign exchange adjustments - loss/(gain)	(119.66)	(17.97)
Profit on revaluation of financial instruments	(44.66)	-
Bad debts written off	156.04	13.72
<b>Operating Profit before Working Capital Changes</b>	<b>1,963.64</b>	<b>3,918.97</b>
(Increase)/Decrease in loans and advances, trade receivables and other assets	(1,067.87)	(2,477.47)
Increase/ (Decrease) in trade payables, liabilities and provisions	1,739.39	(301.09)
<b>Cash flow from/ (used in) Operations</b>	<b>2,635.17</b>	<b>1,140.41</b>
Direct taxes paid, net of refunds	(523.73)	(104.67)
<b>NET CASH FROM /(USED) IN OPERATING ACTIVITIES</b>	<b>2,111.44</b>	<b>1,035.74</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(1,576.03)	(1,284.44)
Product development expenses	(248.97)	(640.09)
Sale / Discard of fixed assets	0.11	21.96
(Purchase) / sale on account of Business Combinations	(748.78)	(3,507.13)
Interest income	12.59	40.31
Reduction/ (Increase) of bank deposits	225.80	8.54
<b>NET CASH FROM /(USED) IN INVESTING ACTIVITIES</b>	<b>(2,356.88)</b>	<b>(4,846.99)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from exercise of employee options	6.48	18.44
Net movement in Long/ short-term borrowings	792.59	1,513.58
Dividend Paid including dividend distribution tax	(71.14)	(282.82)
Payment of Lease Liability	(152.63)	-
Finance Cost	(369.92)	(250.11)
<b>NET CASH FROM /(USED) IN FINANCING ACTIVITIES</b>	<b>205.38</b>	<b>999.09</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash equivalents</b>	<b>(40.06)</b>	<b>(2,812.16)</b>
Add: Cash and cash equivalents as at the beginning of the year	467.65	3,171.39
Exchange difference on translation of foreign currency cash and cash equivalents	23.74	108.42
<b>Cash &amp; Cash equivalents as at the end of the year - Note No. 2.15</b>	<b>451.32</b>	<b>467.65</b>

Notes form an integral part of the Consolidated Financial Statements - 1 to 12

As per our report attached

For and on behalf of the Board of Directors

For G.D.Apte & Co.

Chartered Accountants

Firm Registration Number: 100515W

Srinivasan H.R.  
Managing Director  
DIN: 00130277

Ram Yeleswarapu  
Chief Executive Officer  
DIN: 02363491

D.V.Ravi  
Director  
DIN: 00171603

C.M. Dixit

Partner

Membership Number: 017532

Pune, June 11, 2020

Subhasri Sriram  
Chief Financial Officer  
& Executive Director

Place: Chennai

Date : June 11, 2020

Avaneesh Singh

Company Secretary

Membership Number: F7338



**Consolidated Statement of Changes in Equity** for the year ended March 31, 2020**(a) Equity Share Capital**

Particulars	As at March 31, 2020		As at March 31, 2019	
	₹ Mn			
Opening Balance	146.14		145.88	
Add: Shares allotted on exercise of ESOP	0.08		0.26	
<b>Closing Balance</b>	<b>146.22</b>		<b>146.14</b>	

**(b) Other Equity**

Particulars	Attributable to Owners of the Company											Non-Controlling Interest	Total Equity attributable to Equity Holders	
	Reserves and Surplus						Other items of OCI							Total
	Capital Reserve	Capital Redemption Reserve	Capital Reserve on Consolidation	General Reserve	Stock Option Outstanding Account	Securities Premium Reserve	Retained Earnings	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	Other Items of Other Comprehensive Income	Total			
₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn		
<b>Balance as at April 01, 2018</b>	<b>35.81</b>	<b>49.11</b>	<b>27.33</b>	<b>160.51</b>	<b>75.57</b>	<b>6,210.91</b>	<b>6,044.67</b>	<b>(2.77)</b>	<b>520.16</b>	<b>15.68</b>	<b>13,136.98</b>	<b>83.92</b>	<b>13,220.90</b>	
Profit / (loss) for the year	-	-	-	-	-	-	1,772.96	-	-	-	1,772.96	10.96	1,783.92	
Transfer to securities premium reserve on exercise of stock options	-	-	-	-	(22.67)	41.44	-	-	-	-	18.77	-	18.77	
Transfer to General Reserve on exercise of stock options (excess of allotment price to ESOP Trust over exercise price)	-	-	-	0.58	-	(0.58)	-	-	-	-	-	-	-	
Employee cost	-	-	-	-	40.55	-	-	-	-	-	40.55	-	40.55	
Variation on account of change in ownership interest	-	-	(15.01)	-	-	-	-	-	-	-	(15.01)	-	(15.01)	
On account of restructuring of Subsidiaries	-	-	-	-	-	-	46.87	-	-	-	46.87	-	46.87	
Final dividend	-	-	-	-	-	-	(145.86)	-	-	-	(145.86)	-	(145.86)	
Interim dividend	-	-	-	-	-	-	(87.85)	-	-	-	(87.85)	-	(87.85)	
Tax on dividend	-	-	-	-	-	-	(49.11)	-	-	-	(49.11)	-	(49.11)	
Effective portion of cash flow hedge	-	-	-	-	-	-	-	5.95	-	-	5.95	-	5.95	
<b>Balance as at March 31, 2019</b>	<b>36.25</b>	<b>49.11</b>	<b>13.17</b>	<b>161.01</b>	<b>93.45</b>	<b>6,251.77</b>	<b>7,581.68</b>	<b>1.45</b>	<b>835.54</b>	<b>12.76</b>	<b>15,036.19</b>	<b>91.77</b>	<b>15,127.96</b>	
<b>Balance as at April 01, 2019</b>	<b>36.25</b>	<b>49.11</b>	<b>13.17</b>	<b>161.01</b>	<b>93.45</b>	<b>6,251.77</b>	<b>7,581.68</b>	<b>1.45</b>	<b>835.54</b>	<b>12.76</b>	<b>15,036.19</b>	<b>91.77</b>	<b>15,127.96</b>	
Profit / (loss) for the year	-	-	-	-	-	-	(123.60)	-	-	-	(123.60)	14.18	109.42	
Transfer to securities premium reserve on exercise of stock options	-	-	-	-	(8.80)	15.32	-	-	-	-	6.52	-	6.52	

**(b) Other Equity**

Particulars	Attributable to Owners of the Company										Non-Controlling Interest	Total Equity attributable to Equity Holders	
	Reserves and Surplus					Other items of OCI							Total
	Capital Reserve	Capital Redemption Reserve	Capital Reserve on Consolidation	General Reserve	Stock Option Outstanding Account	Securities Premium Reserve	Retained Earnings	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	Other Items of Other Comprehensive Income			
₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn		
Transfer to General Reserve on exercise of stock options (excess of allotment price to ESOP Trust over exercise price)	-	-	-	0.18	-	(0.18)	-	-	-	-	-	-	
Employee cost	-	-	-	-	31.28	-	-	-	-	-	-	31.28	
Adjustment on account of lapse of stock options (pertaining to subsidiaries adjusted to deemed investments)	-	-	-	3.97	(3.97)	-	-	-	-	-	-	-	
On account of restructuring of Subsidiaries	-	-	-	-	-	-	8.17	-	-	-	-	8.17	
Final dividend	-	-	-	-	-	-	(58.48)	-	-	-	-	(58.48)	
Tax on dividend	-	-	-	-	-	-	(12.66)	-	-	-	-	(12.66)	
Effective portion of cash flow hedge	-	-	-	-	-	-	-	(6.08)	-	-	-	(6.08)	
Income tax on above	-	-	-	-	-	-	-	1.53	-	-	-	1.53	
Items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	(13.92)	(1.23)	(15.15)	
Income tax on above	-	-	-	-	-	-	-	-	-	2.75	-	2.75	
Exchange differences on translation to foreign operations	-	-	1.00	0.10	-	-	-	-	734.47	-	(4.31)	731.26	
<b>Balance as at March 31, 2020</b>	<b>36.25</b>	<b>49.11</b>	<b>14.17</b>	<b>165.26</b>	<b>111.96</b>	<b>6,266.91</b>	<b>7,395.11</b>	<b>(3.10)</b>	<b>1,570.01</b>	<b>1.59</b>	<b>100.41</b>	<b>15,707.68</b>	

Notes form an integral part of the Consolidated Financial Statements - 1 to 12

As per our report attached

For and on behalf of the Board of Directors

For G.D.Apte & Co.

Chartered Accountants

Firm Registration Number: 100515W

Srinivasan H.R.  
Managing Director  
DIN: 00130277

Ram Yelawarapu  
Chief Executive Officer  
DIN: 02363491

D.V.Ravi  
Director  
DIN: 00171603

C.M. Dixit  
Partner

Membership Number: 017532

Pune, June 11, 2020

Subhasri Sriram  
Chief Financial Officer  
& Executive Director

Avaneesh Singh  
Company Secretary  
Membership Number: F7338

Place: Chennai  
Date : June 11, 2020

## Company Overview

TAKE Solutions Limited (referred to as 'TAKE' or 'the Company') and its Subsidiaries provide domain-intensive services and solutions in Life Sciences and Supply Chain Management.

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

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

TAKE is a Public Company listed in India on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) with operations spread across North America, Europe, Asia and South America.

As of March 31, 2020, TAKE Solutions Pte Ltd owned 52.90% of the Company's equity share capital and has the ability to control its operating and financial policies.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on June 11, 2020.

## 1 Significant Accounting Policies

### 1.1 Basis of Preparation of Consolidated Financial Statements

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

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

The Consolidated Financial Statements are presented in Indian Rupees and all values are rounded to the nearest Millions (₹ 1,000,000) up to two decimals, except when otherwise indicated.

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

### 1.2 Basis of Consolidation

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

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

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

### **1.3 Use of Estimates**

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

### **1.4 Recent Accounting Developments**

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

### **1.5 Critical Accounting Estimates**

#### **1.5.1 Revenue Recognition**

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

#### **1.5.2 Income Taxes**

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

#### **1.5.3 Business Combinations and Intangible Assets**

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

#### **1.5.4 Property, Plant and Equipment**

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

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

### **1.5.5 Impairment of Goodwill**

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

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

### **1.5.6 Allowance for Trade Receivables and Other Financial Assets**

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

### **1.5.7 Share-Based Payments**

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

### **1.5.8 Defined Benefit Plans (Gratuity Benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.

### **1.5.9 Fair Value Measurement of Financial Instruments**

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

### **1.5.10 Assets Held for Sale**

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

## **1.6 Revenue Recognition**

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

revenue from IT Infrastructure and support, Supply Chain Management, Engineering, Designing and Sourcing services.

## Life Sciences Sector

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

### Clinical studies

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

#### i. Full-Service Clinical Trials

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

#### ii. Medical Imaging Services

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

#### iii. Non-Interventional Studies (NIS)

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

#### iv. Clinical Data Services (CDS)

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

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

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



## Regulatory Services

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

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

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

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

## Pharmacovigilance Services (PV)

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

## Consulting

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

## Nets Forum

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

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

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

### 1.6.2 Recognition:

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

**i. Clinical trials management:**

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

**ii. Clinical Data Services:**

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

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

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

**iv. Regulatory Services**

**a) Time and Material Contracts:**

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

**b) Fixed Price Contracts:**

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

**c) License Sale:**

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

**d) Operation and Maintenance Contracts:**

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

**v. Consulting Services:**

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

**vi. Nets Subscription:**

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

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

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

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

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

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

**Other Income**

Other income is comprised primarily of interest income, dividend income, gain/loss on forward and options contracts and on translation of other assets and liabilities.

**Interest Income**

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

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

**Dividend Income**

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

**1.6.3 Measurement:**

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

**1.6.4 Principal versus Agent Considerations in Revenue from Operations**

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

**1.6.5 Billed/ Unbilled Trade Receivable and Deferred Revenue:**

Billed trade receivables represent amounts invoiced to clients based on contract terms. In general, pre-requisites for billings and payments are established by contractual provisions including predetermined payment schedules, which may or may not correspond to the timing of the performance of services under the contract. Unbilled services arise when services have been rendered for which revenue has been recognized but the customers have not been billed. Deferred revenue, represents payments received in excess of revenue recognized. These payments received in advance of services being provided are classified as deferred revenue/ customer advance in the consolidated balance sheet and include amounts billed based on contractual provisions such as milestone payments or customer advances at the beginning of a project. As the contracted services are subsequently performed and the associated revenue is recognized, the deferred revenue balance is reduced by the amount of the revenue recognized during the period. The Group maintains a provision for losses on receivables based on historical collectability and specific identification of potential problem accounts. Uncollectible receivables are written off when collection efforts have been exhausted.

**1.6.6 Billable/Unbillable Costs**

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

**1.7 Property, Plant and Equipment and Depreciation**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any, costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset	Life (in years)
Computers	3-6
Furniture, Fixtures and Office Equipment	4-10
Plant and Equipment	5-10
Vehicles	4-10
Leasehold improvements, Right of Use Assets	Period of Lease
Buildings	60

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

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

Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

### 1.8 Business Combinations

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

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

Business combinations between entities under common control are accounted for at carrying value.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are not considered as part of the cost of acquisition.

### 1.9 Goodwill

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

### 1.10 Intangible Assets and Amortisation

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

The estimated useful lives of assets are as follows:

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

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

### 1.11 Leases

#### The Group as a lessee

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to

control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

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

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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

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

### **The Group as a lessor**

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

#### **1.12 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and



other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **1.13 Inventories**

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

### **1.14 Provisions**

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

### **1.15 Financial Instruments**

#### **1.15.1 Initial Measurement**

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not fair valued through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

#### **1.15.2 Subsequent Measurement**

##### **i) Non-Derivative Financial Instruments**

###### **a) Financial Assets Carried at Amortized Cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

###### **d) Financial Liabilities**

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

**ii) Derivative Financial Instruments**

**a) Initial Recognition and Subsequent Measurement**

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

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

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

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

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

**Fair Value Hedges**

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

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

**Cash Flow Hedges**

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

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

**1.15.3 Derecognition of Financial Instruments**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for Derecognition under Ind AS 109.

A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**1.15.4 Fair Value of Financial Instruments**

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

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

#### **1.15.5 Financial Guarantee Contracts**

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

#### **1.16 Impairment**

##### **a) Financial Assets**

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to the simplified approach. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

##### **b) Non-Financial Assets**

###### **i) Goodwill**

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

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

###### **ii) Intangible Assets and Property, Plant and Equipment**

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

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the assets.

An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net if any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### **1.17 Foreign Currency Transactions and Translations**

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

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

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

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

### **1.18 Earnings Per Equity Share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued on conversion of all dilutive potential equity shares are adjusted for the proceeds receivables had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

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

### **1.19 Income Taxes**

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

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

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to extent that it is probable future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

#### **1.20 Cash and Cash Equivalents**

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

#### **1.21 Contingent liabilities**

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

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

#### **1.22 Employee Benefits**

##### **1.22.1 Gratuity**

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Group. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined liability/ (assets) are recognized in the other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation, is recognized in other comprehensive income. The effect of any plan amendment is recognized in net profits in the Statement of Profit and Loss.

##### **1.22.2 Provident Fund**

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

##### **1.22.3 Compensated Absences**

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

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

**1.22.4 Share-Based Payments**

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

**1.22.5 Short-Term Employee Benefits**

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

**1.23 Statement of Cash Flows**

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

**1.24 Segment Reporting**

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

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



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

### 2 Notes to Accounts

#### Non-Current Assets

#### 2.01 Property, plant and equipment

Particulars	Buildings	Office Equipment	Plant and Equipment	Furniture and Fixtures	Vehicles	Computers	Leasehold Improvements	Total
<b>Gross Carrying Value</b>								
<b>Balance as at April 01, 2018</b>	<b>25.69</b>	<b>531.44</b>	<b>168.96</b>	<b>447.76</b>	<b>10.34</b>	<b>1,631.57</b>	<b>2.31</b>	<b>2,818.07</b>
Additions	-	267.26	250.24	212.00	4.87	296.42	-	1,030.79
Additions on account of acquisition of Business Undertakings	2.51	-	32.86	61.75	-	-	-	97.12
Deductions/ disposals	-	(0.03)	(13.68)	(0.17)	(2.35)	(13.39)	-	(29.62)
Translation Adjustments	(0.01)	28.36	(1.35)	23.27	(0.01)	15.97	-	66.23
<b>Balance as at March 31, 2019</b>	<b>28.19</b>	<b>827.03</b>	<b>437.03</b>	<b>744.61</b>	<b>12.85</b>	<b>1,930.57</b>	<b>2.31</b>	<b>3,982.59</b>
<b>Balance as at April 01, 2019</b>	<b>28.19</b>	<b>827.03</b>	<b>437.03</b>	<b>744.61</b>	<b>12.85</b>	<b>1,930.57</b>	<b>2.31</b>	<b>3,982.59</b>
Additions	2.58	343.75	158.90	155.54	-	301.77	-	962.54
Deductions / disposals	(2.09)	(0.02)	(3.42)	-	-	(3.81)	-	(9.34)
Translation Adjustments	0.19	72.94	28.41	56.84	0.05	89.91	-	248.34
<b>Balance as at March 31, 2020</b>	<b>28.87</b>	<b>1,243.71</b>	<b>620.92</b>	<b>957.00</b>	<b>12.90</b>	<b>2,318.43</b>	<b>2.31</b>	<b>5,184.13</b>
<b>Accumulated Depreciation Balance as at April 01, 2018</b>	<b>0.91</b>	<b>215.70</b>	<b>30.61</b>	<b>91.79</b>	<b>2.42</b>	<b>348.11</b>	<b>0.97</b>	<b>690.51</b>
Depreciation charge for the year	0.47	212.01	60.83	100.00	1.80	192.52	1.34	568.97
Additions on account of acquisition of Business Undertakings	2.51	-	14.13	60.45	-	-	-	77.09
Deductions/ disposals	-	(0.01)	(12.80)	(0.17)	(0.66)	(5.02)	-	(18.66)
Translation Adjustments	(0.01)	12.28	(0.27)	4.12	(0.01)	10.97	-	27.08
<b>Balance as at March 31, 2019</b>	<b>3.88</b>	<b>439.98</b>	<b>92.50</b>	<b>256.19</b>	<b>3.55</b>	<b>546.58</b>	<b>2.31</b>	<b>1,344.99</b>
<b>Balance as at April 01, 2019</b>	<b>3.88</b>	<b>439.98</b>	<b>92.50</b>	<b>256.19</b>	<b>3.55</b>	<b>546.58</b>	<b>2.31</b>	<b>1,344.99</b>
Depreciation charge for the year	0.48	296.18	91.55	155.85	1.61	304.13	-	849.80
Deductions/ disposals	(2.08)	(0.01)	(3.16)	-	-	(3.81)	-	(9.06)
Translation Adjustments	0.19	46.76	7.84	24.76	0.05	23.22	-	102.82
<b>Balance as at March 31, 2020</b>	<b>2.47</b>	<b>782.92</b>	<b>188.73</b>	<b>436.80</b>	<b>5.20</b>	<b>870.12</b>	<b>2.31</b>	<b>2,288.55</b>
<b>Net Carrying Value</b>								
<b>Balance as at March 31, 2019</b>	<b>24.31</b>	<b>387.05</b>	<b>344.53</b>	<b>488.42</b>	<b>9.30</b>	<b>1,383.99</b>	<b>-</b>	<b>2,637.60</b>
<b>Balance as at March 31, 2020</b>	<b>26.39</b>	<b>460.79</b>	<b>432.19</b>	<b>520.20</b>	<b>7.70</b>	<b>1,448.31</b>	<b>-</b>	<b>2,895.58</b>

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

### 2.02 Right of use assets

Particulars	Total
<b>Buildings</b>	₹Mn
<b>Gross Carrying Value</b>	
<b>Balance as at April 01, 2019</b>	-
Recognised on transition to IND As 116 - Leases	433.53
Additions	178.17
Deductions due to termination of Lease agreement	(25.26)
Translation Adjustments	10.44
<b>Balance as at March 31, 2020</b>	<b>596.88</b>
<b>Accumulated Depreciation</b>	
<b>Balance as at April 01, 2019</b>	-
Amortisation charge for the year	134.70
Deductions due to termination of Lease agreement	(25.26)
Translation Adjustments	0.38
<b>Balance as at March 31, 2020</b>	<b>109.82</b>
<b>Net Carrying Value</b>	
<b>Balance as at March 31, 2019</b>	-
<b>Balance as at March 31, 2020</b>	<b>487.06</b>

### 2.03 Capital work-in-progress

Particulars	Total
	₹Mn
<b>Balance as at April 01, 2018</b>	<b>7.65</b>
Additions during the year	19.39
Capitalised during the year	(12.58)
Translation Adjustments	(0.30)
<b>Balance as at March 31, 2019</b>	<b>14.16</b>
<b>Balance as at April 01, 2019</b>	<b>14.16</b>
Additions during the year	15.82
Capitalised during the year	(22.88)
Translation Adjustments	0.59
<b>Balance as at March 31, 2020</b>	<b>7.69</b>

### 2.04 Goodwill

Goodwill consists of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Goodwill on Consolidation</b>		
<b>Balance at the beginning of the year</b>	<b>2,314.82</b>	<b>2,396.17</b>
On account of merger of subsidiaries	-	(130.15)
Foreign currency exchange gain/(loss) - net	68.93	48.80
<b>Balance at the end of the year</b>	<b>2,383.75</b>	<b>2,314.82</b>

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

### 2.05 Other Intangible assets

Particulars	Computer Softwares	Software Product Costs	Customer relationship	Technology	Customer contract	Technical Knowhow *	Total Other Intangible Assets	Goodwill on Business acquisition
₹ Mn								
<b>Gross Carrying Value</b>								
<b>Balance as at April 01, 2018</b>	<b>114.13</b>	<b>1,688.23</b>	-	-	-	-	<b>1,802.36</b>	<b>763.76</b>
Additions	246.84	687.79	1,390.56	463.52	463.52	-	3,252.23	2,317.58
Deductions/ disposals	(18.91)	-	-	-	-	-	(18.91)	-
Translation Adjustments	(2.48)	113.21	(7.04)	(2.35)	(2.35)	-	98.99	(17.94)
<b>Balance as at March 31, 2019</b>	<b>339.58</b>	<b>2,489.23</b>	<b>1,383.52</b>	<b>461.17</b>	<b>461.17</b>	-	<b>5,134.67</b>	<b>3,063.40</b>
<b>Balance as at April 01, 2019</b>	<b>339.58</b>	<b>2,489.23</b>	<b>1,383.52</b>	<b>461.17</b>	<b>461.17</b>	-	<b>5,134.67</b>	<b>3,063.40</b>
Additions	193.45	248.37	-	-	-	405.44	847.26	-
Deductions / disposals	(4.66)	-	-	-	-	-	(4.66)	-
Translation Adjustments	32.62	211.35	105.53	35.18	35.18	20.28	440.14	219.34
<b>Balance as at March 31, 2020</b>	<b>560.99</b>	<b>2,948.95</b>	<b>1,489.05</b>	<b>496.35</b>	<b>496.35</b>	<b>425.72</b>	<b>6,417.41</b>	<b>3,282.74</b>
<b>Accumulated depreciation / amortisation</b>								
<b>Balance as at April 01, 2018</b>	<b>42.33</b>	<b>1,160.70</b>	-	-	-	-	<b>1,203.03</b>	-
Depreciation charge for the year	26.91	939.21	-	-	-	-	966.12	-
Deductions/ disposals	(6.99)	-	-	-	-	-	(6.99)	-
Translation Adjustments	(0.54)	75.47	-	-	-	-	74.93	-
<b>Balance as at March 31, 2019</b>	<b>61.71</b>	<b>2,175.38</b>	-	-	-	-	<b>2,237.09</b>	-
<b>Balance as at April 01, 2019</b>	<b>61.71</b>	<b>2,175.38</b>	-	-	-	-	<b>2,237.09</b>	-
Depreciation charge for the year	75.99	353.50	94.05	67.19	94.05	-	684.78	-
Deductions/ disposals	(4.66)	-	-	-	-	-	(4.66)	-
Translation Adjustments	6.77	193.23	5.22	3.73	5.22	-	214.17	-
<b>Balance as at March 31, 2020</b>	<b>139.81</b>	<b>2,722.12</b>	<b>99.27</b>	<b>70.91</b>	<b>99.26</b>	-	<b>3,131.38</b>	-
<b>Net Carrying Value</b>								
<b>Balance as at March 31, 2019</b>	<b>277.87</b>	<b>313.85</b>	<b>1,383.52</b>	<b>461.17</b>	<b>461.17</b>	-	<b>2,897.58</b>	<b>3,063.40</b>
<b>Balance as at March 31, 2020</b>	<b>421.18</b>	<b>226.83</b>	<b>1,389.78</b>	<b>425.44</b>	<b>397.09</b>	<b>425.72</b>	<b>3,286.03</b>	<b>3,282.74</b>

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

## 2.06 Intangible assets under development

Particulars	₹Mn
<b>Balance as at April 01, 2018</b>	<b>416.82</b>
Additions during the year	39.90
Capitalised during the year	(87.60)
Translation Adjustments	29.25
<b>Balance as at March 31, 2019</b>	<b>398.37</b>
<b>Balance as at April 01, 2019</b>	<b>398.37</b>
Additions during the year	0.60
Capitalised during the year	(405.44)
Translation Adjustments	7.07
<b>Balance as at March 31, 2020</b>	<b>0.60</b>

## Financial Assets

### 2.07 Investments

Investments consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Investments carried at Fair value through Consolidated Statement of Profit and Loss		
<b>(a) Investments in Equity Instruments (Unquoted, fully paid)</b>		
Solaris Pharma Corporation, USA	42.49	17.39
Int Energy LLC, USA	45.52	34.79
	<b>88.01</b>	<b>52.18</b>
<b>(b) Investments in Preference Shares (Unquoted, fully paid)</b>		
Spectra MD USA, Inc	28.72	13.91
	<b>28.72</b>	<b>13.91</b>
<b>Total</b>	<b>116.73</b>	<b>66.09</b>

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

**2.08 Loans**

Loans consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Unsecured, considered good</b>		
Security deposits	71.58	70.93
<b>Total</b>	<b>71.58</b>	<b>70.93</b>

**2.09 (a) Deferred tax assets (net)**

Deferred tax assets (net) consists of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Deferred tax assets</b>		
Property, plant & equipment and intangible assets	8.49	6.95
Receivables, financial assets at amortised cost	152.01	3.88
Provision for employee benefits	4.36	4.00
Fair value of Right of use / Lease Liabilities	5.41	-
Initial/Subsequent measurement of financial instruments at fair value	19.44	14.80
<b>Sub-Total</b>	<b>189.71</b>	<b>29.63</b>
<b>Deferred tax liabilities</b>		
Cash flow hedges	1.73	1.73
<b>Sub-Total</b>	<b>1.73</b>	<b>1.73</b>
<b>Deferred tax assets (net)</b>	<b>187.98</b>	<b>27.90</b>

**2.09 (b) Deferred tax liabilities (net)**

Deferred tax liabilities (net) consists of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Deferred tax liabilities</b>		
Property, plant & equipment and intangible assets	205.37	441.44
Fair valuation of Right-of-Use/ Lease Liabilities	1.03	-
Initial/Subsequent measurement of financial instruments at fair value	1.84	-
<b>Sub-Total</b>	<b>208.24</b>	<b>441.44</b>
<b>Deferred tax assets</b>		
Receivables, financial assets at amortised cost	6.00	0.07
Provision for employee benefits	20.08	14.19
Initial/Subsequent measurement of financial instruments at fair value	-	0.25
<b>Sub-Total</b>	<b>26.08</b>	<b>14.51</b>
<b>Deferred tax liabilities (net)</b>	<b>182.16</b>	<b>426.93</b>

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

### 2.10 Other Non-Current Assets

Other non-current assets consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Unsecured, considered good</b>		
Capital advances	26.21	24.35
Deferred finance charges	-	0.01
Other taxes receivables	10.07	10.08
<b>Total</b>	<b>36.28</b>	<b>34.44</b>

### Current Assets

#### 2.11 Inventories

Inventories consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Stock-in-trade	34.22	175.54
<b>Total</b>	<b>34.22</b>	<b>175.54</b>

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

### Financial Assets

#### 2.12 Investments

Investments consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Investments carried at Fair value through Consolidated Statement of Profit and Loss</b>		
Investments in mutual funds	58.25	36.21
<b>Total</b>	<b>58.25</b>	<b>36.21</b>



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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Units	₹Mn	No. of Units	₹Mn
<b>Investments in Mutual Funds</b>				
(a) L & T Equity Fund	12,171.75	0.25	11,305.60	0.34
(b) Aditya Birla Sun Life Savings Fund - Growth - Regular Plan	9,769.56	3.88	9,769.57	3.61
(c) IDFC Bond Fund Medium Term Plan Growth (Regular Plan)	309,322.40	10.56	-	-
(d) IDFC SSI Medium-term Plan-Growth (Regular Plan)	68,867.05	2.35	68,867.05	2.15
(e) Kotak Bond (Short-Term) - Growth	491,594.52	18.68	155,289.75	5.41
(f) Kotak Equity Arbitrage Fund - Fortnight	-	-	93,354.06	2.15
(g) Reliance Short-Term Fund - Growth Plan and Growth Option	136,848.47	5.17	136,848.47	4.75
(h) ICICI Prudential Income Optimizer Fund (FOF)	315,665.94	10.42	315,665.94	10.80
(i) ICICI Prudential Income Optimizer Fund (FOF)	152,993.16	5.05	152,993.16	5.23
(j) ICICI Prudential Liquid fund - Growth	-	-	6,407.71	1.77
(k) ICICI Prudential Short Term Fund - Growth Option	44,891.27	1.89	-	-
<b>Total</b>	<b>1,542,124.12</b>	<b>58.25</b>	<b>950,501.30</b>	<b>36.21</b>

### 2.13 Trade Receivables

Trade receivables consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Trade Receivables		
Unsecured, considered good	7,008.30	5,254.04
Unsecured, considered doubtful	119.94	18.15
Less: Bad debts and provision for expected credit loss	(119.94)	(18.15)
<b>Total</b>	<b>7,008.30</b>	<b>5,254.04</b>

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

The ageing of receivables are given below:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Ageing of Trade Receivables (at gross)</b>		
Trade receivables less than 180 days	5,136.65	5,007.97
Trade receivables more than 180 days	1,991.59	264.22
<b>Total</b>	<b>7,128.24</b>	<b>5,272.19</b>

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

### 2.14 Unbilled Receivables

Unbilled receivables consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Unsecured, considered good</b>		
Unbilled receivables	1,123.31	1,779.03
<b>Total</b>	<b>1,123.31</b>	<b>1,779.03</b>

### 2.15 Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Balances with banks		
On current accounts	282.75	408.26
Deposits having original maturity less than 3 months	2.06	12.52
Cash on hand	5.85	1.07
Funds in transit	0.02	0.26
Margin money against bank guarantee	160.64	45.54
<b>Total</b>	<b>451.32</b>	<b>467.65</b>

### 2.16 Bank Balances other than (iv) above

Other bank balances consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Earmarked balances*	2.94	3.11
Deposits against bank guarantee	-	225.62
Deposits having original maturity more than 3 months and upto 12 months	0.68	-
<b>Total</b>	<b>3.62</b>	<b>228.73</b>

\*Earmarked balances with banks pertain to unclaimed dividends.

### 2.17 Loans

Loans consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Unsecured, considered good</b>		
Security deposits	-	0.11
Others	-	21.54
<b>Total</b>	<b>-</b>	<b>21.65</b>

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

### 2.18 Other Financial Assets

Other financial assets consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Unsecured, considered good</b>		
Interest receivables	0.08	29.99
Others	1,400.91	2,000.76
<b>Total</b>	<b>1,400.99</b>	<b>2,030.75</b>

### 2.19 Other Current Assets

Other current assets consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Unsecured, considered good</b>		
Advance given to employees for expenses	15.21	17.51
Advance to consultants	177.87	151.35
Advance for services	1,251.97	1,186.09
Other advances	174.12	147.06
Other taxes receivables	52.96	22.95
Prepaid expenses	236.55	200.90
<b>Total</b>	<b>1,908.68</b>	<b>1,725.86</b>

## Equity

### 2.20 Share Capital

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

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Authorised Share Capital</b>		
350,000,000 (350,000,000 as at March 31, 2019) Equity Shares of ₹ 1/- each	350.00	350.00
15,000,000 (15,000,000 as at March 31, 2019) Preference Shares of ₹ 10/- each	150.00	150.00
	<b>500.00</b>	<b>500.00</b>
<b>Issued, Subscribed and Paid up Share Capital</b>		
147,934,000 (147,934,000 as at March 31, 2019) Equity Shares of ₹ 1/- each fully paid	147.93	147.93
Less: Shares issued and lying with ESOP Trust	1.71	1.79
<b>Total</b>	<b>146.22</b>	<b>146.14</b>

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

Shares allotted to ESOP Trust but not transferred to employees are reduced from Share Capital and Share Premium Accounts. Out of the 2,400,000 equity shares allotted to the Trust, 690,984 (602,277) shares have been transferred to employees up to March 31, 2020. Accordingly the Company has reduced the Share Capital and Share Premium Accounts, by the amount of face value of the equity shares issued to the Trust but not transferred to employees and Share Premium on such shares respectively.

Dividend paid during current year is Nil and in the previous year the Board of Directors at its meeting held on October 30, 2018, declared an interim dividend of 30% (₹ 0.30/- per equity share of par value ₹ 1/- each) for the quarter ended September 30, 2018. At its meeting held on February 13, 2019, the Board of Directors declared a second interim dividend of 30% (₹ 0.30/- per equity share of par value ₹ 1/- each) for the quarter ended December 31, 2018. Further, the Board of Directors at its meeting held on May 16, 2019, has recommended a final dividend of 40% (₹ 0.40/- per equity share of par value of ₹ 1/- each).

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

Equity Shares	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹Mn	No. of shares	₹Mn
Outstanding at the beginning of the year	146,136,277	146.14	145,883,741	145.88
Add: Shares allotted on exercise of ESOP	88,707	0.08	252,536	0.26
<b>Outstanding at the end of the year</b>	<b>146,224,984</b>	<b>146.22</b>	<b>146,136,277</b>	<b>146.14</b>

(c) The Company has only one class of shares referred to as equity shares having face value of ₹1/- each. Each holder of the equity shares is entitled to one vote per share.

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

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
TAKE Solutions Pte Ltd, Singapore	78,253,450	52.90%	85,553,450	57.83%
Envestor Ventures Ltd	7,747,194	5.24%	447,194	0.30%

Note:- Take Solutions Pte. Ltd, Singapore has sold 7,300,000 shares (4.93%) equity shares to Envestor Ventures Ltd, a promoter group company on February 24, 2020.

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

### (f) **Employee Stock Options**

The Company measures the compensation expenses relating to employee stock options using the fair value method. The fair value is treated as employee compensation expenses and charged to Consolidated Statement of Profit and

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

Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

Pursuant to Clause 5(3) of SEBI (Share Based Employee Benefits) Regulations, 2014 and para 10 of Employees Stock Option Scheme – 2007 of the Company, Remuneration and Compensation Committee is authorised to make a fair and reasonable adjustment to the number of options and to the exercise price in respect of options granted to the employees under the plan in the case of Corporate actions such as right issue, bonus issue, merger, etc.

On December 10, 2007, the Company established Employees Stock Option Scheme – 2007 (ESOS -2007 or Scheme). Under the Scheme, the Company is authorised to issue up to 2,400,000 (originally 240,000) equity settled options of ₹ 1/- each (originally ₹ 10/- each) to employees (including employees of the subsidiaries). Remuneration and Compensation Committee has been constituted by the Board of Directors of the Company to administer the Scheme.

Other particulars of Employee Stock Options Scheme 2007 as at March 31, 2020 are given below:

ESOP-2007				
Particulars	Series III	Series IV	Series V	Series VI
1. Grant price - ₹	73.00	73.00	73.00	73.00
2. Grant date	August 07, 2015	March 24, 2016	May 17, 2018	August 08, 2019
3. Vesting commences on	August 06, 2016	March 23, 2017	May 16, 2019	August 07, 2020
4. Vesting schedule	30% of grant on August 06, 2016, subsequent 30% of grant on August 06, 2017 and balance 40% of grant on August 06, 2018	30% of grant on March 23, 2017, subsequent 30% of grant on March 23, 2018 and balance 40% of grant on March 23, 2019	30% of grant on May 16, 2019, subsequent 30% of grant on May 16, 2020 and balance 40% of grant on May 16, 2021	30% of grant on August 07, 2020, subsequent 30% of grant on August 07, 2021 and balance 40% of grant on August 07, 2022
5. Option granted and outstanding at the beginning of the year	547,473	100,000	465,000	Nil
6. Option granted during the year	Nil	Nil	Nil	425,000
7. Option lapsed and/or withdrawn during the year	15,043	Nil	25,000	Nil
8. Option exercised during the year against which shares were allotted	61,707	15,000	12,000	Nil
9. Option granted and outstanding at the end of the year of which				
- Option vested	470,723	85,000	120,000	Nil
- Option yet to vest	Nil	Nil	308,000	425,000

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

Other particulars of Employee Stock Options Scheme 2007 as at March 31, 2019 are given below:

ESOP-2007			
Particulars	Series III	Series IV	Series V
1. Grant price - ₹	73.00	73.00	73.00
2. Grant date	August 07, 2015	March 24, 2016	May 17, 2018
3. Vesting commences on	August 06, 2016	March 23, 2017	May 16, 2019
4. Vesting schedule	30% of grant on August 06, 2016, subsequent 30% of grant on August 06, 2017 and balance 40% of grant on August 06, 2018	30% of grant on March 23, 2017, subsequent 30% of grant on March 23, 2018 and balance 40% of grant on March 23, 2019	30% of grant on May 16, 2019, subsequent 30% of grant on May 16, 2020 and balance 40% of grant on May 16, 2021
5. Option granted and outstanding at the beginning of the year	800,009	100,000	Nil
6. Option granted during the year	Nil	Nil	465,000
7. Option lapsed and/or withdrawn during the year	Nil	Nil	Nil
8. Option exercised during the year against which shares were allotted	252,536	Nil	Nil
9. Option granted and outstanding at the end of the year of which			
- Option vested	547,473	100,000	Nil
- Option yet to vest	Nil	Nil	465,000

Pursuant to SEBI notification dated January 17, 2013, no further securities of the Company will be purchased from the open market.

### 2.21 Other Equity

Other equity consists of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Capital reserve	36.25	36.25
Capital redemption reserve	49.11	49.11
Capital reserve on consolidation	14.17	13.17
General reserve	165.26	161.01
Share options outstanding account	111.96	93.45
Security premium reserve	6,266.91	6,251.77
Retained earnings	7,395.11	7,581.68
Cash flow hedge reserve	(3.10)	1.45
Foreign currency translation reserve	1,570.01	835.54
Other items of other comprehensive income	1.59	12.76
<b>Total</b>	<b>15,607.27</b>	<b>15,036.19</b>



## **Nature of Reserves**

**(a) Capital Reserve**

The Group recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments which is transferred to capital reserve.

**(b) Capital Redemption Reserve**

Capital redemption reserve represents amounts set aside by the Company for future redemption of capital.

**(c) Capital Reserve on Consolidation**

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

**(d) General Reserve**

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

**(e) Securities Premium Reserve**

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

**(f) Share Options Outstanding Account**

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

**(g) Foreign Currency Translation Reserve**

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

**(h) Cash Flow Hedge Reserve**

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

**(i) Other Items of Other Comprehensive Income**

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

**(j) Retained Earnings**

Retained earnings comprises of the undistributed earnings after taxes.

**Non-Current Liabilities**

**Financial Liabilities**

**2.22 Borrowings**

Borrowings consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Secured</b>		
Term loans from banks	1,735.32	388.84
<b>Total</b>	<b>1,735.32</b>	<b>388.84</b>

Term loans from banks represent amounts borrowed from:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>1. Borrowings in foreign currency (USD/ EURO) (A)</b>	<b>1,610.79</b>	<b>221.43</b>
Interest	6 months LIBOR plus 1.86% p.a. & 3 months LIBOR plus 1.90% p.a. for additional facility availed during the year	6 months LIBOR plus 1.86% p.a.
Tenure	5 years. Repayment till July 2024	5 years. Repayment from August 2017 to May 2022
Security	Current Assets, Pledge of shares in certain group companies, Corporate Guarantee by a group company, fixed assets of certain group Companies	Current Assets, Pledge of shares in certain group companies, Corporate Guarantee by a group company, fixed assets of certain group Companies

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>2. Borrowings in INR (B)</b>	<b>124.53</b>	<b>167.41</b>
Interest	1 Year MCLR plus 0.15% p.a.	1 Year MCLR plus 0.15% p.a.
Tenure	5 Years. Repayment from March 2018 to December 2022	5 Years. Repayment from March 2018 to December 2022
Security	Current Assets, Pledge of shares of a group company, Corporate Guarantee by a group company and fixed assets of a group Company	Current Assets, Pledge of shares of a group company, Corporate Guarantee by a group company and fixed assets of a group Company
<b>Total (A)+(B)</b>	<b>1,735.32</b>	<b>388.84</b>
<b>Current maturities of long-term borrowings (C)</b>	<b>390.79</b>	<b>186.75</b>
<b>Total (D)=(A)+ (B) +(C)</b>	<b>2,126.11</b>	<b>575.59</b>

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

### 2.23 Lease liability

Lease liability consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Lease Liabilities	391.74	-
<b>Total</b>	<b>391.74</b>	<b>-</b>

### 2.24 Provisions

Provisions consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Provision for employee benefits</b>		
Gratuity and other employee benefits	53.92	4.27
Compensated absences	18.06	6.80
<b>Total</b>	<b>71.98</b>	<b>11.07</b>

### Current Liabilities

#### Financial Liabilities

### 2.25 Borrowings

Borrowings consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Secured</b>		
Loans repayable on demand from banks	3,406.24	4,163.41
<b>Total</b>	<b>3,406.24</b>	<b>4,163.41</b>

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

The loans repayable on demand from banks – secured represent:

Particulars	As at March 31, 2020		As at March 31, 2019		Security
	Amount outstanding ₹Mn	Interest Rate	Amount outstanding ₹Mn	Interest Rate	
Packing Credit in Foreign Currency	119.40	4 - 5.3 % p.a.	137.31	4 - 5.3 % p.a.	Secured against the current and future movables, current assets of respective companies and guarantees by Holding Company.
Cash Credit	291.72	6 Months MCLR + 0.35 - 1.80% p.a.	199.68	6 Months MCLR + 0.35 - 1.80% p.a.	Secured against the current and future movables current assets of respective company and guarantee by Holding Company.
Working Capital Demand Loan	748.78	6 Months LIBOR + 2.10 % p.a.	3,826.42	6 Months LIBOR + 2.10 % p.a.	Secured against the current and future assets of respective company, Pledge of shares, fixed assets and Guarantee by Holding Company.
Working Capital Demand Loan	2,246.34	3 Months LIBOR + 2.10 % p.a.	3,826.42	6 Months LIBOR + 2.10 % p.a.	Secured against the current and future assets of respective company, Pledge of shares, fixed assets and Guarantee by Holding Company.
<b>Total</b>	<b>3,406.24</b>		<b>4,163.41</b>		

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

## 2.26 Trade Payables

Trade Payables consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Trade payables	609.27	142.70
<b>Total</b>	<b>609.27</b>	<b>142.70</b>

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

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

## 2.27 Other Financial Liabilities

Other financial liabilities consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Accrued expenses	153.85	299.69
Creditors for capital goods	-	17.15
Current maturities of long-term debts	390.79	186.75
Current maturities of finance lease obligation	-	0.22
Employee benefits payables	135.36	85.91
Interest accrued but not due on borrowings	-	0.10
Other payables	714.43	1,394.17
Investor education and protection fund shall be credited by the following amounts		
- Unclaimed dividends*	2.94	3.11
<b>Total</b>	<b>1,397.37</b>	<b>1,987.10</b>

\*During the year, the Company has transferred ₹ 0.27 Mn (₹ 0.30 Mn) to Investor Education and Protection Fund and ₹ 0.10 Mn are due for transfer as at March 31, 2020. The transfer of ₹ 0.10 Mn could not be made due to technical difficulties in electronic filling of requisite forms.

## 2.28 Lease liability

Lease liability consist of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
Current maturities of lease liability	105.80	-
<b>Total</b>	<b>105.80</b>	<b>-</b>

### 2.29 Other Current Liabilities

Other current liabilities consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Advance received from customers	84.62	36.58
Deferred revenue	721.96	449.87
Statutory payables	47.73	64.06
<b>Total</b>	<b>854.31</b>	<b>550.51</b>

### 2.30 Provisions

Provisions consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
<b>Provision for employee benefits</b>		
Gratuity and other employee benefits	6.59	30.92
Compensated absences	1.64	13.86
<b>Total</b>	<b>8.23</b>	<b>44.78</b>

### 2.31 Revenue from Operations

Revenue from operations consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
Income from Life Science Services	20,792.07	18,804.86
Income from E- business solutions	1,318.28	1,575.74
Income from sale of IT infrastructure and support services	18.64	9.39
<b>Total</b>	<b>22,128.99</b>	<b>20,389.99</b>



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

### 2.32 Other Income

Other income consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
<b>(a) Interest Income</b>		
On bank deposits	9.47	26.16
On Income tax refund	1.68	7.70
On other financial assets	3.12	14.15
<b>(b) Dividend Income</b>		
Dividend from investments in mutual funds	0.11	11.23
<b>(c) Other non-operating Income</b>	5.75	4.17
<b>(d) Other Gain and Losses</b>		
Gain/(Loss) on sale of assets	0.03	0.52
Gain/(Loss) on fair valuation of financial instruments measured at FVTPL	44.66	7.43
Gain/(Loss) on Foreign Currency Transactions/Translation	198.59	26.74
Gain/(Loss) on redemption of mutual funds	0.48	9.39
<b>Total</b>	<b>263.89</b>	<b>107.49</b>

### 2.33 Cost of Revenue

Cost of revenue consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
Cost of Life Science Services	5,571.84	4,567.20
Cost of E-business solutions expenses	1,026.60	1,164.03
Cost of IT infrastructure & support services	17.77	8.74
<b>Total</b>	<b>6,616.20</b>	<b>5,739.97</b>

### 2.34 Employee Benefit Expenses

Employee benefit expenses consist of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
Salaries and allowances	6,736.25	5,527.36
Contributions to provident fund and other funds	151.50	224.30
Gratuity and other retirement benefits	21.68	13.60
Expense on employee stock option scheme	31.93	40.56
Staff welfare expenses	244.44	110.41
<b>Total</b>	<b>7,185.80</b>	<b>5,916.23</b>

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

### 2.35 Finance Cost

Finance cost consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
Interest expense	279.18	173.42
Other borrowing costs	90.11	80.27
Interest Expenses on Lease Liability	42.84	-
(Gain)/loss arising on designated portion of hedging instrument in cash flow hedge	0.61	(3.58)
<b>Total</b>	<b>412.74</b>	<b>250.11</b>

### 2.36 Depreciation and amortisation

Depreciation and amortisation consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
Depreciation of Property, Plant and Equipments	849.80	568.97
Amortization of intangible assets	684.78	966.12
Amortisation of right of use assets	134.70	-
<b>Total</b>	<b>1,669.28</b>	<b>1,535.09</b>

### 2.37 Other Expenses

Other expenses consist of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
Repairs and maintenance - building	26.56	15.53
Repairs and maintenance - equipment	366.97	423.79
Repairs and maintenance - others	411.88	324.12
Marketing expenses	702.80	672.97
Meeting and conference	363.98	204.19
Legal and professional charges	1,261.59	954.45
Rent	11.76	233.14
Rates and taxes	101.67	97.96
Communication expenses	679.71	399.49
Commission and brokerage	334.18	258.43
Insurance	288.61	93.47
Office expenses	192.98	90.16
Electricity expenses	58.43	70.87
Expenses on corporate social responsibility	6.00	9.86
Travelling and conveyance	1,081.68	767.93
Bad debts and provision for expected credit loss	156.04	13.72
Printing and stationery	88.17	89.58
Loss on sale of assets	0.20	1.44
Loss on sale/disposal of investments	0.14	0.58
Other expenses	495.32	167.56
Audit fees*	9.36	9.95
<b>Total</b>	<b>6,638.03</b>	<b>4,899.19</b>

#### \*Auditors' Remuneration

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
<b>As Auditors:</b>		
Audit fees	8.65	8.94
Taxation matters	0.20	0.50
Other services	0.15	0.18
Reimbursement of expenses and levies	0.36	0.33
<b>Total</b>	<b>9.36</b>	<b>9.95</b>

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

### 2.38 Tax Expense

Tax expense consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
<b>Current Tax</b>		
In respect of current year	414.80	319.94
In respect of prior years	(17.21)	2.73
	<b>397.59</b>	<b>322.67</b>
<b>Deferred Tax</b>		
In respect of current year	(417.34)	50.30
	<b>(417.34)</b>	<b>50.30</b>
<b>Total</b>	<b>(19.75)</b>	<b>372.97</b>

### 3 Earnings Per Share (EPS)

Basic Earnings Per Share and Diluted Earnings Per Share are calculated by dividing the Net Profit/ (Loss) after Tax for the year attributable to the Equity Shareholders by the Weighted Average number of Equity Shares outstanding during the year. As per the guidance note issued in January 2005 on Accounting for Employee Share Based Payments by the Institute of Chartered Accountants of India, 1,709,016 (1,797,723) number of shares held by TAKE Solutions Limited ESOP Trust have been reduced from the equity shares outstanding for computing basic and diluted for the year ended March 31, 2020.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Basic</b>		
1. Opening number of shares	146,136,277	145,883,741
2. Closing number of shares	146,224,984	146,136,277
3. Weighted average number of shares	146,224,984	146,136,277
4. Profit/ (Loss) available for equity shareholders (₹ Mn)	(123.60)	1,772.96
<b>5. EPS (₹)</b>	<b>(0.85)</b>	<b>12.13</b>
6. Nominal value of share (₹)	1.00	1.00

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Diluted</b>		
1. Weighted average number of potential equity shares	146,479,278	146,590,535
2. Profit/ (Loss) available for potential equity shareholders (₹ Mn)	(123.60)	1,772.96
<b>3. EPS (₹)</b>	<b>(0.84)</b>	<b>12.09</b>
4. Nominal value of share (₹)	1.00	1.00

#### 4 Contingent Liabilities

	Particulars	As at March 31, 2020	As at March 31, 2019
		₹Mn	
a.	In respect of Income tax demands where the Company has filed appeal before various authorities *	72.11	24.20
b.	Bank Guarantees in respect of disputed claim against the company by BSNL not acknowledged as debts **	-	225.00
c.	Corporate guarantee given to Banks for loans availed by Subsidiaries	8,136.19	5,917.12

\* The amounts presented above is the gross estimated liability. Amount net of those paid under protest (wherever paid) is ₹ 4.33 Mn (4.47 Mn).

\*\* Consequent to the Arbitration order passed during the year 2019-20, the company has paid a full and final compensation of ₹ 18.86 Mn and the Bank Guarantee has since been released.

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
<b>Accounting profit/(loss) before income tax</b>	<b>(129.18)</b>	<b>2,156.89</b>
Enacted tax rates in India	25.17%/34.944%	27.82%/34.944%
Computed tax expense	(4.09)	607.08
<b>Add/(Less) Net Adjustment on account of:</b>		
Dividend income exempt from Income Tax and other Tax benefits u/s 10 of Income Tax Act, 1961	(1.25)	(27.43)
Effect of different tax rates in foreign subsidiaries	11.12	(234.41)
Donations expenditure not allowable for tax purpose	1.32	2.29
Deduction under chapter VI A of the Income Tax Act, 1961	(0.51)	(1.97)
Other Non-Deductible/ (deductible) tax expenses, income taxable at different rates, etc	(11.52)	26.87
Short / (Excess) provision for earlier years	(14.82)	0.54
<b>Tax expense as per Statement of Profit and Loss</b>	<b>(19.75)</b>	<b>372.97</b>
<b>Effective Tax Rate</b>	<b>15.29%</b>	<b>17.29%</b>

## **6 Related Party Disclosure**

### **6.1 List of Related Parties**

#### **Holding Company**

TAKE Solutions Pte Ltd, Singapore

#### **Subsidiaries (held directly)**

1. APA Engineering Private Limited, India
2. Ecron Acunova Limited, India
3. Navitas LLP, India
4. TAKE Solutions Global Holdings Pte Ltd, Singapore
5. TAKE Solutions Limited ESOP Trust, India

#### **Subsidiaries (held indirectly)**

6. APA Engineering Pte Ltd, Singapore
7. APA Engineering Inc., USA
8. TAKE Enterprise Services Inc., USA
9. TAKE Solutions Information Systems Pte Ltd, Singapore
10. Navitas Inc., USA
11. Navitas Lifesciences S.A.S., Colombia
12. TAKE Supply Chain De Mexico S De RI Cv, Mexico (dissolved w.e.f. 04-07-2019)
13. Navitas Life Sciences Holdings Limited, UK
14. Navitas Life Sciences Limited, UK
15. Navitas Life Sciences, Inc., USA (merged with Navitas Inc., USA w.e.f. February 25, 2019)
16. TAKE Synergies Inc., USA (merged with TAKE Innovations Inc., USA w.e.f. February 22, 2019)
17. TAKE Dataworks Inc., USA (merged with TAKE Innovations Inc., USA w.e.f. February 22, 2019)
18. Intelent Inc., USA
19. Astus Technologies Inc., USA (merged with TAKE Innovations Inc., USA w.e.f. February 22, 2019)
20. Million Star Technologies Limited, Mauritius
21. TAKE Innovations Inc., USA
22. Acunova Life Science Inc., USA
23. Acunova Life Sciences Limited, UK
24. Navitas Life Sciences GmbH, Germany
25. Ecron Acunova Sdn. Bhd., Malaysia

26. Navitas Life Sciences Company Limited, Thailand
27. Navitas Life Sciences Sp.Z.O.O., Poland
28. Ecron Acunova Limited, UK (Dissolved w.e.f. 02-07-2019)
29. Ecron LLC, Ukraine
30. Ecron Acunova LLC, Russia
31. Navitas Life Sciences A/S, Denmark
32. Navitas Life Sciences Pte Ltd, Singapore

#### **Key Management Personnel and Independent Directors**

1. Mr. N. Kumar – Chairman and Independent Director
2. Mr. Srinivasan H.R. – Vice Chairman and Managing Director
3. Mr. D.V. Ravi – Non - Executive Director
4. Mr. Ram Yeleswarapu – Executive Director (President and Chief Executive Officer)
5. Mr. R. Sundarajan – Independent Director
6. Prof. G. Raghuram – Independent Director (Resigned w.e.f November 5, 2019)
7. Ms. Uma Ratnam Krishnan – Independent Director
8. Mr. Raman Kapur – Independent Director
9. Mr. Venkataraman Murali – Independent Director
10. Mr. S. Srinivasan – Non – Executive Director
11. Ms. N.S. Shobana – Executive Director
12. Ms. Subhasri Sriram – Executive Director & Chief Financial Officer
13. Mr. Avaneesh Singh – Company Secretary
14. Mr. Balasubramanin Srinivasan – Independent Director (appointed w.e.f November 6, 2019)

#### **Other Related Party**

Asia Global Trading Chennai Private Limited, India – Enterprise over which KMP has significant influence.

#### **6.2 Proportion of Ownership Interest**

Particulars	Country of Incorporation	As at March 31, 2020	As at March 31, 2019
APA Engineering Private Limited	India	58%	58%
Navitas LLP	India	100%	99.99%
TAKE Solutions Global Holdings Pte Ltd	Singapore	100%	100%
Ecron Acunova Limited	India	100%	100%



6.3 Transactions and the Balances outstanding with Related Parties

Particulars	Holding Company	Key Management Personnel	Other Related Party
	₹Mn		
Dividend paid	<b>34.22</b>	-	-
	<i>(136.89)</i>	-	-
Managerial Remuneration (Executive director)	-	<b>44.86</b>	-
	-	<i>(10.67)</i>	-
Commission (Independent Directors)	-	<b>1.50</b>	-
	-	<i>(1.50)</i>	-
Remuneration to KMP	-	<b>13.24</b>	-
	-	<i>(10.13)</i>	-
Dividend Paid	-	<b>0.13</b>	-
	-	<i>(0.18)</i>	-

Previous year figures are shown in italics in brackets

## 7 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### 7.1 Lease Liability

#### Reconciliation of Lease Liabilities

₹Mn

Class of Underlying Asset	Opening Balance of Lease Liabilities (Balance as on 01.04.2019)	Recognised on transition as on 01.04.2019 of IND AS 116 - Leases	Additions to Lease Liabilities, made during the year	Reduction in Lease Liabilities due to termination of Lease agreement	Finance Cost Accrued during the period	Payment of lease Liabilities during the year	Exchange Difference / Translation Reserve	Amount of Lease Liabilities as on March 31, 2020
Buildings	-	423.96	171.30	-	42.84	152.63	12.07	497.54

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

₹Mn

Particulars	Undiscounted Basis	Discounted Basis
Not later than one year	150.49	105.80
Later than one year but not later than five years	442.60	363.16
Later than 5 years	31.07	28.58
<b>Total</b>	<b>624.16</b>	<b>497.54</b>

## **7.2 Disclosure on Lease Liability**

### **Qualitative Disclosures - Lease Liability:**

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

## **8. Note on COVID-19**

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

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

## **9 Financial Instruments**

### **(a) Capital Management**

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

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

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

The following table summarises the capital of the Group:

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

Particulars	As at March 31, 2020	As at March 31, 2019
	<b>Equity</b>	
<b>Equity</b>	<b>15,753.49</b>	<b>15,182.33</b>
Debt	5,532.35	4,739.22
Cash and cash equivalents	454.94	696.38
<b>Net debt</b>	<b>5,077.41</b>	<b>4,042.84</b>
<b>Total capital (equity + net debt)</b>	<b>20,830.90</b>	<b>19,225.17</b>
Net debt to capital ratio	0.32	0.27

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

### (b) Accounting Classification and Fair Values

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

As at March 31, 2020	Particulars	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	<b>Financial assets</b>								
	<b>Non-current</b>								
	(i) Investments								
	Investments in Equity Instruments	88.01	-	-	88.01	-	-	88.01	88.01
	Investments in Preference Shares	28.72	-	-	28.72	-	-	28.72	28.72
	(ii) Loans								
	Security deposits	-	-	71.58	71.58	-	-	-	-
	<b>Current</b>								
	(i) Investments								
	Investments in mutual funds	58.25	-	-	58.25	-	58.25	-	58.25
	(ii) Trade receivables	-	-	7,008.30	7,008.30	-	-	-	-
	(iii) Unbilled Receivables	-	-	1,123.31	1,123.31	-	-	-	-
	(iv) Cash and cash equivalents	-	-	451.32	451.32	-	-	-	-
	(v) Other bank balances	-	-	3.62	3.62	-	-	-	-
	(vi) Other financial assets	-	-	1,400.99	1,400.99	-	-	-	-
	<b>Total financial assets</b>	<b>174.98</b>	-	<b>10,059.12</b>	<b>10,234.10</b>	-	<b>58.25</b>	<b>116.73</b>	<b>174.98</b>
	<b>Financial liabilities</b>								
	<b>Non-current</b>								
	(i) Borrowings	-	-	1,735.32	1,735.32	-	-	-	-
	(ii) Lease liability	-	-	391.74	391.74	-	-	-	-
	<b>Current</b>								
	(i) Borrowings	-	-	3,406.24	3,406.24	-	-	-	-
	(ii) Trade payables	-	-	609.27	609.27	-	-	-	-
	(iii) Other financial liabilities								
	Current maturities of long-term debts	-	-	390.79	390.79	-	-	-	-
	Others	-	-	1,006.58	1,006.58	-	-	-	-
	(iv) Lease liability	-	-	105.80	105.80	-	-	-	-
	<b>Total financial liabilities</b>	-	-	<b>7,645.74</b>	<b>7,645.74</b>	-	-	-	-

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

As at March 31, 2019	Carrying amount				Fair value				
	Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
					₹ Mn				
<b>Financial assets</b>									
<b>Non-current</b>									
(i) Investments									
Investments in Equity Instruments	52.18	-	-	52.18	-	-	52.18	-	52.18
Investments in Preference Shares	13.91	-	-	13.91	-	-	13.91	-	13.91
(ii) Loans									
Security deposits	-	-	70.93	70.93	-	-	-	-	-
<b>Current</b>									
(i) Investments									
Investments in mutual funds	36.21	-	-	36.21	-	-	36.21	-	36.21
(ii) Trade receivables	-	-	5,254.04	5,254.04	-	-	-	-	-
(iii) Unbilled Receivables	-	-	1,779.03	1,779.03	-	-	-	-	-
(iv) Cash and cash equivalents	-	-	467.65	467.65	-	-	-	-	-
(v) Other bank balances	-	-	228.73	228.73	-	-	-	-	-
(vi) Loans	-	-	21.65	21.65	-	-	-	-	-
(vii) Other financial assets	-	-	2,030.75	2,030.75	-	-	-	-	-
<b>Total financial assets</b>	<b>102.30</b>	-	<b>9,852.78</b>	<b>9,955.08</b>	-	-	<b>36.21</b>	<b>66.09</b>	<b>102.30</b>
<b>Financial liabilities</b>									
<b>Non-current</b>									
(i) Borrowings	-	-	388.84	388.84	-	-	-	-	-
<b>Current</b>									
(i) Borrowings	-	-	4,163.41	4,163.41	-	-	-	-	-
(ii) Trade payables	-	-	142.70	142.70	-	-	-	-	-
(iii) Other financial liabilities									
Current maturities of long-term debts	-	-	186.75	186.75	-	-	-	-	-
Others	-	-	1,800.35	1,800.35	-	-	-	-	-
<b>Total financial liabilities</b>	-	-	<b>6,682.05</b>	<b>6,682.05</b>	-	-	-	-	-

### Fair value note:

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

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

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

c) Measurement of Fair Value

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

Financial instrument	Valuation technique	Key inputs used	Sensitivity analysis
Investments in unquoted equity/preference instruments at FVTPL	Discounted Cash Flow Method (DCF) - Free Cash Flow to Equity (FCFE) Approach	<p>DCF - FCFE valuation approach taking into consideration of the following:</p> <p>*Probable future business environment affecting the economy, industry and entity</p> <p>*Detailed forecasts of revenue, cost of taxes on income, capex, working capital investments and capital structure for the forecasted period</p> <p>*Cost of equity</p> <p>*Long-term sustainable growth rate</p> <p>*Long-term sustainable return on equity</p> <p>*Long-term return on reinvestment rate</p> <p>*All the operating &amp; non-operating assets (tangible &amp; intangible) and liabilities</p>	<p>*The Company's periodic cash flows to equity for the forecasted period and the perpetuity period have been arrived at after considering the expected periodic tax liability.</p> <p>*The Company's periodic free cash flows to equity are discounted at its cost of equity derived at 5.51% to 7.44% by applying Capital Asset Pricing Model, considering beta factor of 0.88x to 1.23x</p> <p>*Considered the long-term sustainable growth rate at 3.00% for the perpetuity period</p> <p>*The Company has cash &amp; cash equivalents, which are added at book value to its total discounted FCFE</p>



**(d) Financial Risk Management Policies**

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

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

**Market Risk**

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

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

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

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

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

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

### Sensitivity

### Analysis:

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

Effect in INR	Profit / (Loss)	
	Forex strengthening	Forex weakening
	₹Mn	
<b>During the year 2019-20</b>		
Profit/ (Loss) - increase/(decrease)	9.93	(9.93)
<b>During the year 2018-19</b>		
Profit/ (Loss) - increase/(decrease)	1.34	(1.34)

### Management of Interest Rate Risk

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

Particulars	As at March 31, 2020	As at March 31, 2019
		₹Mn
<b>Fixed rate instruments</b>		
Financial liabilities	0.76	0.22
<b>Variable rate instruments</b>		
Financial liabilities	5,532.35	4,739.00
<b>Total</b>	<b>5,533.11</b>	<b>4,739.22</b>

### Sensitivity Analysis:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
		₹Mn
<b>Variable rate instruments</b>		
Interest expenses on variable rate borrowings	369.73	253.48
<b>Increase</b>		
1% increase on average interest rate	373.42	256.01
Impact on profit / (loss)	(3.70)	(2.53)
<b>Decrease</b>		
1% decrease on average interest rate	366.03	250.95
Impact on profit / (loss)	3.70	2.53

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

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

### Exposure to Interest Rate Risk

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

### Cash Flow Hedge

Particulars	Deal No. 1	Deal No. 2
Nature of Derivative Arrangement	Cross Currency Swaps	Cross Currency Swaps
Deal Date	February 14, 2018	February 14, 2018
Maturity Date	December 30, 2022	December 30, 2022
Notional Amount - ₹ Mn	100.00	100.00
Counter Currency Amount (EUR in Mn)	1.26	1.26
Group to Receive	9.1% p.a. on the outstanding INR Notional amount, monthly	9.1% p.a. on the outstanding INR Notional amount, monthly
Group to Pay	3 Month EURIBOR + 270 bps p.a. on the outstanding EURO Notional amount, monthly	2.75% p.a. on the outstanding EUR Notional amount, monthly
Fair Value of Hedging Instrument as at March 31, 2020 [Gain/ (Loss)] (₹ Mn)	(2.16)	(1.78)

### Cash Flow Hedge Reserve

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
(i) The cumulative gain/ (loss) on the hedging instrument from inception of the hedge;	(3.94)	2.13
(ii) The cumulative change [ Gain/ (Loss)] in fair value (present value) of the hedged item (i.e. the present value of the cumulative change in the hedged expected future cash flows) from inception of the hedge.	(5.85)	6.87
Effective Portion of Cash flow Hedge Lower of (i) and (ii) above recognised as Cash flow Hedge Reserve	(3.94)	2.13

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

### Management of Credit Risk

#### Exposure to Credit Risk

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

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Investments	174.98	102.30
Trade receivables (net of allowance of doubtful debts)	7,008.30	5,254.04
Unbilled Receivables	1,123.31	1,779.03
Cash and cash equivalents and other bank balances	454.94	696.38
Loans	71.58	92.58
Other financial assets	1,400.99	2,030.75
<b>Total</b>	<b>10,234.10</b>	<b>9,955.08</b>

#### Financial Assets that are neither past due nor impaired.

Particulars	As at March 31, 2020	As at March 31, 2019
	₹Mn	
Investments	174.98	102.30
Unbilled Receivables	1,123.31	1,779.03
Cash and cash equivalents and other bank balances	454.94	696.38
Loans	71.58	92.58
Other financial assets	1,400.99	2,030.75
<b>Total</b>	<b>3,225.80</b>	<b>4,701.04</b>

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

**Management of Liquidity Risk**

**Exposure to Liquidity Risk**

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

As at March 31, 2020	Contractual cash flows					Total
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	
	₹Mn					
<b>Financial Liabilities</b>						
Borrowings from banks and financial institutions	5,532.35	3,797.03	1,102.47	632.85	-	5,532.35
Trade payables	609.27	609.27	-	-	-	609.27
Other financial liabilities	1,006.58	1,006.58	-	-	-	1,006.58
Lease liability	497.54	105.80	203.47	159.69	28.58	497.54

As at March 31, 2019	Contractual cash flows					Total
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	
	₹Mn					
<b>Financial Liabilities</b>						
Borrowings from banks and financial institutions	4,739.22	4,350.38	337.91	50.93	-	4,739.22
Trade payables	142.70	142.70	-	-	-	142.70
Other financial liabilities	1,800.13	1,800.13	-	-	-	1,800.13

Quantitative Disclosures pertaining to financial instruments are given below:

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹Mn	
<b>On Financial Assets at amortised cost</b>		
Interest income on bank deposits	9.47	26.16
Interest income on other financial assets	3.12	14.15
Bad debts and provision for expected credit loss	(156.04)	(13.72)
<b>Sub total</b>	<b>(143.45)</b>	<b>26.59</b>
<b>On Financial Assets at Fair Value through Profit and Loss (FVTPL)</b>		
Dividend on Quoted Equity Shares/ Mutual Funds/ Other Instruments	0.11	11.23
Gain/(Loss) on fair valuation of mutual funds	44.66	7.43
Gain/(Loss) on redemption of mutual funds	0.48	9.39
Gain/(loss) arising on designated portion of hedging instrument in cash flow hedge	(0.61)	(3.58)
<b>Sub total</b>	<b>44.64</b>	<b>24.47</b>
<b>On Financial Liabilities at Amortised Cost</b>		
Interest expenses on borrowings, overdrafts and Inter corporate deposits	(279.18)	(173.42)
Other borrowing costs	(90.11)	(80.27)
Interest expenses on lease liability	(42.84)	-
<b>Sub total</b>	<b>(412.13)</b>	<b>(253.69)</b>
<b>Total</b>	<b>(510.95)</b>	<b>(202.63)</b>

## 10 Segment Reporting

TAKE Solutions Limited and its Subsidiaries ('the Group') provide services offerings in Life Sciences and Supply Chain Management domain.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Other income and expenses which are not attributable or allocable to segments have been disclosed as unallocated corporate income and unallocated corporate expenses.

Segregation of assets and liabilities into various primary segments has not been carried out as the assets are used interchangeably between segments. Accordingly no disclosure relating segmental assets and liabilities has been made.

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

**Segment Report for the year ended March 31, 2020**

Particulars	Business Segments		
	Life Sciences	Supply Chain Management	Total
	₹Mn		
<b>Revenue</b>	<b>20,792.08</b>	<b>1,336.91</b>	<b>22,128.99</b>
Segment result	66.05	501.11	567.16
Unallocated corporate income	-	-	263.89
Unallocated corporate expenses	-	-	547.48
<b>Operating profit</b>	-	-	<b>283.57</b>
Interest expenses	-	-	412.74
Income taxes	-	-	(19.75)
<b>Net profit/ (loss) before non-controlling Interest</b>	-	-	<b>(109.42)</b>
Non-controlling interest	-	-	14.18
<b>Net profit/(loss) after non-controlling Interest</b>			<b>(123.60)</b>

**Segment Report for the year ended March 31, 2019**

Particulars	Business Segments		
	Life Sciences	Supply Chain Management	Total
	₹Mn		
<b>Revenue</b>	<b>18,804.86</b>	<b>1,585.13</b>	<b>20,389.99</b>
Segment result	2,845.77	45.65	2,891.42
Unallocated corporate income	-	-	107.49
Unallocated corporate expenses	-	-	591.91
<b>Operating profit</b>	-	-	<b>2,407.00</b>
Interest expenses	-	-	250.11
Income taxes	-	-	372.97
<b>Net profit/ (loss) before non-controlling Interest</b>	-	-	<b>1,783.92</b>
Non-controlling interest	-	-	10.96
<b>Net profit/(loss) after non-controlling Interest</b>			<b>1,772.96</b>



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

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

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹ Mn	As % of consolidated profit or loss	₹ Mn	As % of consolidated other comprehensive income	₹ Mn	As % of consolidated total comprehensive income	₹ Mn
<b>Parent</b>								
TAKE Solutions Limited	36.23%	7,830.29	418.07%	249.38	-0.03%	(0.10)	58.23%	249.28
<b>Indian Subsidiaries</b>								
APA Engineering Private Limited	1.15%	248.25	66.15%	39.46	-0.66%	(2.42)	8.65%	37.04
Ecron Acunova Limited	6.73%	1,455.10	128.01%	76.36	4.45%	16.40	21.67%	92.76
Navitas LLP	5.06%	1,094.00	271.48%	161.94	-1.35%	(4.98)	36.67%	156.96
TAKE Solutions Limited ESOP Trust	0.35%	75.31	0.92%	0.55	0.00%	-	0.13%	0.55
<b>Foreign Subsidiary</b>								
TAKE Solutions Global Holdings Pte Ltd	50.48%	10,909.15	-784.64%	(468.04)	97.58%	359.53	-25.35%	(108.51)
<b>(a) Total</b>	<b>100.00%</b>	<b>21,612.10</b>	<b>100.00%</b>	<b>59.65</b>	<b>100.00%</b>	<b>368.43</b>	<b>100.00%</b>	<b>428.08</b>
<b>(b) Adjustments arising out of consolidation</b>								
		(5,758.21)		(197.43)		352.78		155.35
<b>Non-controlling interest</b>								
<b>Indian Subsidiaries</b>								
APA Engineering Private Limited		(103.93)		16.57		(1.02)		15.55
Ecron Acunova Limited		3.52		(2.39)		(0.21)		(2.60)
<b>(c) Total</b>		<b>(100.41)</b>		<b>14.18</b>		<b>(1.23)</b>		<b>12.95</b>
<b>Consolidated Net Assets/Profit/ (Loss) for the year</b>								
<b>(d=a-b-c)</b>		<b>15,753.48</b>		<b>(123.60)</b>		<b>719.98</b>		<b>596.38</b>

## 12 Comparative Figures

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

### For G.D. Apte & Co. Chartered Accountants

Firm's Registration Number: 100515W

For and on behalf of the Board of Directors

**C.M. Dixit**  
**Partner**  
Membership Number: 017532  
**Pune, June 11, 2020**

**Srinivasan H.R.**  
**Managing Director**  
DIN: 00130277

**Ram Yeleswarapu**  
**Chief Executive Officer**  
DIN: 02363491

**D.V. Ravi**  
**Director**  
DIN: 00171603

**Subhasri Sriram**  
**Chief Financial Officer**  
**& Executive Director**

**Avaneesh Singh**  
**Company Secretary**  
Membership Number: F7338

**Place : Chennai**  
**Date : June 11, 2020**

# INDEPENDENT AUDITOR'S REPORT

## The Members of TAKE Solutions Limited

### Report on the Audit of the Standalone Financial Statements

#### 1. Opinion

We have audited the accompanying Standalone Financial Statements of TAKE Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), 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 "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) 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, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 3. Emphasis of Matter

We draw attention to the following matter in the

Notes to the standalone financial statements:

The management has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic in the assessment of recoverability of trade receivables, contract assets and certain investments in subsidiaries up to the date of approval of these standalone financial statements. In this assessment, the company has performed sensitivity analysis on the key assumptions used. Such review and analysis performed by the company did not reveal any impairment losses.

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

Our opinion is not modified in respect of the above matter.

#### 4. Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the Standalone Financial Statements of the current year. Based on our professional judgement, there were no Key Audit Matters in our audit of the Standalone Financial Statements.

#### 5. Information Other than the Standalone 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 including the Report of the Board of Directors, Management discussion and Analysis and the Report on the Corporate Governance but does not include the Standalone Financial Statements and our auditor's report thereon.

The above reports were made available to us before the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we will 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 identified above and in doing so, consider whether

the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **6. 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. 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 Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

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

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

#### **7. Auditor's Responsibilities for the Audit of the 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 Standards on Auditing 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 a part of an audit in accordance with Standards on Auditing, 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 year 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.

## 8. 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 said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

(g) As per the information and explanations given to us, we report that, the managerial remuneration has been paid and provided in accordance with Section 197 of the Act and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company.

(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, as amended, 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 4 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. According to the information and explanations given to us and based on the audit procedures conducted by us, we report that there has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the company, except the following:

Financial Year	Amount (Rs. in Mn)	Date of Declaration of Dividend	Due date for transfer to IEPF
2012-13 1st Interim Dividend	0.10	09/11/2012	15/01/2020

According to the information and explanations given to us, though the transfer was initiated by the company prior to the due date, the Company was not able to complete the transfer due to technical problems at the website of Ministry of Corporate Affairs (MCA). The Company has formally raised a query with the MCA and the amount is expected to be deposited as soon as the technical problem is resolved.

For G. D. Apte & Co  
Chartered Accountants  
Firm Registration Number: 100 515W  
UDIN : 20017532AAAAAC4321

C. M. Dixit  
Partner  
Membership Number: 017532  
Pune, June 11, 2020

**Annexure-A referred to in paragraph 8 (1) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date:**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment. No material discrepancies were noticed on such verification. In our opinion, the periodicity of physical 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 the examination of the records of the company no immovable properties are held by the company and accordingly paragraph 3(i)(c) of the order is not applicable for the company.
- (ii) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. As per the information and explanations given to us, no material discrepancies were noticed on physical verification of inventory.
- (iii) Based on the audit procedures conducted by us and according to the information and explanations given to us, in our opinion, no loans, secured or unsecured have been granted 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), (b) and (c) of the Order are not applicable to the Company.
- (iv) Based on the audit procedures conducted by us and according to the information and explanations given to us, in our opinion, the Company has not given any loans or securities to any of its Directors or to any other persons in whom the Director is interested under Section 185. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantees provided to the parties covered under Section 186.

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of the Act.
- (vi) The maintenance of cost records is not applicable to the Company pursuant to the provisions of Section 148(1) of the Act.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods and services tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us and from the records of the Company, there were no undisputed statutory dues as at the last day of the financial year which were outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and from the examination of books of account and records of the Company, there are no dues in respect of Income tax, Sales tax, Service tax, Custom duty, Excise duty, Value added tax, Goods and Service Tax or Cess which have not been deposited on account of any dispute, except for following cases:

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax and Interest	Rs. 2.12 Mn	A.Y. 2011-12	High Court, Madras
Income Tax Act, 1961	Income tax and Interest	Rs. 1.49 Mn	A.Y. 2016-17	Commissioner of Income Tax (Appeal)



- (viii) The Company has not availed any loan from any financial institution, bank, government or debenture holders. As such, the reporting under this paragraph regarding default of the Company in repayment of dues to financial institution, bank, government or debenture holders is not required.
- (ix) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) As per the information and explanations given to us, we report that, the managerial remuneration has been paid and provided in accordance with Section 197 of the Act and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company.
- (xii) According to the explanations given to us, the Company is not a Nidhi Company within the meaning of Section 406 of the Act.
- (xiii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given to us, we report that the transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details as required by the applicable Indian Accounting standards have been disclosed in the Financial Statements.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given to us, we report that the Company has not entered into any non-cash transactions of the nature as described in Section 192 (1) of the Act.
- (xvi) Based upon the audit procedures performed by us and as per the information and explanations given to us, we report that the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For G. D. Apte & Co.  
Chartered Accountants  
Firm Registration Number: 100515W  
UDIN : 20017532AAAAAC4321

C. M. Dixit  
Partner  
Membership Number: 017532  
Pune, June 11, 2020

**Annexure-Preferred to in paragraph 8(2)(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date on the Internal Financial Controls Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

**The Members of TAKE Solutions Limited**

We have audited the internal financial controls over financial reporting of TAKE Solutions Limited ("the Company") as of March 31, 2020 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 Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their

operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For G. D. Apte & Co.  
Chartered Accountants  
Firm registration number: 100515W  
UDIN : 20017532AAAAAC4321

C. M. Dixit  
Partner  
Membership Number: 017532  
Pune, June 11, 2020

## TAKE Solutions Limited

### Balance Sheet as at March 31, 2020

Particulars		Note	As at March 31, 2020	As at March 31, 2019
₹ Mn				
<b>I.</b>	<b>ASSETS</b>			
1.	<b>Non-current assets</b>			
	(a) Property, plant and equipment	2.01(a)	23.22	30.54
	(b) Right of use assets	2.01(b)	36.51	-
	(c) Other intangible assets	2.01(c)	-	0.17
	(d) Investment in Subsidiaries	2.02	5,173.19	5,117.15
	(e) Financial assets			
	(i) Loans	2.03	59.53	65.80
	(f) Deferred tax asset (Net)	2.04	21.24	15.79
	(g) Income tax assets (Net)		81.44	80.81
	<b>Total non-current assets</b>		<b>5,395.13</b>	<b>5,310.26</b>
2.	<b>Current assets</b>			
	(a) Inventories	2.05	0.25	0.32
	(b) Financial assets			
	(i) Trade receivables	2.06	124.68	64.31
	(ii) Cash and cash equivalents	2.07	7.44	21.22
	(iii) Bank Balances other than (ii) above	2.08	2.94	228.11
	(iv) Loans	2.09	1,289.35	1,149.50
	(v) Other financial assets	2.10	1,057.29	942.68
	(c) Other current assets	2.11	57.93	26.22
	<b>Total current assets</b>		<b>2,539.86</b>	<b>2,432.36</b>
	<b>TOTAL ASSETS</b>		<b>7,934.99</b>	<b>7,742.62</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
1.	<b>Equity</b>			
	(a) Equity share capital	2.12	147.93	147.93
	(b) Other equity	2.13	7,682.36	7,476.59
	<b>Total equity</b>		<b>7,830.29</b>	<b>7,624.52</b>
2.	<b>Liabilities</b>			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities		32.02	-
	(ii) Other financial liabilities	2.14	21.67	6.55
	(b) Provisions	2.15	7.52	7.73
	<b>Total non-current liabilities</b>		<b>61.20</b>	<b>14.28</b>
3.	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Trade payables	2.16	9.49	4.05
	(ii) Lease liabilities		6.45	-
	(iii) Other financial liabilities	2.17	25.65	97.79
	(b) Other current liabilities	2.18	1.45	1.34
	(c) Provisions	2.19	0.47	0.64
	<b>Total current liabilities</b>		<b>43.51</b>	<b>103.82</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,934.99</b>	<b>7,742.62</b>

Notes form an integral part of the Financial Statements

As per our report attached

For and on behalf of the Board of Directors

For G.D.Apte & Co.

Chartered Accountants

Firm Registration Number: 100515W

Srinivasan H.R.  
Managing Director  
DIN: 00130277

Ram Yeleswarapu  
Chief Executive Officer  
DIN: 02363491

D.V.Ravi  
Director  
DIN: 00171603

C.M. Dixit

Partner

Membership Number: 017532

Pune, June 11, 2020

Subhasri Sriram  
Chief Financial Officer  
& Executive Director

Avaneesh Singh  
Company Secretary  
Membership Number: F7338

Place: Chennai  
Date : June 11, 2020

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

Particulars		Note	March 31, 2020	March 31, 2019
₹ Mn, except per share data				
<b>I.</b>	<b>Revenue from operations</b>	2.20	24.66	219.59
<b>II.</b>	<b>Other income</b>	2.21	446.46	343.49
<b>III.</b>	<b>Total income</b>		<b>471.12</b>	<b>563.08</b>
<b>IV.</b>	<b>Expenses</b>			
	Cost of revenue	2.22	17.85	181.56
	Employee benefits expenses	2.23	63.23	68.22
	Finance costs	2.24	4.25	-
	Depreciation and Amortisation	2.25	17.42	8.02
	Other expenses	2.26	113.31	110.19
	Total expenses		<b>216.06</b>	<b>367.99</b>
<b>V.</b>	<b>Profit before tax</b>		<b>255.06</b>	<b>195.09</b>
<b>VI.</b>	<b>Tax expense</b>			
	(i) Current tax		19.77	23.02
	(ii) Deferred tax		(5.43)	(1.88)
	(iii) Short/(Excess) Provision for earlier years		(8.66)	-
<b>VII.</b>	<b>Profit for the year</b>		<b>249.38</b>	<b>173.95</b>
<b>VIII.</b>	<b>Other Comprehensive Income/(Loss)</b>			
	(a) Items that will not be reclassified to profit or loss		(0.13)	(0.43)
	(b) Income tax provision/(reversal) relating to items that will not be reclassified to profit or loss		(0.03)	(0.12)
	(c) Items that will be reclassified to profit or loss		-	-
	(d) Income tax provision/ (reversal) relating to items that will be reclassified to profit or loss		-	-
	<b>Total Other Comprehensive Income for the year</b>		<b>(0.10)</b>	<b>(0.31)</b>
	<b>Total Comprehensive Income for the year</b>		<b>249.28</b>	<b>173.64</b>
<b>IX.</b>	<b>Earnings per equity share</b>			
	Equity Shares of par value ₹ 1/- each			
	Basic	3	1.69	1.18
	Diluted	3	1.68	1.17

**Notes form an integral part of the Financial Statements**

As per our report attached

For and on behalf of the Board of Directors

For **G.D.Apte & Co.****Chartered Accountants**

Firm Registration Number: 100515W

**Srinivasan H.R.**  
**Managing Director**  
DIN: 00130277

**Ram Yeleswarapu**  
**Chief Executive Officer**  
DIN: 02363491

**D.V.Ravi**  
**Director**  
DIN: 00171603

**C.M. Dixit**  
**Partner**  
Membership Number: 017532  
Pune, June 11, 2020

**Subhasri Sriram**  
**Chief Financial Officer**  
**& Executive Director**

**Avaneesh Singh**  
**Company Secretary**  
Membership Number: F7338

Place: Chennai  
Date : June 11, 2020

TAKE Solutions Limited

Statement of Cash Flows for the year ended March 31, 2020

Particulars	March 31, 2020	March 31, 2019
	₹ Mn	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT/ (LOSS) BEFORE TAX	255.06	195.09
<b>Adjustments for</b>		
Depreciation	17.42	8.02
Interest expenses	4.25	-
Dividend income	(4.90)	(14.79)
Interest income	(91.61)	(141.11)
Unwinding of liability for financial guarantee contracts	(20.05)	(13.52)
Provision for gratuity, compensated absences & other benefits	(0.03)	1.80
Employee stock option expense	11.55	20.39
Bad debts and provision for expected credit losses	3.17	4.52
Foreign exchange adjustments - loss/(gain)	(43.79)	(25.68)
Gain/(Loss) on Fair Valuation and Redemption of Mutual Funds	-	(14.78)
<b>Operating Profit before working Capital Changes</b>	<b>131.07</b>	<b>19.94</b>
(Increase)/Decrease in loans & advances and other assets	(195.78)	70.29
Increase/ (Decrease) in liabilities and provisions	(72.62)	49.70
<b>Cash flow from/ (used in) Operations</b>	<b>(137.32)</b>	<b>139.93</b>
Direct taxes paid	(11.74)	(10.81)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>(149.06)</b>	<b>129.12</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	-	(0.12)
Sale/(Purchase) of investments	-	(939.10)
Dividend income	4.90	14.79
Interest income	121.15	141.11
Loans to related parties	(133.36)	(345.72)
Reduction/ (Increase) of bank deposits	225.18	10.00
<b>NET CASH FROM /(USED IN) INVESTING ACTIVITIES</b>	<b>217.87</b>	<b>(1,119.04)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid on equity share including dividend distribution tax	(71.01)	(284.52)
Payment of Lease Liability	(11.57)	-
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>(82.60)</b>	<b>(284.52)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash equivalents</b>	<b>(13.78)</b>	<b>(1,274.44)</b>
Add: Cash and Cash equivalents as at the beginning of the year	21.22	1,295.66
<b>Cash &amp; Cash equivalents as at the end of the year - Note No. 2.07</b>	<b>7.44</b>	<b>21.22</b>

Notes form an integral part of the Financial Statements

As per our report attached

For and on behalf of the Board of Directors

For G.D.Apte & Co.

Chartered Accountants

Firm Registration Number: 100515W

Srinivasan H.R.

Managing Director

DIN: 00130277

Ram Yeleswarapu

Chief Executive Officer

DIN: 02363491

D.V.Ravi

Director

DIN: 00171603

C.M. Dixit

Partner

Membership Number: 017532

Pune, June 11, 2020

Subhasri Sriram

Chief Financial Officer

& Executive Director

Avaneesh Singh

Company Secretary

Membership Number: F7338

Place: Chennai

Date : June 11, 2020

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

## (a) Equity Share Capital

Particulars	No. of Shares	₹ Mn
At April 01, 2018	147,934,000	147.93
Changes in Equity share capital	-	-
At March 31, 2019	147,934,000	147.93
Changes in Equity share capital	-	-
At March 31, 2020	147,934,000	147.93

## (b) Other Equity

Particulars	Reserves and Surplus							Total Equity attributable to Equity Holders
	Capital Reserve	General Reserve	Stock Option Outstanding Account	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	Other items of Other Comprehensive Income	
	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn
<b>Balance as at April 01, 2018</b>	<b>36.25</b>	<b>154.63</b>	<b>75.56</b>	<b>6,360.52</b>	<b>49.11</b>	<b>869.35</b>	<b>2.02</b>	<b>7,547.44</b>
Profit / (Loss) for the year	-	-	-	-	-	172.95	-	172.95
Transfer to Securities Premium Reserve on exercise of stock options	-	-	(22.67)	22.67	-	-	-	-
Transfer to General Reserve on exercise of stock options (excess of allotment price to ESOP Trust over exercise price)	-	0.58	-	(0.58)	-	-	-	-
Employee cost (including cost of subsidiaries adjusted to deemed investments)	-	-	40.56	-	-	-	-	40.56
Interim dividend	-	-	-	-	-	(88.76)	-	(88.76)
Final Dividend	-	-	-	-	-	(147.93)	-	(147.93)
Tax on Dividend	-	-	-	-	-	(48.36)	-	(48.36)
Items that will not be reclassified to Profit or Loss	-	-	-	-	-	-	(0.43)	(0.43)
Income tax on above	-	-	-	-	-	-	0.12	0.12
<b>Balance as at March 31, 2019</b>	<b>36.25</b>	<b>155.21</b>	<b>93.45</b>	<b>6,382.61</b>	<b>49.11</b>	<b>758.25</b>	<b>1.71</b>	<b>7476.59</b>
<b>Balance as at April 01, 2019</b>	<b>36.25</b>	<b>155.21</b>	<b>93.45</b>	<b>6,382.61</b>	<b>49.11</b>	<b>758.25</b>	<b>1.71</b>	<b>7476.59</b>
Profit / (Loss) for the year	-	-	-	-	-	249.38	-	249.38



**(b) Other Equity**

Particulars	Reserves and Surplus							Total Equity attributable to Equity Holders ₹ Mn
	Capital Reserve	General Reserve	Stock Option Outstanding Account	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	Other items of Other Comprehensive Income	
	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn	
Transfer to Securities Premium Reserve on exercise of stock options	-	-	(8.80)	8.80	-	-	-	-
Transfer to General Reserve on exercise of stock options (excess of allotment price to ESOP Trust over exercise price)	-	0.18	-	(0.18)	-	-	-	-
Employee cost (including cost of subsidiaries adjusted to deemed investments)	-	-	31.28	-	-	-	-	31.28
Adjustment on account of lapse of stock options (pertaining to subsidiaries adjusted to deemed investments)	-	-	(3.97)	-	-	-	-	(3.97)
Interim dividend	-	-	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	(59.17)	-	(59.17)
Tax on Dividend	-	-	-	-	-	(11.65)	-	(11.65)
Items that will not be reclassified to Profit or Loss	-	-	-	-	-	-	(0.13)	(0.13)
Income tax on above	-	-	-	-	-	-	0.03	0.03
<b>Balance as at March 31, 2020</b>	<b>36.25</b>	<b>155.39</b>	<b>111.96</b>	<b>6,391.23</b>	<b>49.11</b>	<b>936.81</b>	<b>1.61</b>	<b>7,682.36</b>

**Notes form an integral part of the Financial Statements**

As per our report attached

For and on behalf of the Board of Directors

For G.D.Apte &amp; Co.

Chartered Accountants

Firm Registration Number: 100515W

Srinivasan H.R.

Managing Director

DIN: 00130277

Ram Yeleswarapu

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Chief Financial Officer

&amp; Executive Director

Avaneesh Singh

Company Secretary

Membership Number: F7338

C.M. Dixit

Partner

Membership Number: 017532

Pune, June 11, 2020

Place: Chennai

Date : June 11, 2020

### Company Overview

TAKE Solutions Limited (referred to as 'TAKE' or 'the Company') delivers domain-intensive services and solutions in Life Sciences, Software and Information Technology.

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

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

With operations spread across North America, Europe, Asia, and South America, TAKE is a Public Company, listed in India on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

As of March 31, 2020, TAKE Solutions Pte Ltd owned 52.90% of the Company's equity share capital and has the ability to control its operating and financial policies.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on June 11, 2020.

### Significant Accounting Policies

#### 1.1 Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the Rules").

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

The financial statements are presented in Indian Rupees and all values are rounded to the nearest Millions (₹1,000,000) up to two decimals, except when otherwise indicated.

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

#### 1.2 Use of Estimates

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

**Recent Accounting Development:**

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

**1.3 Critical Accounting Estimates**

**1.3.1 Revenue Recognition**

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

**1.3.2 Property, Plant and Equipment**

Property, plant and equipment represents a significant proportion of the assets base of the Company. The charges in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the Company's assets are determined by the Management at the time the assets are acquired and are reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**1.3.3 Impairment of goodwill**

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

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

**1.3.4 Allowance for trade receivables and other financial assets**

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

**1.3.5 Share-based payments**

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

**1.3.6 Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual

developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate.

In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The estimates of future salary increases take into account the inflation, seniority, promotion and other relevant factors.

### **1.3.7 Fair value measurement of financial instruments**

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

### **1.3.8 Assets Held for Sale**

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

## **1.4 Revenue Recognition**

### **Software development and related services**

The Company derives revenues primarily from software development and related services and from the licensing of software products. Arrangements with customers for software related services are either on a fixed price, fixed-timeframe or on a time-and-material basis.

Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for software-related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from Contracts with Customers, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to establish objective and reliable evidence of fair value for the software development and related services, the Company has used a residual method to allocate the arrangements consideration, after allocating the fair values of undelivered components of a transaction, has been allocated to the delivered components for which specific fair values do not exist.

#### **Sale of Hardware**

Revenue from sale of hardware and incidental peripherals goods is recognised in the statement of profit and loss when the transfer of control of promised products have been transferred to the buyer as per the terms of the respective sales order. Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances and discounts. The transaction price usually represents the fair value unless otherwise disclosed in the financial statements.

#### **Operation and maintenance income**

Revenues from operation and maintenance contracts are recognised when performance obligations are satisfied over the period of the contract.

#### **Interest income**

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

#### **Dividend income**

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

#### **Share of Profit from Navitas LLP (a subsidiary entity)**

The share of profit in partnership firm is recognized as income as and when the right to receive the profit share is established as per the contracted terms and conditions.

#### **Principal versus Agent Considerations in Revenue from Operations:**

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

### **1.5 Property, Plant and Equipment and Depreciation**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows;

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

Asset	Life (in years)
Computers and Purchased Software	3-6
Furniture, Fixtures and Office Equipments	4-10
Leasehold improvements	Period of Lease
Buildings	60
Trade Marks	5-7
Plant and Machinery	5-10
Vehicles	4-10

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

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

Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

### 1.6 Business Combinations

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

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

Business combinations between entities under common control are accounted for at carrying value.

Transaction costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are not considered as part of the cost of acquisition.

### 1.7 Intangible Assets and amortisation

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

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

## **1.8 Leases**

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

### **Company as a lessee**

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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



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

#### **Company as a lessor**

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

#### **1.9 Borrowing costs**

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

#### **1.10 Inventories**

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

#### **1.11 Provisions**

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

#### **1.12 Financial Instruments**

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

##### **1.12.2 Subsequent Measurement**

i) Non-Derivative Financial Instruments

a) **Financial Assets Carried at Amortized Cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the

financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

**d) Financial Liabilities**

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

ii) Derivative Financial Instruments

**a) Initial Recognition and Subsequent Measurement**

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

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

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

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

At present no hedging instrument is used by the Company.

**1.12.3 Derecognition of Financial Instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for Derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### **1.12.4 Fair Value of Financial Instruments**

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

Refer to Note No. 11(b) in for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short term maturity of these instruments.

#### **1.12.5 Financial Guarantee Contracts:**

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

### **1.13 Impairment**

#### **a) Financial Assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to the lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit or Loss.

#### **b) Non-Financial Assets**

##### **i) Intangible Assets and Property, Plant and Equipment**

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

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the assets. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net if any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### **1.14 Foreign Currency Transactions and Translations**

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

the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

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

#### **1.15 Earnings Per Equity Share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued on conversion of all dilutive potential equity shares are adjusted for the proceeds receivables had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

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

#### **1.16 Income Taxes**

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

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to extent that it is probable future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **1.17 Cash and Cash Equivalents:**

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

#### **1.18 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed

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

The company does not recognise a contingent liability but discloses it in the financial statements unless the possibility of an outflow of resources embodying economic benefit is remote.

## **1.19 Employee Benefits**

### **1.19.1 Gratuity**

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of TAKE Solutions Limited. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through remeasurements of the net defined liability/ (assets) are recognized in the other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation, is recognized in other comprehensive income. The effect of any plan amendment is recognized in net profits in the Statement of Profit and Loss.

### **1.19.2 Provident Fund**

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

### **1.19.3 Compensated Absences**

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on the actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the statement of profit and loss.

### **1.19.4 Share-Based Payments**

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

In respect of options issued to group entities, Company has treated the charge pertaining to the respective entities where the grantee is providing services, to Deemed Equity Investments.

**1.19.5 Short term Employee Benefits:**

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

**1.20 Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transaction of a Non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Cash flow from operating, investing and financing activities of the company are segregated.

**1.21 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 a liability on the date of declaration by the Company's Board of Directors.

**1.22 Other Income**

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

**1.23 Segment Reporting:**

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

The company on a standalone basis operates in the business segment of promotion of services related to Life Sciences and hence there is only one business segment. The company on a standalone basis is primarily operating in India, which is considered as single geographical segment. Accordingly, segment information has not been separately disclosed.

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

### Non-Current Assets

#### 2.01 (a) Property, plant and equipment

Particulars	Office Equipments	Furniture and Fixtures	Computers	Total
	₹ Mn			
<b>Gross Carrying Value</b>				
Balance as at April 01, 2018	21.23	30.12	1.33	52.68
Additions	-	-	0.12	0.12
Deductions/ disposals	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>21.23</b>	<b>30.12</b>	<b>1.45</b>	<b>52.80</b>
<b>Balance as at April 01, 2019</b>	<b>21.23</b>	<b>30.12</b>	<b>1.45</b>	<b>52.80</b>
Additions	-	-	-	-
Deductions/ disposals	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>21.23</b>	<b>30.12</b>	<b>1.45</b>	<b>52.80</b>
<b>Accumulated Depreciation</b>				
<b>Balance as at April 01, 2018</b>	<b>8.23</b>	<b>6.06</b>	<b>0.57</b>	<b>14.86</b>
Depreciation charge for the year	4.10	2.94	0.36	7.40
Deductions/ disposals	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>12.33</b>	<b>9.00</b>	<b>0.93</b>	<b>22.26</b>
<b>Balance as at April 01, 2019</b>	<b>12.33</b>	<b>9.00</b>	<b>0.93</b>	<b>22.26</b>
Depreciation charge for the year	4.10	2.94	0.28	7.32
Deductions/ disposals	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>16.43</b>	<b>11.94</b>	<b>1.21</b>	<b>29.58</b>
<b>Net Carrying Value</b>				
<b>Balance as at March 31, 2019</b>	<b>8.90</b>	<b>21.12</b>	<b>0.52</b>	<b>30.54</b>
<b>Balance as at March 31, 2020</b>	<b>4.80</b>	<b>18.18</b>	<b>0.24</b>	<b>23.22</b>



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

### 2.01 (b) Right of Use Assets

Particulars	Amount
<b>Building</b>	₹ Mn
<b>Carrying Value</b>	
<b>Balance as at April 01, 2019</b>	-
Recognised on transition as on 01.04.2019 of IND As 116 - Leases	46.44
Addition	-
Deductions due to termination of Lease agreement	-
<b>Balance as at March 31, 2020</b>	<b>46.44</b>
<b>Balance as at April 01, 2019</b>	-
Amortisation charge for the year	9.93
Deductions due to termination of Lease agreement	-
<b>Balance as at March 31, 2020</b>	<b>9.93</b>
<b>Net Carrying Value</b>	
<b>Balance as at March 31, 2019</b>	-
<b>Balance as at March 31, 2020</b>	<b>36.51</b>

### 2.01 (c) Other intangible assets

Particulars	Amount
	₹ Mn
<b>Computer Softwares</b>	
<b>Carrying Value</b>	
<b>Balance as at April 01, 2018</b>	1.86
Additions	-
Deductions/ disposals	-
<b>Balance as at March 31, 2019</b>	<b>1.86</b>
<b>Balance as at April 01, 2019</b>	1.86
Additions	-
Deductions/ disposals	-
<b>Balance as at March 31, 2020</b>	<b>1.86</b>
<b>Accumulated depreciation / amortisation</b>	
<b>Balance as at April 01, 2018</b>	1.07
Depreciation charge for the year	0.62
Deductions/ disposals	-
<b>Balance as at March 31, 2019</b>	<b>1.69</b>

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

### 2.01 (c) Other intangible assets

Particulars	Amount
	₹ Mn
Depreciation charge for the year	0.17
Deductions/ disposals	-
<b>Balance as at March 31, 2020</b>	<b>1.86</b>
<b>Net Carrying Value</b>	
Balance as at March 31, 2019	0.17
Balance as at March 31, 2020	-

### 2.02 Investments

Investments consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
<b>Investment in equity instruments of subsidiaries</b>		
<b>(a) Investments in Equity shares (Trade, Unquoted) - (at cost)</b>		
<b>APA Engineering Private Limited, India</b>	34.92	34.92
No of Shares: 30,128 (30,128 as at March 31, 2019)		
<b>TAKE Solutions Global Holdings Pte Ltd, Singapore</b>	3,803.22	3,803.22
No of Shares: 58,651,050 (58,651,050 as at March 31, 2019)		
<b>Ecron Acunova Limited, India</b>	811.94	811.94
No of Shares: 17,795,305 (17,795,305 as at March 31, 2019)		
	<b>4,650.08</b>	<b>4,650.08</b>
<b>(b) Investments in 0.0001% convertible cumulative Preference Shares -(Trade, Unquoted) - (at cost)</b>		
<b>Ecron Acunova Limited, India</b>		
(No of Shares: 84,515 (84,515 as at March 31, 2019))	338.06	338.06
	<b>338.06</b>	<b>338.06</b>
<b>(c) Investment in Limited Liability Partnership - (at cost)</b>		
Navitas LLP, India	10.00	10.00
	<b>10.00</b>	<b>10.00</b>
<b>(d) Deemed Investments</b>		
Deemed Investments - Corporate Guarantee	87.69	47.42
Deemed Investments - Grant of ESOP to Subsidiaries	87.35	71.59
	<b>175.04</b>	<b>119.01</b>
<b>Total</b>	<b>5,173.18</b>	<b>5,117.15</b>

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

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	₹ Mn	
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	5,173.18	5,117.15
Aggregate amount of impairment in value of investments	-	-

### 2.03 Loans

Loans consist of the following:

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	₹ Mn	
Unsecured, considered good		
Security deposits	8.11	7.89
Loans to Related Parties	51.42	57.91
<b>Total</b>	<b>59.53</b>	<b>65.80</b>

### 2.04 Deferred Tax Assets/ (Liabilities) net

Deferred tax assets/ (liabilities) net consists

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	₹ Mn	
<b>Deferred Tax Assets</b>		
Property, plant & equipment	2.87	2.47
Provision for Employee Benefits	2.11	2.33
Initial/subsequent measurement of financial instruments at fair value	15.63	10.99
Ind AS 116 - Lease liability and Right to use of Assets	0.63	-
<b>Total</b>	<b>21.24</b>	<b>15.79</b>

### Current Assets

#### 2.05 Inventories

Inventories consist of the following:

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	₹ Mn	
Stock-in-trade*	0.25	0.32
<b>Total</b>	<b>0.25</b>	<b>0.32</b>

\*Valued at lower of cost and net realisable value

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

### Financial Assets

#### 2.06 Trade Receivables

Trade receivables consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
<b>Trade Receivable</b>		
Unsecured, considered good	124.68	64.31
Unsecured, considered doubtful	0.05	0.12
Less: Provision for expected credit loss	(0.05)	(0.12)
<b>Total</b>	<b>124.68</b>	<b>64.31</b>

In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is ranging between 0.5% and 12% and is based on the aging of the receivables.

#### The age of receivables is given below:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
<b>Ageing of Trade Receivables</b>		
Trade receivables less than 180 days	99.37	64.18
Trade receivables more than 180 days	25.36	0.25
<b>Total</b>	<b>124.73</b>	<b>64.43</b>

#### 2.07 Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Balances with banks		
On current accounts	7.25	10.99
Deposits having original maturity less than 3 months	-	10.00
Cash on hand	0.19	0.23
<b>Total</b>	<b>7.44</b>	<b>21.22</b>

#### 2.08 Bank Balances other than (ii) above

Other bank balances consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Earmarked balances - unclaimed dividend accounts	2.94	3.11
Deposits against bank guarantee	-	225.00
<b>Total</b>	<b>2.94</b>	<b>228.11</b>

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

### 2.09 Loan

Loans consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Unsecured, considered good Loans to related parties	1,289.35	1,149.50
<b>Total</b>	<b>1,289.35</b>	<b>1,149.50</b>

### 2.10 Other Financial Assets

Other financial assets consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
<b>Unsecured, considered good</b>		
Interest receivables	-	29.55
Unbilled receivables	6.19	-
Share of profit receivable- Navitas LLP	992.09	858.30
Others	59.01	54.83
<b>Unsecured, considered doubtful</b>		
Share of profit receivable- Navitas LLP	32.53	29.29
Less: Provision for expected credit loss *	(32.53)	(29.29)
<b>Total</b>	<b>1,057.29</b>	<b>942.68</b>

\* In determining the allowances for credit loss in case of share of profit receivable, the Company has computed the expected credit loss allowance taking into account historical credit loss experience, time value of money and forward looking information. The expected credit loss allowance is ranging between 6% and 18% p.a. which is based on the receivables that are overdue as per the contracted terms and conditions.

### 2.11 Other Current Assets

Other current assets consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
<b>Unsecured, considered good</b>		
Advance given to employees for expenses	2.23	1.67
Advance for services	1.68	0.29
Other taxes receivables	52.16	22.32
Prepaid expenses	1.86	1.94
<b>Total</b>	<b>57.93</b>	<b>26.22</b>

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

### Equity

#### 2.12 Share Capital

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

S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
		₹ Mn	
(a)	<b>Authorised Share Capital</b>		
	350,000,000 (350,000,000 as at March 31, 2019) Equity Shares of ₹ 1/- each	350.00	350.00
	15,000,000 (15,000,000 as at March 31, 2019) Preference Shares of ₹ 10/- each	150.00	150.00
		500.00	500.00
(b)	<b>Issued, Subscribed and Paid up Share Capital</b>		
	147,934,000 (147,934,000 as at March 31, 2019) Equity Shares of ₹ 1/- each	147.93	147.93
	<b>Total</b>	<b>147.93</b>	<b>147.93</b>

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

Equity Shares	March 31, 2020		March 31, 2019	
	No of shares	₹ Mn	No of shares	₹ Mn
At the beginning of the year	14,79,34,000	147.93	14,79,34,000	147.93
Add: Change during the year	-	-	-	-
Outstanding at the end of the year	14,79,34,000	147.93	14,79,34,000	147.93

##### (c) The Company has only one class of shares referred to as equity shares having face value of ₹ 1/- each. Each holder of the equity shares is entitled to one vote per share.

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

Dividend paid during current year is Nil and in the previous year the Board of Directors at its meeting held on October 30, 2018, declared an interim dividend of 30% (₹ 0.30/- per equity share of par value ₹ 1/- each) for the quarter ended September 30, 2018. At its meeting held on February 13, 2019, the Board of Directors declared a second interim dividend of 30% (₹ 0.30/- per equity share of par value ₹ 1/- each) for the quarter ended December 31, 2018. Further, the Board of Directors at its meeting held on May 16, 2019, has recommended a final dividend of 40% (₹ 0.40/- per equity share of par value of ₹ 1/- each).

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

Particulars	March 31, 2020		March 31, 2019	
	No of shares	% holding	No of shares	% holding
TAKE Solutions Pte. Ltd, Singapore	7,82,53,450	52.90%	8,55,53,450	57.83%
Investor Ventures Ltd	77,47,194	5.24%	4,47,194	0.30%

Note :- TAKE Solutions Pte. Ltd, Singapore has sold 73,00,000 shares (4.93%) equity shares to Investor Ventures Ltd a promoter group company on February 24, 2020.

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

**(f) Employee Stock Options**

The Company measures the compensation expenses relating to employee stock options using the fair value method. The fair value is treated as employee compensation expenses and charged to Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

Pursuant to Clause 5(3) of SEBI (Share Based Employee Benefits) Regulations, 2014 and para 10 of Employees Stock Option Scheme – 2007 of the Company, Remuneration and Compensation Committee is authorised to make a fair and reasonable adjustment to the number of options and to the exercise price in respect of options granted to the employees under the plan in the case of Corporate actions such as right issue, bonus issue, merger, etc.

On December 10, 2007, the Company established Employees Stock Option Scheme – 2007 (ESOS -2007 or Scheme). Under the Scheme, the Company is authorised to issue up to 2,400,000 (originally 240,000) equity settled options of ₹ 1/- each (originally ₹ 10/- each) to employees (including employees of the subsidiaries). Remuneration and Compensation Committee has been constituted by the Board of Directors of the Company to administer the Scheme.

Other particulars of Employee Stock Options Scheme 2007 as at March 31, 2020 are given below:

Particulars	Series III	Series IV	Series V	Series VI
Grant Price - ₹	73.00	73.00	73.00	73.00
Grant Date	August 07,2015	March 24, 2016	May 17, 2018	August 08, 2019
Vesting commences on	August 06,2016	March 23, 2017	May 16, 2019	August 07, 2020
Vesting Schedule	30% of grant on August 06, 2016, subsequent 30% of grant on August 06, 2017 and balance 40% of grant on August 06, 2018	30% of grant on March 23, 2017, subsequent 30% of grant on March 23, 2018 and balance 40% of grant on March 23, 2019	30% of grant on May 16, 2019, subsequent 30% of grant on May 16, 2020 and balance 40% of grant on May 16, 2021	30% of grant on August 08, 2020, subsequent 30% of grant on August 08, 2021 and balance 40% of grant on August 08, 2022.
Option Granted and outstanding at the beginning of the year	5,47,473	1,00,000	4,65,000	NIL
Option granted during the year	NIL	NIL	NIL	4,25,000
Option lapsed and /or withdrawn during the year	15,043	NIL	25,000	NIL



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

Particulars	Series III	Series IV	Series V	Series VI
Option exercised during the year against which shares were allotted	61,707	15,000	12,000	NIL
Option granted and outstanding at the end of the year of which				
- Option vested	4,70,723	85,000	1,20,000	NIL
- Option yet to vest	NIL	NIL	3,08,000	425,000

Particulars of Employee Stock Options Scheme 2007 as at March 31, 2019 are given below:

Particulars	Series III	Series IV	Series V
Grant Price - ₹	73.00	73.00	73.00
Grant Date	August 07, 2015	March 24, 2016	May 17, 2018
Vesting commences on	August 06, 2016	March 23, 2017	May 16, 2019
Vesting Schedule	30% of grant on August 06, 2016, subsequent 30% of grant on August 06, 2017 and balance 40% of grant on August 06, 2018	30% of grant on March 23, 2017, subsequent 30% of grant on March 23, 2018 and balance 40% of grant on March 23, 2019	30% of grant on May 16, 2019, subsequent 30% of grant on May 16, 2020 and balance 40% of grant on May 16, 2021
Option Granted and outstanding at the beginning of the year	8,00,009	1,00,000	Nil
Option granted during the year	Nil	Nil	4,65,000
Option lapsed and /or withdrawn during the year	Nil	Nil	Nil
Option exercised during the year against which shares were allotted	2,52,536	Nil	Nil
Option granted and outstanding at the end of the year of which			
- Option vested	5,47,473	1,00,000	Nil
- Option yet to vest	Nil	Nil	4,65,000

### 2.13 Other Equity

Other equity consists of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Capital reserve	36.25	36.25
Capital redemption reserve	49.11	49.11
General reserve	155.39	155.21
Security premium reserve	6,391.23	6,382.61
Share options outstanding account	111.96	93.45
Other items of other comprehensive income	1.63	1.71
Retained earnings	936.79	758.25
<b>Total</b>	<b>7,682.36</b>	<b>7,476.59</b>

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

### Nature of Reserves

#### (a) Capital Reserve

The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.

#### (b) Capital Redemption Reserve

Capital redemption reserve represents amounts set aside by the Company for future redemption of capital.

#### (c) Capital Reserve on Consolidation

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

#### (d) General Reserve

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

#### (e) Securities Premium Reserve

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Companies Act.

#### (f) Share Options Outstanding Account

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

#### (g) Other Items of Other Comprehensive Income

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

#### (h) Retained Earnings

Retained earnings comprise of the company's undistributed earnings after taxes.

### Financial Liabilities

#### 2.14 Other financial liabilities

Other financial liabilities consist of the following

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	₹ Mn	
Financial guarantee contracts	21.67	6.55
<b>Total</b>	<b>21.67</b>	<b>6.55</b>

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

### 2.15 Provisions

Provisions consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Provision for employee benefits		
Gratuity	4.95	3.92
Compensated absences	2.57	3.81
<b>Total</b>	<b>7.52</b>	<b>7.73</b>

### Current Liabilities

#### Financial Liabilities

### 2.16 Trade Payables

Trade Payables consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Trade payables	9.49	4.05
<b>Total</b>	<b>9.49</b>	<b>4.05</b>

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

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

### 2.17 Other Financial Liabilities

Other financial liabilities consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Accrued Expenses	7.40	89.59
Employee benefits payables	0.77	0.47
Financial guarantee contracts	7.89	2.78
Other payables	6.65	1.84
Investor education and protection fund shall be credited by the following amounts (as and when due)		
-Unclaimed dividends *	2.94	3.11
<b>Total</b>	<b>25.65</b>	<b>97.79</b>

\* During the year the Company has transferred ₹ 0.27 Mn (₹ 0.30 Mn) to Investor Education and Protection Fund. The transfer of ₹ 0.10 Mn could not be made due to technical difficulties in electronic filing of the requisite forms.

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

### 2.18 Other Current Liabilities

Other current liabilities consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Advance received from customers	-	0.08
Deferred revenue	-	0.11
Statutory payables	1.45	1.15
<b>Total</b>	<b>1.45</b>	<b>1.34</b>

### 2.19 Provisions

Provisions consist of the following:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Provision for employee benefits		
Gratuity	0.27	0.33
Compensated absences	0.20	0.31
<b>Total</b>	<b>0.47</b>	<b>0.64</b>

### 2.20 Revenue from Operations

Revenue from operations consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹ Mn	
Income from software services and products	2.85	209.86
Income from sale of IT infrastructure and support services	18.64	9.73
Other Operating Revenue	3.17	-
<b>Total</b>	<b>24.66</b>	<b>219.59</b>

### 2.21 Other Income

Other income consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹ Mn	
<b>(a) Interest</b>		
On bank deposits	6.43	22.68
On Income tax refund	-	5.73
On Loans to Related Parties	84.48	106.84
On other financial assets	0.69	11.59
<b>(b) Dividend</b>		
Dividend from equity investments	4.90	3.69
Dividend from mutual fund investments	-	11.10

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹ Mn	
<b>(c) Other non-operating Income</b>		
Unwinding of liability for financial guarantee contracts	20.05	13.52
Share of Profit from Navitas LLP	161.93	127.73
Management fees from Related Parties	124.19	-
Others	-	0.15
<b>(d) Other Gain and Losses</b>		
Gain/(Loss) on Foreign Currency Transactions/Translations	43.79	25.68
Gain/(Loss) on Fair Valuation of Mutual Funds	-	6.38
Gain/(Loss) on Redemption of Mutual Funds	-	8.40
<b>Total</b>	<b>446.46</b>	<b>343.49</b>

### 2.22 Cost of Revenue

Cost of revenue consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹ Mn	
Software consultancy and services cost	0.08	172.82
Cost of IT Infrastructure & support services	17.77	8.74
<b>Total</b>	<b>17.85</b>	<b>181.56</b>

### 2.23 Employee Benefit Expenses

Employee benefit expenses consist of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹ Mn	
Salaries and allowances	47.61	40.04
Contributions to provident fund and other funds	2.28	2.04
Gratuity and other retirement benefits	(0.03)	1.80
Expense on employee stock option scheme	11.55	20.39
Staff welfare expenses	1.82	3.95
<b>Total</b>	<b>63.23</b>	<b>68.22</b>

### 2.24 Finance Cost

Finance cost consists of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹ Mn	
Interest expense on Lease Liability	4.23	-
Interest expense – Others	0.02	-
<b>Total</b>	<b>4.25</b>	<b>-</b>

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

### 2.25 Other Expenses

Other expenses consist of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹ Mn	
Repairs and maintenance	5.06	4.65
Marketing expenses	30.60	26.15
Meeting and conference	0.60	0.65
Legal and professional charges	23.03	16.29
Rent	3.41	13.60
Rates and taxes	20.17	10.09
Communication expenses	1.74	2.08
Commission Expenses and Sitting Fees	4.25	3.42
Insurance	3.54	0.57
Office expenses	0.14	0.22
Electricity expenses	1.48	1.41
Expenses on corporate social responsibility	3.26	8.15
Travelling and conveyance	7.61	11.95
Subscription charges	0.27	0.13
Bad debts and provision for expected credit losses	3.17	4.52
Postage and courier	0.33	0.38
Printing and stationery	0.82	1.29
Bank charges	0.61	1.67
Books and periodicals	0.01	0.03
Audit fees*	3.21	2.94
<b>Total</b>	<b>113.31</b>	<b>110.19</b>

\*Auditor's Remuneration

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹ Mn	
Audit fees	2.50	2.50
Tax matters	0.20	0.02
Reimbursement of expenses	0.36	0.33
Other Services	0.15	0.09
<b>Total</b>	<b>3.21</b>	<b>2.94</b>

### 3. Earnings Per Share (EPS)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Basic	
1. Opening number of shares	14,79,34,000	14,79,34,000
2. Closing number of shares	14,79,34,000	14,79,34,000
3. Weighted average number of shares	14,79,34,000	14,79,34,000
4. Profit available for equity shareholders (₹ Mn)	249.38	173.95

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
5. EPS (₹)	1.69	1.18
6. Nominal value of share (₹)	1.00	1.00
Diluted		
1. Weighted average number of potential equity shares	14,81,88,290	14,83,88,258
2. Profit available for potential equity shareholders (₹ Mn)	249.38	173.95
3. EPS (₹)	1.68	1.17
4. Nominal value of share (₹)	1.00	1.00

### 4. Contingent Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
a. In respect of Income tax demands where the Company has filed appeal before various authorities *	3.61	14.24
b. Bank Guarantees in respect of disputed claim against the company by BSNL not acknowledged as debts **	-	225.00

\* The amounts presented above is the gross estimated liability. Amount net of those paid under protest (wherever paid) is ₹ Nil (0.14 Mn).

\*\* Consequent to the Arbitration order passed during the year 2019-20, the company has paid a full and final compensation of Rs. 18.86 Mn and the Bank Guarantee has since been released.

### 5 Reconciliation of tax expense and the accounting profit multiplied by tax rate for the year ended March 31, 2020 and March 31, 2019:

Particulars	31-Mar-20	31-Mar-19
	₹ Mn	
Accounting profit before income tax	255.06	195.08
Enacted tax rates in India	25.168%	27.820%
Computed tax expense	64.19	54.27
Add/(Less) Net Adjustment on account of:		
Share in profit of Navitas LLP and Dividend income exempt from Income Tax u/s 10	(41.99)	(39.64)
Donations expenditure not allowable for tax purpose	0.76	2.27
Deduction under chapter VI A of the Income Tax Act, 1961	(0.23)	(1.97)
Disallowance U/s 40(a)(ia)	-	7.21
Other Non Deductible/(deductible) tax expenses, income taxable at different rates, etc	(8.39)	(1.00)
Short / (Excess) provision for earlier years	(8.66)	-
Tax expense as per Statement of Profit and Loss	5.68	21.14
Effective Tax Rate	2.23%	10.84%



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

### 6. Defined Employee benefits plan

Particulars	Gratuity	
	Funded/ Unfunded	
	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
<b>Change in benefit obligations</b>		
Defined Benefit Obligation at beginning of the period	4.25	2.95
Current Service Cost	0.83	0.74
Interest Expenses	0.28	0.22
Curtailement gain	-	-
Transfer of obligation	-	-
Benefits paid	(0.27)	(0.09)
Remeasurements - Actuarial ( Gains ) / Losses	0.13	0.43
<b>Defined Benefit Obligation at the end of the period</b>	<b>5.22</b>	<b>4.25</b>
<b>Funded Status of Defined benefit obligation</b>		
Defined Benefit Obligation	5.22	4.25
Fair value of Planned Assets	-	-
Amount Short Funded/ (Excess Funded)	(5.22)	(4.25)
<b>Recognised in the statement of profit and loss under employee benefit expenses</b>		
Current Service Cost	0.83	0.74
Net Interest on the net defined benefit liability / asset	0.28	0.22
Past Service Cost	-	-
<b>Net periodic benefit cost recognised in the statement of profit &amp; loss at the end of period</b>	<b>1.11</b>	<b>0.96</b>
<b>Remeasurements of the net defined benefit liability / (asset)</b>		
Actuarial (gains) / losses	0.13	0.43
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability / (asset)	-	-
<b>Actuarial Assumptions:</b>		
Discount Rate	6.83%	7.63%
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.	10.00%	10.00%
The attrition rate	10.71%	14.00%
<b>Remeasurement of the net defined benefit liability recognised in other comprehensive income</b>		
Remeasurement (gain)/loss arising from		

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

Particulars	Gratuity	
	Funded/ Unfunded	
	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
- Change in demographic assumptions	0.09	0.20
- Change in financial assumptions	0.29	(0.05)
- Experience variance	(0.25)	0.28
- Return on plan assets, excluding amount recognised in net interest expense / income	-	-
<b>Total</b>	<b>0.13</b>	<b>0.43</b>

**Sensitivity Analysis of significant actuarial assumption**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31, 2020		March 31, 2019	
	1%	-1%	1%	-1%
Discount rate (% change compared to base due to sensitivity)	-7.77%	8.87%	-6.97%	7.88%
Salary Growth Rate (% change compared to base due to sensitivity)	4.75%	-4.62%	4.89%	-5.00%
Attrition/Withdrawal Rate (% change compared to base due to sensitivity)	-0.99%	1.02%	-0.88%	0.90%

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in government securities, debt instruments, Short term debt instruments, Equity instruments and Asset Backed, Trust Structured securities as per notification of Ministry of Finance.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.

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

Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2020 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

### 7. Related Party Disclosure

#### Related Party Disclosure for the year ended March 31, 2020

##### List of Related Parties

##### Holding Company

TAKE Solutions Pte Ltd, Singapore

##### Subsidiaries (held directly)

1. APA Engineering Private Limited, India
2. Ecron Acunova Limited, India
3. TAKE Solutions Global Holdings Pte Ltd, Singapore
4. TAKE Solutions Limited ESOP Trust, India
5. Navitas LLP, India

##### Subsidiaries (held indirectly)

6. APA Engineering Pte Ltd, Singapore
7. APA Engineering Inc., USA
8. TAKE Enterprise Services Inc., USA
9. TAKE Solutions Information Systems Pte Ltd, Singapore
10. Navitas, Inc., USA
11. Navitas Lifesciences S.A.S., Colombia
12. TAKE Supply Chain De Mexico S De RI Cv, Mexico (dissolved w.e.f. 04-07-2019)
13. Navitas Life Sciences Holdings Limited, UK
14. Navitas Life Sciences Limited, UK
15. Navitas Life Sciences, Inc., USA (Merged with Navitas Inc., USA w.e.f. February 25, 2019)
16. TAKE Synergies Inc., USA (Merged with TAKE Innovations Inc., USA w.e.f. February 22, 2019)
17. TAKE Dataworks Inc., USA (Merged with TAKE Innovations Inc., USA w.e.f. February 22, 2019)

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

18. Intelent Inc., USA
19. Astus Technologies Inc., USA (Merged with TAKE Innovations Inc., USA w.e.f. February 22, 2019)
20. Million Star Technologies Limited, Mauritius
21. TAKE Innovations Inc., USA
22. Acunova Life Science Inc., USA
23. Acunova Life Sciences Limited, UK
24. Navitas Life Sciences GmbH, Germany
25. Ecron Acunova Sdn. Bhd., Malaysia
26. Navitas Life Sciences Company Limited, Thailand
27. Navitas Life Sciences Sp.Z.O.O. Poland
28. Ecron Acunova Limited, UK (Dissolved w.e.f. 02-07-2019)
29. Ecron LLC, Ukraine
30. Ecron Acunova LLC, Russia
31. Navitas Life Sciences A/S, Denmark
32. Navitas Life Sciences Pte Ltd, Singapore

### Key Management Personnel and Independent Directors

1. Mr. N. Kumar – Chairman and Independent Director
2. Mr. Srinivasan H.R. – Vice Chairman and Managing Director
3. Mr. D.V. Ravi – Non - Executive Director
4. Mr. Ram Yeleswarapu – Executive Director (President and Chief Executive Officer)
5. Mr. R. Sundarajan – Independent Director
6. Prof. G. Raghuram – Independent Director (Resigned w.e.f. 05.11.2019)
7. Ms. Uma Ratnam Krishnan – Independent Director
8. Mr. Raman Kapur – Independent Director
9. Mr. Venkataraman Murali – Independent Director
10. Mr. S. Srinivasan – Non – Executive Director
11. Mr. Balasubramanian Srinivasan-Independent Directors (Appointed w.e.f. 06.11.2019)
12. Ms. N.S. Shobana – Executive Director
13. Ms. Subhasri Sriram – Executive Director & Chief Financial Officer
14. Mr. Avaneesh Singh – Company Secretary

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

**Transactions and the Balances outstanding with Related Parties**

Particulars	Holding Company	Subsidiary	Key Management Personnel	Other Related Party
	₹ Mn			
Dividend Income	-	<b>4.90</b>	-	-
	-	<i>(3.69)</i>	-	-
Other Income	-	<b>144.23</b>	-	-
	-	<i>(13.52)</i>	-	-
Interest Income	-	<b>84.48</b>	-	-
	-	<i>(106.84)</i>	-	-
Share of Profit from LLP	-	<b>161.93</b>	-	-
	-	<i>(127.73)</i>	-	-
Dividend paid	<b>34.22</b>	-	-	<b>0.69</b>
	<i>(136.89)</i>	-	-	<i>(2.99)</i>
Remuneration to KMP	-	-	<b>13.24</b>	-
	-	-	<i>(10.13)</i>	-
Commission - Independent Directors	-	-	<b>1.50</b>	-
	-	-	<i>(1.50)</i>	-
Managerial Remuneration (Executive Director)	-	-	<b>0.88</b>	-
	-	-	<i>(0.88)</i>	-
Investment	-	<b>5,173.19</b>	-	-
	-	<i>(5,117.15)</i>	-	-
Receivables - Closing balance	-	<b>1499.03</b>	-	<b>51.42</b>
	-	<i>(1,255.40)</i>	-	<i>(57.91)</i>
Share of profit receivable	-	1,024.61	-	-
	-	<i>(887.59)</i>	-	-

Dividend paid to Holding Company ₹ 34.22 Mn (₹ 136.89 Mn)

Dividend paid to ESOP Trust ₹ 0.69 Mn (₹ 2.99 Mn)

*Previous year figures are shown in Italics in brackets*

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

### 8. Particulars relating to foreign exchange inflows and outflows

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
	₹ Mn	
<b>Foreign Exchange Inflow - Earned</b>		
(a) Sales & Services	42.67	71.43
(b) Other Non-Operating Income	-	-
(c) Interest on Loan to subsidiaries	23.84	15.90
(d) Principal Repayment	-	-
(e) Share Capital and Securities Premium	-	-
(f) Excess share application money	-	-
<b>Total</b>	<b>66.51</b>	<b>87.33</b>
<b>Foreign Exchange Outflow - Used</b>		
(a) Cost of Revenue	-	-
(b) Purchases	-	-
(c) Professional & Consultancy Fees	-	-
(d) Travelling Expenses	0.49	0.91
(e) Loan given	852.99	1,318.96
<b>Total</b>	<b>853.48</b>	<b>1,319.87</b>

### 9. Leases

#### Reconciliation of Lease Liabilities

Class of Underlying Asset	Opening Balance of Lease Liabilities (Balance as on 01.04.2019)	Recognised on transition as on 01.04.2019 of IND AS 116 - Leases	Additions to Lease Liabilities, made during the year	Reduction in Lease Liabilities due to termination of Lease agreement	Finance Cost Accrued during the period	Payment of lease Liabilities during the year	Amount of Lease Liabilities as on March 31, 2020
Buildings	-	45.81	-	-	4.23	11.57	38.47

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

Particulars	Undiscounted Basis	Discounted Basis
Not later than one year	10.01	6.45
Later than one year but not later than five years	37.86	32.02
Later than 5 years	-	-
<b>Total</b>	<b>47.87</b>	<b>38.47</b>

#### Qualitative Disclosures - Lease Liability:

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

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

### 10. Note on COVID-19

The Novel Coronavirus (COVID-19), a Global Pandemic, is rapidly spreading throughout the world. Outbreak of COVID - 19 has significantly affected the social and economic activities worldwide and, as a result, could affect the operations and financial statements of the Company. In line with the advisories, orders and directions issued by the local and state government authorities to prevent and contain the spread of Coronavirus, the Management has taken necessary measures. The management has taken into consideration the impact of the known internal and external events arising from COVID-19 pandemic in the assessment of recoverability of trade receivables, contract assets and certain investments in subsidiaries upto the date of approval of these financial statements. In this assessment, the company has performed sensitivity analysis on the key assumptions used. Such review and analysis performed by the company did not reveal any impairment losses.

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

### 11. Financial Instruments

#### (a) Capital Management

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

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

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

The following table summarises the capital of the Company:

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Equity	7,830.29	7,624.52
Debt	-	-
Cash and cash equivalents	7.44	249.33
Net debt	(7.44)	(249.33)
Net debt to capital ratio	NA	NA



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

### (b) Accounting Classification and Fair Values

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

As at March 31, 2020	Carrying amount				
	FVTPL	FVTOCI	Amortised Cost	At Cost	Total
	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn
<b>Financial assets</b>					
<b>Non-current</b>					
(i) Investments					
Investments in Equity Instruments	-	-	-	4,650.08	4,650.08
Investments in Preference Shares	-	-	-	338.06	338.06
Others	-	-	-	10.00	10.00
Deemed Investments	-	-	-	175.04	175.04
(ii) Loans	-	-	59.53	-	59.53
(iii) Other financial assets	-	-	21.67	-	21.67
<b>Current</b>					
(i) Investments					
Investments in mutual funds	-	-	-	-	-
(ii) Trade receivables	-	-	124.68	-	124.68
(iii) Cash and cash equivalents	-	-	7.44	-	7.44
(iv) Other bank balances	-	-	2.94	-	2.94
(v) Loans	-	-	1,289.35	-	1,289.35
(vi) Other financial assets	-	-	1,057.29	-	1,057.29
<b>Total financial assets</b>	-	-	<b>2,562.89</b>	<b>5,173.18</b>	<b>7,736.07</b>
<b>Financial liabilities</b>					
<b>Non-current</b>					
Other financial liabilities	-	-	21.67	-	21.67
<b>Current</b>					
(i) Borrowings	-	-	-	-	-
(ii) Trade payables	-	-	9.49	-	9.49
(iii) Other financial liabilities	-	-	25.65	-	25.65
<b>Total financial liabilities</b>	-	-	<b>56.81</b>	-	<b>56.81</b>

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

As at March 31, 2019 Particulars	Carrying amount				
	FVTPL	FVTOCI	Amortised Cost	At Cost	Total
	₹ Mn	₹ Mn	₹ Mn	₹ Mn	₹ Mn
<b>Financial assets</b>					
<b>Non-current</b>					
(i) Investments					
Investments in Equity Instruments	-	-	-	4,650.08	4,650.08
Investments in Preference Shares	-	-	-	338.06	338.06
Others	-	-	-	10.00	10.00
Deemed Investments	-	-	-	119.01	119.01
(ii) Loans	-	-	65.80	-	65.80
(iii) Other financial assets	-	-	-	-	-
Current					
(i) Investments					
Investments in mutual funds	-	-	-	-	-
(ii) Trade receivables	-	-	64.31	-	64.31
(iii) Cash and cash equivalents	-	-	21.22	-	21.22
(iv) Other bank balances	-	-	228.11	-	228.11
(v) Loans	-	-	1,149.50	-	1,149.50
(vi) Other financial assets	-	-	942.68	-	942.68
<b>Total financial assets</b>	-	-	<b>2,471.62</b>	<b>5,117.15</b>	<b>7,588.77</b>
<b>Financial liabilities</b>					
<b>Non-current</b>					
Other financial liabilities	-	-	6.55	-	6.55
<b>Current</b>					
(i) Borrowings	-	-	-	-	-
(ii) Trade payables	-	-	4.05	-	4.05
(iii) Other financial liabilities	-	-	97.79	-	97.79
<b>Total financial liabilities</b>	-	-	<b>108.39</b>	-	<b>108.39</b>

**Fair value note:**

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

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

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

**(c) Measurement of Fair Value**

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

Financial instrument	Valuation technique	Key inputs used	Sensitivity analysis
Investments in unquoted equity/preference instruments at Cost	Discounted Cash Flow Method (DCF) - Free Cash Flow to Equity (FCFE) Approach	<p>DCF - FCFE valuation approach taking into consideration of the the followings:</p> <ul style="list-style-type: none"> <li>*Probable future business environment affecting the economy, industry and entity</li> <li>*Detailed forecasts of revenue, cost of taxes on income, capex, working capital investments and capital structure for the forecasted period</li> <li>*Cost of equity</li> <li>*Long-term sustainable growth rate</li> <li>*Long-term sustainable return on equity</li> <li>*Long-term return on reinvestment rate</li> <li>*All the operating &amp; non-operating assets (tangible &amp; intangible) and liabilities</li> </ul>	<ul style="list-style-type: none"> <li>*The Company's periodic cash flows to equity for the forecasted period and the perpetuity period have been arrived at after considering the expected periodic tax liability.</li> <li>*The Company's periodic free cash flows to equity are discounted at its cost of equity derived at 9.28% by applying Capital Asset Pricing Model, considering beta factor of 1.23x</li> <li>*Considered the long-term sustainable growth rate at 3.00% for the perpetuity period</li> <li>*The Company has cash &amp; cash equivalents, which are added at book value to its total discounted FCFE</li> </ul>

**(d) Financial Risk Management Policies**

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

Item	Primarily affected by	Risk management policies
Market risk - Currency risk	Foreign currency outstanding balances and exposure towards trade payables, exports, and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps
Market risk - Interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies
Market risk - Price risk	Change in prices of commodity and value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio

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

Item	Primarily affected by	Risk management policies
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities

**Market Risk**

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

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

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

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

Particulars	Year-end closing rate	
	March 31, 2020	March 31, 2019
USD – INR: Average Rate	70.943	69.925
USD – INR: Closing Rate	74.878	69.571

**Sensitivity Analysis:**

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

Effect in INR	Forex strengthening	Forex weakening
	₹ Mn	
<b>During the year 2019-20</b>		
Profit - increase/(decrease)	2.19	(2.19)
<b>During the year 2018-19</b>		
Profit - increase/(decrease)	1.28	(1.28)

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

### Exposure to Credit Risk

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

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Trade receivables	124.68	64.31
Cash and cash equivalents and other bank balances	10.37	249.33
Loans	1,348.88	1,215.30
Other financial assets	1057.29	942.68
<b>Total</b>	<b>2,541.22</b>	<b>2,471.62</b>

### Financial Assets that are neither past due nor impaired

Particulars	As at March 31, 2020	As at March 31, 2019
	₹ Mn	
Cash and cash equivalents and other bank balances	10.37	249.33
Loans	1,348.88	1,215.30
Other financial assets	1024.76	913.39
<b>Total</b>	<b>2,384.01</b>	<b>2,378.02</b>

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

### Exposure to Liquidity Risk

As at March 31, 2020	Contractual cash flows					
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
	₹ Mn					
Trade payables	9.49	9.49	-	-	-	9.49
Lease	38.47	6.45	17.71	14.31	-	38.47
Other financial liabilities	47.32	25.65	14.00	7.67	-	47.32

As at March 31, 2019	Contractual cash flows					
	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
	₹ Mn					
Trade payables	4.05	4.05	-	-	-	4.05
Other financial liabilities	104.34	97.79	6.55	-	-	104.34

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

### Interest Income / (Expenses), Gains / (Losses) recognized on financial assets and liabilities

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	₹ Mn	
<b>On Financial Assets at amortised cost</b>		
Interest income on bank deposits	6.43	22.68
Interest income on other financial assets	85.17	118.43
Impairment on trade receivables	0.07	(0.12)
Gain/(Loss) on Foreign Currency Transactions/Translations	43.79	25.68
Impairment on other financial assets	(3.24)	(4.40)
Unwinding of liability for financial guarantee contracts	20.05	13.52
Share of Profit from Navitas LLP	161.93	127.73
<b>Sub total</b>	<b>314.20</b>	<b>303.52</b>
<b>On Financial Assets at Fair Value through Profit and Loss (FVTPL)</b>		
Gain/(Loss) on Fair Valuation of Mutual Funds	-	6.38
Gain/(Loss) on Redemption of Mutual Funds	-	8.40
Dividend from mutual fund investments	-	11.10
<b>Sub total</b>	<b>-</b>	<b>25.88</b>
<b>On Financial Liabilities at Amortised Cost</b>		
Interest expense on finance lease	(4.23)	-
Interest expenses on borrowings, overdrafts and Inter corporate deposits	(0.02)	-
<b>Sub total</b>	<b>(4.25)</b>	<b>-</b>
<b>Total</b>	<b>309.95</b>	<b>329.40</b>

### 12. Segment reporting

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

The company on a standalone basis operates in the business segment of promotion of services related to Life Sciences and hence there is only one business segment. The company on a standalone basis is primarily operating in India, which is considered as single geographical segment. Accordingly, segment information has not been separately disclosed.

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

**13. Comparative Figures**

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

**For G.D.Apte & Co.**

**Chartered Accountants**

Firm's Registration Number: 100515W

**For and on behalf of the Board of Directors**

**C.M. Dixit**

**Partner**

Membership Number: 017532

Pune, June 11, 2020

**Srinivasan H.R.**

**Managing Director**

DIN: 00130277

**Ram Yeleswarapu**

**Chief Executive Officer**

DIN: 02363491

**D.V.Ravi**

**Director**

DIN: 00171603

**Subhasri Sriram**

**Chief Financial Officer  
& Executive Director**

**Avaneesh Singh**

**Company Secretary**

Membership Number: F7338

**Place: Chennai**

**Date: June 11, 2020**



# Corporate Information

## Board of Directors

**Mr. N. Kumar**  
Chairman

**Ms. Uma Ratnam Krishnan**  
Independent Director

**Mr. Srinivasan H R**  
Vice Chairman & Managing Director

**Mr. V. Murali**  
Independent Director

**Mr. Balasubramanian (Srini) Srinivasan**  
Independent Director

**Mr. S. Srinivasan**  
Non-Executive Director

**Mr. R. Sundara Rajan**  
Independent Director

**Ms. Shobana N S**  
Executive Director

## Board Committees

### Audit Committee

Mr. R. Sundara Rajan - Chairman  
Mr. V. Murali - Member  
Ms. Uma Ratnam Krishnan - Member

### Registered Office

No 27, Tank Bund Road  
Nungambakkam,  
Chennai 600 034  
[www.takesolutions.com](http://www.takesolutions.com)

### Stakeholders Relationship Committee

Mr. N. Kumar - Chairman  
Mr. R. Sundara Rajan - Member  
Mr. Srinivasan H R - Member

### Statutory Auditors

G D Apte & Co.  
Chartered Accountants  
Office No. ODA House, Plot No.85,  
Right Bhusari Colony, Paud Road,  
Kothrud, Pune - 411 038

### Nomination & Remuneration Committee

Mr. R. Sundara Rajan - Chairman  
Ms. Uma Ratnam Krishnan - Member  
Mr. Srini Srinivasan - Member

### Chief Internal Auditor

Mr. V. Venkatesan

### Corporate Social Responsibility Committee

Mr. Srinivasan H R - Chairman  
Mr. V. Murali - Member  
Mr. R. Sundara Rajan - Member

### Bankers

Axis Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited  
ICICI Bank Limited  
IndusInd Bank Limited  
Standard Chartered Bank

### Risk Management Committee

Mr. Srinivasan H R - Chairman  
Mr. Lalit Mahapatra - Member  
Ms. Shobana N S (Chief Risk Officer)

### Registrar & Transfer Agents

Link Intime India Pvt Ltd.  
C-101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai - 400 083

### Company Secretary & Compliance Officer

Mr. Avaneesh Singh

### Chief Financial Officer

Mr. Lalit Mahapatra

### Secretarial Auditor

M. Alagar & Associates  
No. 21-B, 1st Floor, ARK Colony,  
Eldams Road, Alwarpet,  
Chennai-600 018

### Corporate Identification Number

L63090TN2000PLC046338



**TAKE Solutions Limited**  
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