



**Our quest to make healthcare easily accessible drives us to introduce new dimensions to the online healthcare segment.**

**From ensuring doorstep delivery of pharmaceutical products in every nook and corner of the country to assuring affordability, we are consistently aspiring to be a one-stop Healthcare platform for every Indian.**

Introducing innovative methods and digital procedures, we have added convenience to life. Our lasting relationships with certified laboratories, retailers and healthcare providers enable us to bring reliable service to the comfort of homes across the country.

**With novel methods and a customer-centric attitude, we have built a niche as a reliable, convenient and affordable service provider - keeping true to our promise of**

**simplifying  
healthcare!**



# Who We Are

India's leading digital healthcare platform, API Holdings Limited (API Holdings), provides multiple benefits of an interconnected network to service providers across the healthcare vertical.

In a short span of time, we have built a technology platform and brands that empower us to operate an integrated, end-to-end business that addresses the healthcare needs of consumers -> customers. Our custom-built proprietary technology, unified data platforms, supply chain capabilities, and deep understanding of the dynamic interplay between various sub-segments of India's healthcare market allow us to deliver distinct services.

We have made a mark in the industry as a trusted partner for consumers, pharmaceutical companies, wholesalers, pharmacies, hospitals, doctors, clinics and diagnostic and radiology labs. With a focus on maintaining impeccable stakeholder relations, we continue to offer a wide bouquet of products and services that are designed to reach out to people in every corner of the country.

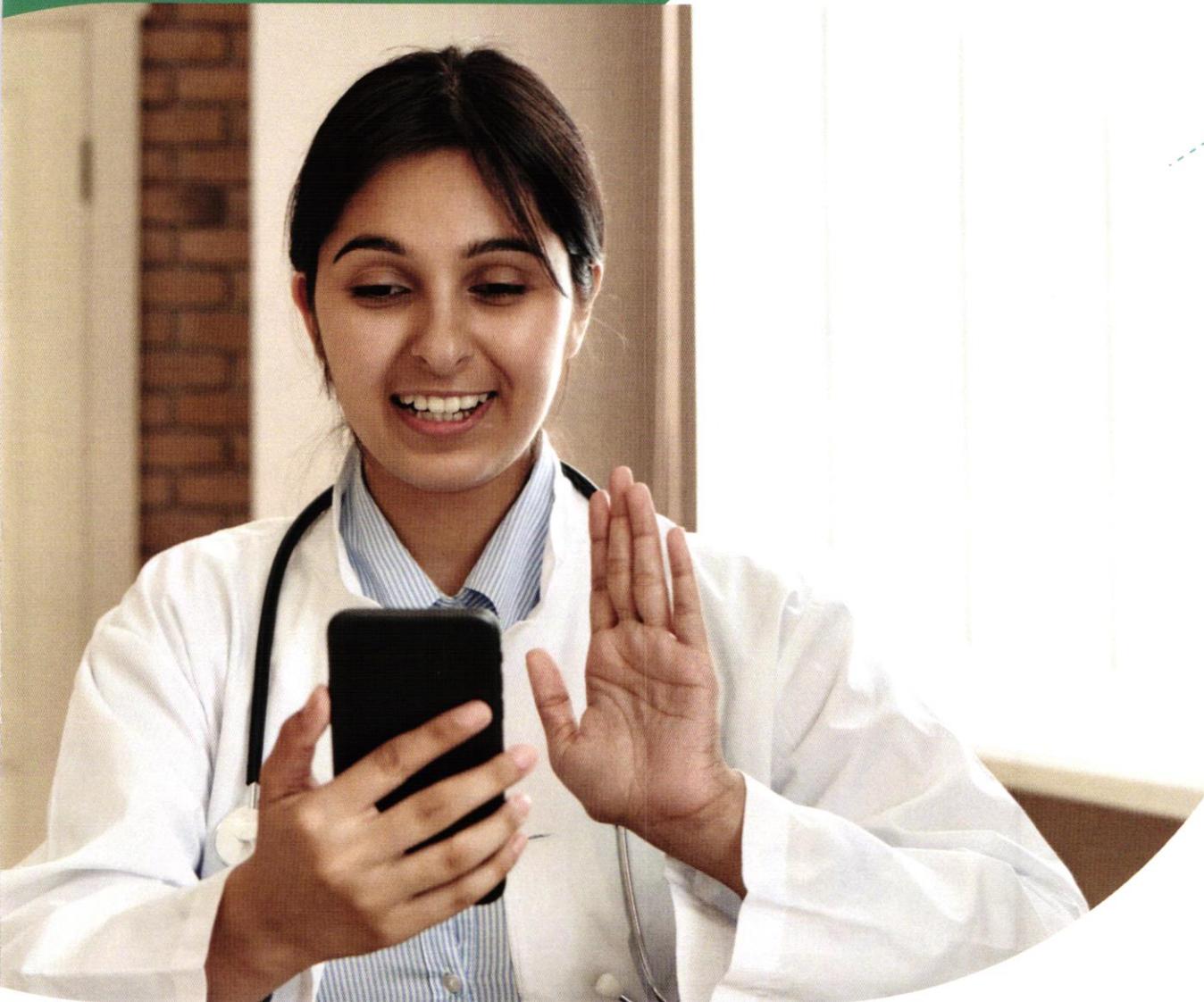
## Our Vision

# Build India's Leading Digital Healthcare Platform

## Our Mission

# Simplifying Healthcare, Impacting Lives





## An Expansive Portfolio

Our products and services span across the healthcare value chain and are currently at different stages of growth, market penetration, customer adoption, product development, and monetisation.

### Sale of Products



Distribution to retailer



Distribution to chemist and institutions

### Sale of Services



Diagnostic services



Direct-to-pharmacy services



Services for doctors and teleconsultation for consumers



ERP services for pharmacies



Fulfilment and technology services for PharmEasy marketplace

# Making a Mark



## Scalable Consumer Offerings\*

**21.4**

Million

PharmEasy orders fulfilled for Fiscal 2022

**6.0**

Million

Transacting customers on PharmEasy for Fiscal 2022 (Annual Transacting Users defined as users who have had at least one fulfilled order in the year)

**71%**

Share of Repeat User GMV for Fiscal 2022



## Our Presence and Reach

**₹134.58**

billion

Pro Forma Gross Merchandise Value for Fiscal 2022

**₹63.84**

billion

Pro Forma Revenue from Operations for Fiscal 2022

**152,005**

Active Pharmacies for March 2022

**6,627**

Active Wholesalers for March 2022

**5,114**

Prescribing Doctors for March 2022

**1,801**

Hospitals Serviced in Fiscal 2022

**20.2**

Million  
Digital Prescriptions generated for Fiscal 2022

**6.9**

Million  
e-Consultations conducted for Fiscal 2022

**110.30**

Clinical investigations performed in Fiscal 2022

# Corporate Information

## Board of Directors

### Mr. Aditya Puri

Chairman and Non- Executive Director

### Mr. Siddharth Shah

Co-founder, Managing Director and Chief Executive Officer

### Mr. Dharmil Sheth

Co-founder, Chief Business Officer and Whole-time Director

### Mr. Harsh Parekh

Co-founder, Chief Business Officer and Whole-time Director

### Mr. Ashutosh Sharma

Non-Executive Director

### Mr. Subramaniam Somasundaram

Independent Director

### Mr. Ankur Thadani

Non-Executive Director

### Mr. Deepak Vaidya

Independent Director

### Mr. Jaydeep Tank

Independent Director

### Ms. Vineeta Rai

Independent Director

## Company Secretary and Chief Compliance Officer

### Ms. Drashti Shah

## Statutory Auditors

Price Waterhouse Chartered Accountants LLP  
252, Veer Savarkar Marg, Shivaji Park, Dadar  
(West) Mumbai-400028 Maharashtra, India

## Registered and Corporate Office

902, 9th Floor, Raheja Plaza 1, B-Wing Opposite R-City Mall, L.B.S. Marg Ghatkopar West, Mumbai 400 086 Maharashtra, India



**API HOLDINGS LIMITED**

**CIN: U60100MH2019PLC323444**

**Registered office:** 902, 9th Floor, Raheja Plaza 1, B-Wing, Opp. R-City Mall, L. B. S. Marg, Ghatkopar (West), Mumbai, Maharashtra – 400086

**Telephone number:** +91 22 6255 6255 | **Email:** [corporatesecretarial@apiholdings.in](mailto:corporatesecretarial@apiholdings.in)

**Website:** [www.apiholdings.in](http://www.apiholdings.in)

**DIRECTORS' REPORT**

Dear Members,

Your directors are pleased to present the 3<sup>rd</sup> Annual Report of API Holdings Limited (“Company”) together with the audited financial statements (consolidated and standalone) of the Company for the financial year ended March 31, 2022.

**FINANCIAL HIGHLIGHTS**

The Company’s audited standalone and consolidated financial performance for the financial year ended March 31, 2022 is summarised below:

(Amount: Rs. in millions)

Particulars	Standalone (Audited)		Consolidated (Audited)		Consolidated (Pro-forma)	
	FY 2021-22	FY 2020-21 (Restated*)	FY 2021-22	FY 2020-21	FY 2021-22 Pro Forma Financials** (Unaudited)	FY 2020-21 Pro Forma Financials**
Revenue from operations	1,697.40	504.54	57,288.21	23,352.69	63,836.30	43,192.15
Other Income	1,771.01	253.42	521.81	253.93	774.28	439.51
<b>Total Revenue</b>	<b>3,468.41</b>	<b>757.96</b>	<b>57,810.02</b>	<b>23,606.62</b>	<b>64,610.58</b>	<b>43,631.66</b>
Less: Total Expense	10,868.92	1,554.72	84,915.90	29,809.28	91,934.17	57,592.53
<b>Loss before share of profit of associates, exceptional items and tax</b>	<b>(7,400.51)</b>	<b>(796.76)</b>	<b>(27,105.88)</b>	<b>(6,202.66)</b>	<b>(27,323.59)</b>	<b>(13,960.87)</b>
Share of profit of associates, net of tax	0.00	0.00	6.61	0.00	4.06	(0.74)
<b>Loss before exceptional items and tax</b>	<b>(7,400.51)</b>	<b>(796.76)</b>	<b>(27,099.27)</b>	<b>(6,202.66)</b>	<b>(27,319.53)</b>	<b>(13,961.61)</b>
<b>Exceptional items</b>	<b>(43,409.59)</b>	<b>0.00</b>	<b>(12,608.43)</b>	<b>0.00</b>	<b>(12,752.70)</b>	<b>(1,083.42)</b>
<b>Loss before tax</b>	<b>(50,810.10)</b>	<b>(796.76)</b>	<b>(39,707.70)</b>	<b>(6,202.66)</b>	<b>(40,072.23)</b>	<b>(15,045.03)</b>
Less: Current Tax	0.00	0.00	342.74	46.68	709.35	543.03
Deferred Tax	0.00	0.80	(125.48)	164.02	(245.63)	(102.62)

Particulars	Standalone (Audited)		Consolidated (Audited)		Consolidated (Pro-forma)	
	FY 2021-22	FY 2020-21 (Restated*)	FY 2021-22	FY 2020-21	FY 2021-22 Pro Forma Financials** (Unaudited)	FY 2020-21 Pro Forma Financials**
Profit/ (Loss) from continuing operations	(50,810.10)	(797.56)	(39,924.96)	(6,413.36)	(40,535.95)	(15,485.44)
<b>Discontinued operations:</b>						
Profit/ (Loss) before tax from discontinued operations	0.00	(1,482.93)	0.00	0.00	0.00	0.00
Tax (expenses) /credit of discontinued operations	0.00	(180.65)	0.00	0.00	0.00	0.00
<b>Profit/ (Loss) from discontinued operations</b>	0.00	(1,663.58)	0.00	0.00	0.00	0.00
Other Comprehensive Income	32.86	2.51	106.05	(34.91)	105.28	(66.74)
<b>Total comprehensive income for the year</b>	<b>(50,777.24)</b>	<b>(2,458.63)</b>	<b>(39,818.91)</b>	<b>(6,448.27)</b>	<b>(40,430.67)</b>	<b>(15,552.18)</b>

\*Pursuant to merger of Erstwhile Medlife International Private Limited and Erstwhile Evriksh Healthcare Private Limited with the Company, the financial statements of the Company for financial year 2020-21 has been restated in accordance with Indian Accounting Standards.

\*\*Due to acquisitions of Erstwhile Ascent Health and Wellness Solutions Private Limited and Erstwhile Medlife International Private Limited during the financial year 2020-21 and Akna Medical Private Limited and Thyrocare Technologies Limited during the financial year 2021-22, we have prepared the pro forma consolidated statement of profit and loss of the Company for the financial year 2020-21 and 2021-22 to give a fair comparison of the Company's consolidated performance with the assumption that above acquisitions have taken place on April 1, 2020 and April 1, 2021 respectively.

The financial statements of the Company for the financial year 2021-22 are prepared in accordance with Indian Accounting Standards ("**Ind AS**"), notified under Section 133 of the Companies Act, 2013, ("**the Act**") read with the Companies (Accounts) Rules, 2014.

## OPERATIONS AT GLANCE (AT A CONSOLIDATED LEVEL)

All references in this section to "we", "us" or "our" shall refer to the Company together with its subsidiaries on a consolidated basis.

All references in this section to "Fiscal 2021" and "Fiscal 2022" shall refer to financial year 2020-21 and financial year 2021-22, respectively.

### Key terms and definitions used

Terms	Description
ERP	Enterprise resource planning
OTC	Over-the-counter medication
Private label products	Medical products procured by Company from contract manufacturers and sold by Company under our own brands

Terms	Description
Retailio 1P GMV	Revenue from sale of products from distribution to chemists/institutions grossed up for applicable taxes
Retailio 3P GMV	Retailio 3P GMV is the GMV of products transacted using Retailio, grossed up for applicable taxes (excluding Retailio 1P GMV)

### Pro forma gross merchandise value

Growth in pro forma gross merchandise value (“**GMV**”) is a key driver of our revenue. Our pro forma GMV was Rs. 78,654.85 million in Fiscal 2021 and Rs. 1,34,576.43 million in Fiscal 2022. We define GMV as follows: (i) for our products and services (other than Retailio 3P GMV), GMV refers to our revenue for such products and services as per our books of accounts, grossed up for applicable taxes, (ii) for Retailio 3P, GMV refers to the gross merchandise value of products and services transacted using Retailio (excluding Retailio 1P GMV).

Below table provides a breakdown of our pro forma GMV across products and services:

(Amount: Rs. in millions)

Pro forma GMV <sup>(1)</sup>	Fiscal 2021	Fiscal 2022
<b>Sale of product</b>		
Distribution to retailers	16,724.88	21,143.60
Distribution to chemist / institution (Retailio 1P)	23,417.76	31,893.41
Distribution to hospitals <sup>(2)</sup>	6,060.60	10,029.62
<b>Sale of services</b>		
Retailio 3P	27,139.27	64,940.61
Thyrocare diagnostics <sup>(3)</sup>	4,946.20	5,795.35
API diagnostics	366.14	773.83
<b>Total</b>	<b>78,654.85</b>	<b>1,34,576.43</b>

Notes:

- (1) The reference to pro forma financial information for Fiscal 2021 and Fiscal 2022 is based on the unaudited management views and assumes the acquisitions of Erstwhile Ascent Health and Wellness Solutions Private Limited, Erstwhile Medlife International Private Limited, Akna Medical Private Limited and Thyrocare Technologies Limited as if these were acquired on April 1, 2020 by our Company.
- (2) We acquired Akna Medical Private Limited (“**Aknamed**”) in September 2021. The pro forma GMV includes GMV of Aknamed.
- (3) We acquired Thyrocare Technologies Limited (“**Thyrocare**”) in September 2021. The Pro forma GMV relate to Thyrocare.

### Our Products and Services

We earn revenue through two businesses– sale of products and sale of services

## 1. Sale of Products

Our pro forma GMV for sale of products was Rs. 46,203.24 million and Rs. 63,066.64 million in Fiscal 2021 and Fiscal 2022, respectively. This includes GMV from (i) distribution to retailer and (ii) distribution to chemist and institutions (Including Aknamed)

### a. Distribution to retailer

We sell pharma, OTC and private label medical products, surgical and consumables procured from pharmaceutical companies and wholesalers to retailers. These retailers are typically registered sellers on PharmEasy marketplace. We have also launched our range of private label products across categories through our brands 'Liveasy', 'Everherb', 'TrueCure', 'WellPharm', 'PharmEasy' and 'Zustle' to target the large and fast-growing consumer healthcare segment including OTC, wellness, multivitamins, personal care, orthopaedic and diabetic care products amongst others. These products enhance our overall selection of categories for our customers.

In Fiscal 2021 and Fiscal 2022, this business recorded pro forma GMV of Rs. 16,724.88 million and Rs. 21,143.60 million, respectively.

### b. Distribution to chemist and institutions

We operate a technology-powered distribution business under which we procure pharma, OTC, our range of private label products, surgical, consumables from pharmaceutical companies and sell to chemists and institutions, which largely include pharmacies, hospitals, doctors, clinics, and medical centers in India. We sell these products both directly as well as using technology provided by Retailio. We refer to this business as Retailio 1P.

In Fiscal 2021 and Fiscal 2022, our Retailio 1P business recorded Pro forma GMV of Rs. 23,417.76 million and Rs. 31,893.41 million, respectively.

### c. Distribution to hospitals

We have strengthened our distribution business to hospitals, clinics and medical centers through the acquisition of 67.30% shareholding of Akna Medical Private Limited ("Aknamed") effective September 2021. In Fiscal 2021 and Fiscal 2022, Aknamed recorded Pro forma GMV of Rs.6,060.60 million and Rs. 10,029.62 million, respectively. Aknamed serviced 780 hospitals for three months ended March 2021, and 1,801 hospitals in Fiscal 2022.

## 2. Sale of Services

Our Pro forma GMV from sale of services was Rs. 32,451.61 million and Rs. 71,509.80 million in Fiscal 2021 and Fiscal 2022. This includes GMV primarily from (i) diagnostics services, and (ii) Retailio 3P GMV.

### a. Diagnostic services

We provide diagnostics services to customers on PharmEasy marketplace through our

brand PharmEasy Labs and have strengthened the processing capability and geographic reach of this business through acquisition of Thyrocare in September 2021. Thyrocare offers a comprehensive portfolio of more than 700 diagnostics tests through 26 diagnostic labs as of March 31, 2022. We offer this service to consumers, hospitals, diagnostic companies, and independent phlebotomists. Consumers can avail our diagnostics services by walking into a collection center, calling helplines for home collection, booking a test online (including through PharmEasy marketplace, Thyrocare's mobile application and website and other third-party online channels). In Fiscal 2022, 0.5 million customers transacted on PharmEasy Marketplace to avail diagnostics services offered by our brand PharmEasy Labs

In Fiscal 2021 and Fiscal 2022, our diagnostics business recorded pro forma GMV of Rs. 5,312.34 million and Rs. 6,569.18 million, respectively.

#### **b. Retailio 3P Services**

Retailio provides technology which enables wholesalers and pharmacies to connect and sell a wide range of pharma and other medical products.

Retailio is digitising the traditional pharma supply chain (via digital ordering, logistics, payments, and credit) and empowering pharmacies with technology products.

It is available as a mobile app and web application. Retailio provides pharmacies with real time price discovery, inventory visibility and provides technology enabling ordering, confirmation and payments in a digitized, self-serve manner. Deep integration with ERP systems of wholesalers enables our customers to fulfil orders on a real time basis as per demand from pharmacies, and better plan procurement to shorten cash cycles. Retailio users can also avail of call center and salesforce support services. For the month of March 2022, 152,005 pharmacies and 6,627 wholesalers used Retailio to fulfil their procurement needs. Retailio was used in more than 400 cities across India for the month of March 2022.

In Fiscal 2021 and Fiscal 2022 pro forma GMV on Retailio (excluding Retailio 1P GMV) was Rs. 27,139.27 million and Rs. 64,940.61 million, respectively. We refer to this as third party or Retailio 3P GMV. This business is in early stages of monetization as we continue investing in expanding the network and user base of Retailio. Currently we derive revenues through advertisements and lead generation offered to stakeholders on Retailio app.

#### **Pro forma Contribution Margin before sales promotion and marketing expense**

Pro forma Contribution Margin before sales promotion and marketing expense is a Non-GAAP financial measure that represents the margin arrived at by reducing the cost of material consumed, purchases of stock-in-trade and changes in inventories of stock-in-trade (excluding depreciation and amortisation), warehousing and lab cost, and other direct cost (together termed the "**Direct Operating Costs**") as a percentage of revenue from operations.

Warehousing and lab cost represents the sum of the expenses incurred at warehouses and diagnostics labs, including a portion of employee benefits expense (relating to warehouse employee salaries) and a portion of other expenses, such as manpower charges, contractual payment for delivery associates, water, electricity and fuel expenses and repairs and maintenance.

Other direct cost is the sum of other direct operating expenses, and includes a portion of employee benefits expenses (relating to customer support employee salaries) and a portion of other expenses, including the consumption of packing materials and consumables, service charges (relating to phlebotomist costs, lab technician cost), and legal and professional fees (relating to doctor consultation charges and diagnostics) but does not include technology related costs, both direct and indirect costs including employee benefit expenses.

The pro forma contribution margin before sales promotion and marketing expense was 5.0% and 5.0% for Fiscal 2021 and Fiscal 2022, respectively.

The following table presents the pro forma contribution margin before sales promotion and marketing expense and each of the costs that form part of direct operating costs as a percentage of revenue from operations for Fiscal 2021 and Fiscal 2022:

Pro forma Contribution Margin	Fiscal 2021		Fiscal 2022	
	Rs. in million	% of Pro forma Revenue from operations	Rs. in million	% of Pro forma Revenue from Operations
Revenue from Operations (A)	43,192.15	100.0%	63,836.30	100.0%
Cost of Material Consumed (B)	1,623.97	3.8%	1,662.50	2.6%
Purchases of Stock-in-Trade (C)	36,643.98	84.8%	55,864.32	87.5%
Changes in Inventories of Stock-in-Trade (D)	(1,512.02)	(3.5%)	(2,335.49)	(3.7%)
Warehousing and Lab Cost (E)	3,499.85	8.1%	4,222.60	6.6%
Other Direct Cost (F)	778.31	1.8%	1,241.41	1.9%
Direct Operating Costs (G=B+C+D+E+F)	41,034.09	95.0%	60,655.34	95.0%
<b>Contribution Margin before sales promotion and marketing expense(H=A-G)</b>	<b>2,158.06</b>	<b>5.0%</b>	<b>3,180.96</b>	<b>5.0%</b>

*The reference to pro forma financial information for Fiscal 2021 and Fiscal 2022 is based on the unaudited management views and assumes the acquisitions of Erstwhile Ascent Health and Wellness Solutions Private Limited, Erstwhile Medlife International Private Limited, Akna Medical Private Limited and Thyrocare Technologies Limited as if these were acquired on April 1, 2020 by our Company.*

## Pro forma results of operations

The following table sets forth select financial data from our consolidated Pro forma statement of profit and loss for Fiscal 2021 and Fiscal 2022, the components of which are also expressed as a percentage of revenue from operations for such years.

Pro forma Financial Performance	Management view Fiscal 2021 (Audited)		Management view Fiscal 2022 (Unaudited)	
	Rs. In million	% of revenue from operations	Rs. In million	% of revenue from operations
<b>Income</b>				
<b>Revenue from operations</b>				
Revenue from sale of Goods	37,423.95	86.6%	56,003.53	87.7%
Revenue from sale of Services	5,768.20	13.4%	7,832.77	12.3%
<b>Revenue from operations</b>	<b>43,192.15</b>	<b>100.0%</b>	<b>63,836.30</b>	<b>100.0%</b>
Other income	439.51	1.0%	774.28	1.2%
<b>Total income</b>	<b>43,631.66</b>	<b>101.0%</b>	<b>64,610.58</b>	<b>101.2%</b>
<b>Expenses</b>				
Cost of Material Consumed	1,623.97	3.8%	1,662.50	2.6%
Purchase of stock in trade	36,643.98	84.8%	55,864.32	87.5%
Changes in inventories of stock in trade	(1,512.02)	(3.5%)	(2,335.49)	(3.7%)
Employee benefits expense	5,278.73	12.2%	14,990.94	23.5%
Finance costs	4,470.51	10.4%	4,015.50	6.3%
Depreciation and amortisation expenses	1,886.29	4.4%	2,067.45	3.2%
Other expenses	9,201.07	21.3%	15,668.95	24.5%
<b>Total expenses</b>	<b>57,592.53</b>	<b>133.3%</b>	<b>91,934.17</b>	<b>144.0%</b>
<b>Loss before share of profit/(loss) of an associate, exceptional items and tax</b>	<b>(13,960.87)</b>	<b>(32.4%)</b>	<b>(27,323.59)</b>	<b>(42.8%)</b>
Share of loss of an associate, net of tax	(0.74)	0.0%	4.06	0.0%
Exceptional Items	(1,083.42)	(2.5%)	(12,752.70)	(20.0%)
<b>Loss before tax</b>	<b>(15,045.03)</b>	<b>(34.9%)</b>	<b>(40,072.23)</b>	<b>(62.8%)</b>
<b>Tax expense</b>				
Current tax	543.03	1.3%	709.35	1.1%
Deferred tax/ (credit)	(102.62)	(0.2%)	(245.63)	(0.4%)
<b>Total tax expense/ (credit)</b>	<b>440.41</b>	<b>1.0%</b>	<b>463.72</b>	<b>0.7%</b>
<b>Loss for the year/ period</b>	<b>(15,485.44)</b>	<b>(35.9%)</b>	<b>(40,535.95)</b>	<b>(63.5%)</b>

The reference to pro forma financial information for Fiscal 2022 is based on the unaudited management views and assumes the acquisitions of Erstwhile Ascent Health and Wellness Solutions Private Limited, Erstwhile Medlife International Private Limited, Akna Medical Private Limited and Thyrocare Technologies Limited as if these were acquired on April 1, 2021 by our Company.

## Income

Our revenue from operations increased by 47.8% to Rs. 63,836.30 million in Fiscal 2022 from Rs. 43,192.15 million in Fiscal 2021 driven by an increase in both revenue from sale of goods and sale of services.

Our revenue from sale of goods increased by 49.6% to Rs. 56,003.53 million in Fiscal 2022 from Rs. 37,423.95 million in Fiscal 2021 primarily due to organic growth of our existing businesses led by increase in distribution to retailers by 56% driven by significant initiatives for a successful transition of Medlife into PharmEasy platform and increase in Distribution to chemists and institutions by 50% driven by growth in Aknamed by 66% and Retailio 1P by 46%. Our revenue from distribution to chemists and institutions as a percentage of our revenue from operations remained at 58.1% in Fiscal 2022 as well as Fiscal 2021 while Our revenue from distribution to retailers as a percentage of our revenue from operations increased to 29.5% in Fiscal 2022 compared to 28.6% in Fiscal 2021.

Our revenue from sale of services increased by 35.8% to Rs. 7,832.77 million in Fiscal 2022 from Rs. 5,768.20 million in Fiscal 2021 primarily due to an increase in revenue from our diagnostic services by 26%. There was also an increase in logistics income relating to rendering services of delivery persons which benefitted from an increase in delivery orders in Fiscal 2022 compared to Fiscal 2021. Further, there was also an Increase in teleconsultation revenues from doctors on our platform and an increase in brand licensing fees from PharmEasy marketplace which is based on a percentage of the GMV transacted on the PharmEasy marketplace. As a percentage of revenue from operations, our revenue from sale of services was 13.4% and 12.3% in Fiscal 2021 and Fiscal 2022 respectively.

Our other income increased by 76.1% to Rs. 774.28 million in Fiscal 2022 from Rs. 439.51 million in Fiscal 2021 primarily due to higher interest income from fixed deposits as a result of higher deposit balances being maintained during Fiscal 2022 and gain on fair valuation of financial assets measured at fair value through profit and loss.

## Expenses

Our total expenses increased by 59.6% to Rs. 91,934.17 million for Fiscal 2022 from Rs. 57,592.53 million for Fiscal 2021. As a percentage of revenue from operations, our total expenses increased to 144.0% in Fiscal 2022 from 133.4% in Fiscal 2021.

### **Cost of material consumed, purchase of stock-in-trade and changes in inventories of stock-in-trade**

Our cost of material consumed, purchase of stock-in-trade and changes in inventories of stock-in-trade were Rs. 1,662.50 million, Rs. 55,864.32 million and Rs. (2,335.49) million, respectively, for Fiscal 2022, and Rs. 1,623.97, Rs. 36,643.98 million and Rs. (1,512.02) million, respectively, for Fiscal 2021 in line with the increase in our revenue from operations. As a percentage of revenue from operations, our cost of material consumed, purchase of stock-in-trade together with changes in inventories of stock-in-trade increased to 86.5% in

Fiscal 2022 from 85.1% in Fiscal 2021 on account of significant initiatives launched for a successful transition of Medlife into PharmEasy which occurred during Fiscal 2022.

### **Employee benefit expense**

Our employee benefit expenses increased by 184.0% to Rs. 14,990.94 million in Fiscal 2022 from Rs. 5,278.73 million in Fiscal 2021 primarily due to (i) one-time performance bonus aggregating to Rs. 3,213.30 million to certain Directors and Key Managerial Personnel (KMP) of our Company for achieving key milestones, which was reinvested into the company as a primary infusion on similar terms as per the last round of primary infusion in October 2021 (ii) employee share based payment expense increased to Rs. 6,332.45 million on account of options granted to employees, one-time impact on account of modification to vesting schedule, exercise price and replacement of subsidiary ESOP scheme due to merger and charge on repurchase of options and (iii) increased headcount resulting from acquisitions. As a percentage of revenue from operations, our employee benefits expense increased to 23.5% in Fiscal 2022 from 12.2% in Fiscal 2021.

### **Finance costs**

Our finance costs reduced by 10.2% to Rs. 4,015.50 million in Fiscal 2022, from Rs. 4,470.51 million in Fiscal 2021 primarily on account of repayment of certain borrowings taken by some of our subsidiaries during Fiscal 2022.

### **Depreciation and amortization expense**

Our depreciation and amortization expense increased by 9.6% to Rs. 2,067.45 million in Fiscal 2022 from Rs. 1,886.29 million in Fiscal 2021 on account of additions to property, plant and equipment due to increased capital expenditure. There is also an increase in depreciation of right of use assets driven by an increase in leased assets

### **Other expenses**

Our other expenses increased by 70.3% to Rs. 15,668.95 million in Fiscal 2022 from Rs. 9,201.07 million in Fiscal 2021. As a percentage of revenue from operations, our other expenses increased to 24.5% in Fiscal 2022 from 21.3% in Fiscal 2021.

Key components of increase in other expenses mentioned above are (i) sales promotion and marketing expense increased by Rs. 2,639.24 million in Fiscal 2021, mainly due to an increase in television promotional campaigns which ran extensively during Fiscal 2022, (ii) manpower charges increased to Rs. 916.23 million in Fiscal 2022 from Rs. 360.03 million in Fiscal 2021, mainly due to increase in headcount at warehouses in line with increase in scale of operations, (iii) contractual payment for delivery associates increased to Rs. 1,062.98 million in Fiscal 2022 from Rs. 342.14 million in Fiscal 2021 in line with increase in revenues and scale of operations and (iv) Provision for doubtful advances and write offs of Rs. 2,046.92 million in Fiscal 2022 primarily on account of provision created for GST credit due to uncertainty over its utilisation beyond 5 years from the reporting date.

## Loss after tax for the period

As a result of the foregoing factors, our loss after tax increased to Rs. (40,535.95) million for Fiscal 2022 from Rs. (15,485.44) million for Fiscal 2021.

## Results of Operations

The following table sets forth select financial data from our consolidated statement of profit and loss for Fiscal 2021 and Fiscal 2022 the components of which are also expressed as a percentage of revenue from operations for such years.

Financial Performance	Fiscal 2021		Fiscal 2022	
	Rs. in million	% of revenue from operations	Rs. in million	% of revenue from operations
Income				
Revenue from operations				
Revenue from sale of Goods	22,816.32	97.7%	52,299.16	91.3%
Revenue from sale of Services	259.43	1.1%	4,178.04	7.3%
Other operating revenue	276.94	1.2%	811.01	1.4%
Revenue from operations	23,352.69	100.0%	57,288.21	100.0%
Other income	253.93	1.1%	521.81	0.9%
Total income	23,606.62	101.1%	57,810.02	100.9%
Expenses				
Cost of Material Consumed	-	-	854.60	1.5%
Purchase of stock in trade	22,668.17	97.1%	52,566.12	91.8%
Changes in inventories of stock in trade	(1,143.95)	(4.9%)	(2,290.53)	(4.0%)
Employee benefits expense	2,702.94	11.6%	14,589.71	25.5%
Finance costs	434.31	1.9%	2,582.64	4.5%
Depreciation and amortisation expenses	329.01	1.4%	1,587.85	2.8%
Other expenses	4,818.80	20.6%	15,025.51	26.2%
Total expenses	29,809.28	127.7%	84,915.90	148.2%
Loss before share of profit/(loss) of an associate, exceptional items and tax	(6,202.66)	(26.7%)	(27,105.88)	(47.3%)
Share of loss of an associate, net of tax	-	0.0%	6.61	0.0%
Exceptional Items	-	0.0%	(12,608.43)	(22.0%)
<b>Loss before tax</b>	<b>(6,202.66)</b>	<b>(26.7%)</b>	<b>(39,707.70)</b>	<b>(69.3%)</b>
Tax expense				
Current tax	46.68	0.2%	342.74	0.6%
Deferred tax/ (credit)	164.02	0.7%	(125.48)	(0.2%)
<b>Total tax expense/ (credit)</b>	<b>210.70</b>	<b>0.9%</b>	<b>217.26</b>	<b>0.4%</b>
<b>Loss for the year/ period</b>	<b>(6,413.36)</b>	<b>(27.5%)</b>	<b>(39,924.96)</b>	<b>(69.7%)</b>

## **MAJOR EVENTS OF THE COMPANY**

During the financial year under review, following major events were undertaken by the Company and its subsidiaries:

### **1. Conversion of the Company into public company**

The Company was converted into a public limited company pursuant to a special resolution passed by shareholders of the Company on October 01, 2021 and subsequently a fresh certificate of incorporation dated October 28, 2021 was issued by the Registrar of Companies, Mumbai for change of name of the Company to "API Holdings Limited".

### **2. Initial public offer ("IPO") of the Company**

#### **a. Filing of draft red herring prospectus ("DRHP") with Securities and Exchange Board of India ("SEBI") and Stock Exchanges**

Pursuant to the resolution passed by board of directors of the Company at its meeting held on October 13, 2021, and shareholders of the Company at their extra-ordinary general meeting held on October 13, 2021, DRHP dated November 8, 2021 for fresh issue of equity shares of face value of Re. 1/- (Rupee One only) each ("Equity Shares") of the Company aggregating up to Rs. 62,500 million by the Company, was filed with SEBI and BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE, hereinafter collectively known as "Stock Exchanges") on November 9, 2021.

#### **b. In-Principle approval of Stock Exchanges**

Post filing of DRHP with SEBI and Stock Exchanges, the Company had received in-principle approval for the proposed IPO from BSE and NSE on January 28, 2022 and February 01, 2022, respectively.

#### **c. Withdrawal of DRHP filed with SEBI and Stock Exchanges**

The IPO Committee of the Board on July 22, 2022 decided to withdraw DRHP filed with SEBI and Stock Exchanges due to market conditions and strategic considerations. The Company intimated the same to SEBI through its book running lead managers vide letter dated July 25, 2022 and to Stock Exchanges vide the Company's letter dated July 26, 2022. The Company published an advertisement regarding withdrawal of DRHP in respective publication of the Hindustan Times, Mint, The Times of India, The Economic Times and Navbharat Times dated August 27, 2022.

### **3. Mergers and Acquisitions**

During the financial year under review, the following mergers and acquisitions were undertaken by the Company:

**a. Merger of Erstwhile Medlife International Private Limited, Erstwhile Evriksh Healthcare Private Limited and their respective shareholders with the Company (“Medlife Merger”)**

During the financial year under review, the Regional Director, Ministry of Corporate Affairs, Western Region (“RD”) approved the scheme of amalgamation of Erstwhile Medlife International Private Limited (“Transferor Company 1” or “Erstwhile Medlife”) and Erstwhile Evriksh Healthcare Private Limited (“Transferor Company 2” or “Erstwhile Evriksh”) (Transferor Company 1 and Transferor Company 2, hereinafter collectively known as “the Transferor Companies”) with the Company (“Transferee Company”) and their respective shareholders (“Scheme of Amalgamation”) vide order dated September 24, 2021. The appointed date for Scheme of Amalgamation was January 25, 2021 (“Appointed Date”). A certified copy of the order approving the Scheme of Amalgamation was issued by the RD on September 24, 2021 (“the Medlife Order”). The Transferor Company 1 filed the Medlife Order with the Registrar of Companies, Patna, Bihar and the Transferor Company 2 and the Company filed the Medlife Order with the Registrar of Companies, Mumbai, Maharashtra, on September 30, 2021, being effective date of the merger (“Effective Date”).

Since, the Transferor Companies were wholly-owned subsidiaries (“WOS”) of the Company, the Scheme of Amalgamation was filed with the RD under Section 233 of Act. Pursuant to the Medlife Order, no shares of the Company were issued or allotted in lieu or in exchange of the holding in Transferor Companies and investment in the share capital of Transferor Companies stood cancelled in the books of the Company.

Further, the RD in the Medlife Order also approved:

- i) alteration of the existing object clause of the memorandum of association of the Company (“MOA”) to include business activity of medical diagnostic services of Erstwhile Medlife and Erstwhile Evriksh; and
- ii) increase in authorised share capital of the Company to Rs. 1031,08,00,000/- (Rupees One Thousand and Thirty One Crore and Eight Lakh only) divided into 100,48,18,900 (One Hundred Crore Forty Eight Lakh Eighteen Thousand and Nine Hundred) equity shares of Rs. 10/- (Rupees Ten only) each and 2,62,61,100 (Two Crore Sixty Two Lakh Sixty One Thousand and One Hundred) preference shares of Rs. 10/- (Rupees Ten only).

Accordingly, the object clause and the capital clause of the MOA of the Company were amended with effect from the Effective Date of the Scheme of Amalgamation.

**b. Acquisition of Thyrocare Technologies Limited**

During the financial year under review, Docon Technologies Private Limited (the “Acquirer”), a wholly-owned subsidiary of the Company, entered into a share purchase agreement dated June 25, 2021 (“SPA”) with erstwhile promoters and members of the promoter group of Thyrocare Technologies Limited, a public company incorporated under

the Companies Act, 1956, listed on the Stock Exchanges ("Target Company" or "TTL"), for the acquisition of 3,49,72,999 equity shares of the Target Company (aggregating to 66.14% of the equity share capital of the Target Company), from the erstwhile promoters and members of the promoter group of the Target Company ("Thyrocare Sellers"). The execution of the SPA triggered an open offer under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "Open Offer"), pursuant to which the Acquirer and the Company (acting in its capacity as a person acting in concert with the Acquirer) made an offer to acquire, 1,37,55,077 shares of the Target Company, aggregating to 26% of the equity share capital of the Target Company, from the public shareholders of the Target Company. Pursuant to the Open Offer, the Acquirer acquired 26,83,093 shares of the Target Company, aggregating to 5.08% of the equity share capital of the Target Company. Subsequently, the share purchase transaction under the SPA was consummated. Pursuant to the SPA and the Open Offer, the Acquirer purchased 3,76,56,092 shares, aggregating to 71.22% of the equity share capital of the Target Company as on the date of acquisition. Accordingly, Thyrocare Technologies Limited became a subsidiary of the Acquirer and hence also became a subsidiary of the Company with effect from September 02, 2021.

Consequently, on account of acquisition of Thyrocare Technologies Limited on September 02, 2021, Nueclear Healthcare Limited (existing subsidiary of TTL on the date of acquisition) became a subsidiary company and Equinox Labs Private Limited (existing associate company of TTL on the date of acquisition) became an associate company of the Company.

#### **c. Acquisition of Akna Medical Private Limited**

During the financial year under review, pursuant to share subscription and share purchase agreement dated August 19, 2021, entered into amongst, *inter alia*, the Company and Akna Medical Private Limited ("Akna"), the Company acquired equity shares of Akna aggregating to 67.30% of share capital of Akna on September 20, 2021. Accordingly, Akna became subsidiary of the Company with effect from September 20, 2021.

Consequently, on account of Akna becoming subsidiary of the Company on September 20, 2021, Allumer Medical Private Limited, Shreeji Distributors Pharma Private Limited, Vardhman Health Specialities Private Limited, Cosaintis Products Private Limited, Healthchain Private Limited and Supplythis Technologies Private Limited (existing subsidiaries of Akna on the date of acquisition) also became subsidiaries of the Company and Impex Healthcare Private Limited became an associate company of the Company.

#### **d. Acquisition of Marg ERP Limited**

During the financial year under review, pursuant to share purchase agreement dated October 12, 2021, entered into amongst, *inter alia*, the Company and Marg ERP Limited ("Marg"), the Company acquired equity shares of Marg aggregating to 49.17% of share capital of Marg on October 14, 2021. Accordingly, Marg became an associate company of the Company with effect from October 14, 2021.

During the financial year under review, apart from those mentioned above, Care Easy Health Tech Private Limited also became subsidiary company of the Company.

Further, during the financial year under review, no company has become a joint venture or ceased to be a subsidiary or joint venture or associate of the Company, except Erstwhile Medlife and Erstwhile Evriksh which merged with the Company.

A separate statement containing the salient features of the financial statements of each of the subsidiaries of the Company is annexed in the prescribed form AOC-1 as **Annexure - I** to this Report.

Report on the highlights of the performance of the subsidiaries and their contribution to the overall performance of the Company during the financial year under review is covered under **Annexure - I** to this report and therefore it is not repeated to avoid duplication.

Any shareholder may obtain a copy of audited financial statements of subsidiary companies as per the provisions of Section 136 of the Act, may separately reach out to the Company.

#### **4. Change in share capital of the Company**

##### **a. Change in authorised share capital**

During the financial year under review, the authorised share capital of the Company was increased from Rs. 71,06,00,000/- (Rupees Seventy One Crore Six Lakh only) to Rs. 10,00,00,00,000/- (Rupees One Thousand Crore only) vide resolution passed by shareholders of the Company.

Subsequently, pursuant to Medlife Order approving the scheme of amalgamation of Erstwhile Medlife and Erstwhile Evriksh with the Company, the Authorised Share Capital of the Company was increased to Rs. 1031,08,00,000/- (Rupees One Thousand and Thirty One Crore and Eight Lakh only).

Further, pursuant to resolution passed by the shareholders of the Company, the share capital of the Company was sub-divided from face value of Rs.10/- (Rupees Ten only) each to face value of Re. 1/- (Rupee One only) each from the record date i.e. October 29, 2021.

##### **b. Change in paid-up share capital**

During the financial year under review, the paid-up share capital of the Company was changed on account of the following:

- i) The Company allotted 1,09,27,380 equity shares of face value of Rs. 10/- each and 47,89,579 compulsorily convertible preference shares ("CCPS"), of face value of Rs. 10/- each, for cash on a private placement basis;

- ii) The Company allotted 51,851 equity shares of face value of Rs. 10/- each and 4,39,31,140 equity shares of face value of Re. 1/- each pursuant to exercise of Employee Stock Options under API Employee Stock Option Plan 2020;
- iii) The Company allotted 25,69,044 equity shares of face value of Rs. 10/- each upon conversion of Compulsorily Convertible Debentures ("CCDs") to equity shares;
- iv) The Company allotted 4,200 equity shares of face value of Rs. 10/- each upon conversion of Optionally Convertible Redeemable Debentures to equity shares;
- v) The Company allotted 1,62,64,768 equity shares of face value of Rs. 10/- each upon conversion of CCPS to equity shares;
- vi) The Company allotted 55,43,73,630 equity shares of face value of Rs. 10/- each to existing shareholders of the Company pursuant to bonus issue of shares in the ratio 10: 1 (i.e. 10 equity shares as bonus for 1 fully paid-up equity share held by shareholders as on record date October 28, 2021); and
- vii) The shareholders of the Company approved sub-division of face value of equity shares and preference shares of the Company from the face value of Rs.10/- each to face value of Re. 1/- each.

In view of above allotment, the issued and paid-up equity share capital of the Company as on March 31, 2022 was Rs. 6,14,20,41,070/-.

The above summary of paid-up share capital of the Company also includes 21,67,332 equity shares of face value of Rs. 10/- each allotted to founders of the Company against total subscription monies of Rs. 3,209.32 million received by the Company.

## **MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND THE DATE OF REPORT OF THE COMPANY**

The details of material changes affecting the financial position between end of the financial year i.e. March 31, 2022 and the date of this report of the Board of Directors of the Company together with their rationale are as under:

### **1. Issuance and allotment of Unlisted, Unrated, Secured, Redeemable, Non-Convertible Debentures**

The Board of Directors of the Company, on June 23, 2022, had issued and allotted unlisted, unrated, secured, redeemable, non-convertible debentures having a face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating to not more than Rs. 2280,00,00,000/- (Rupees Two Thousand Two Hundred and Eighty Crores only) on a private placement basis.

Further, the Board of Directors of the Company, on September 12, 2022, had approved issuance of unlisted, unrated, secured, redeemable, non-convertible debentures having a face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating up to Rs. 396,00,00,000/- (Rupees Three Hundred and Ninety Six Crores only) in single or multiple series through private placement.

## **2. Withdrawal of DRHP filed with SEBI and Stock Exchanges**

The detailed information on withdrawal of DRHP filed with SEBI and Stock Exchanges is mentioned under the heading 'MAJOR EVENTS OF THE COMPANY' of this report.

## **3. Right issue of compulsorily convertible preference shares**

The Board of Directors of the Company, at its meeting held on September 13, 2022, has approved issuance of 7,50,00,000 compulsorily convertible preference shares ("CCPS") having a face value of Re. 1/- (Rupee One) each, at a premium of Rs. 99/- (Rupees Ninety Nine only) aggregating to not more than Rs. 750,00,00,000/- (Rupees Seven Fifty Crores only) to existing equity shareholders of the Company on right issue basis in the ratio of 1:82 i.e. 1 CCPS for every 82 equity shares held in the Company as on record date of September 9, 2022.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, in accordance with the provisions of the Act and the Rules made thereunder following changes occurred in the composition of Board of Directors and Key Managerial Personnel:

### **Directors**

- Mr. Aditya Puri (DIN: 00062650) was appointed as Non-Executive and Non-Independent Director of the Company with effect from April 20, 2021. He was subsequently appointed as Chairman of the Company with effect from September 09, 2021.
- Mr. Ashutosh Sharma (DIN: 07825610) was appointed as Non-Executive and Non-Independent Director of the Company with effect from April 05, 2021.
- Mr. Ved Prakash Kalanoria (DIN: 08950500) was appointed as Non-Executive and Non-Independent Director of the Company with effect from May 27, 2021 and subsequently, he ceased to be a Director with effect from October 22, 2021.
- Mr. Dharmil Sheth (DIN: 06999772) was appointed as Co-founder, Whole-Time Director, and Chief Business Officer of the Company with effect from September 09, 2021.
- Mr. Deepak Vaidya (DIN: 00337276), Ms. Vineeta Rai (DIN: 07013113), Mr. Subramaniam Somasundaram (DIN: 01494407), Mr. Ramakant Sharma (DIN: 02318054) and Dr.

Jaydeep Tank (DIN: 05014753) were appointed as Non-Executive and Independent Directors for a period of five years with effect from September 09, 2021.

- Mr. Prem Venkatachalam Pavoov (DIN: 05268309, Mr. Puncham Mukim (DIN: 07686367), Mr. Vishal Gupta (DIN 01913013), Mr. Dhaval Shah (DIN: 07485688), Mr. Kartik Srivatsa (DIN: 03559152), Mr. Sandeep Singh (DIN: 07973666), and Mr. Dovaldas Buzinskas (DIN: 08935969) ceased to be Directors of the Company during the year under review.

Further, after end of the financial year 2021-22, Mr. Ramakant Sharma (DIN: 02318054) ceased to be the Director of the Company with effect from April 21, 2022.

The Board expresses its deep appreciation for the guidance and co-operation provided by the Directors during their tenure with the Company.

During the financial year under review, all the Independent Directors of the Company have given their respective declaration(s) of independence in terms of Section 149(7) of the Act.

The Board of Directors of the Company has satisfied itself and is of the opinion that the Independent Director(s) appointed during the financial year possess relevant expertise and experience, passed proficiency self-assessment test, if applicable, and are persons of integrity.

On the basis of the written representations received from the directors, none of the above directors are disqualified under section 164(2) of the Act.

#### **Key Managerial Personnel (“KMP”)**

- Mr. Chebolu Venkata Ramana Ram, was appointed as Chief Financial Officer of the Company, with effect from June 16, 2021. Further, he has tendered his resignation from the post of as Chief Financial Officer of the Company with his last day with the Company being October 1, 2022.
- Mr. Hardik Dedhia, Co-Founder and Chief Innovation Officer, Mr. Dhaval Shah, Co-Founder and Chief Business Officer, Mr. Abhinav Yajurvedi, Chief Technology Officer, and Mr. Akarsh Bharadwaj, Chief Strategy Officer of the Company were designated as KMP under Section 203 of the Act, with effect from September 09, 2021.
- Ms. Savita Sharma, Chief Human Resource Officer of the Company was designated as KMP under Section 203 of the Act with effect from October 13, 2021.

#### **Company’s Policy on Directors’ Appointment and Remuneration including Criteria for Determining Qualifications, Positive Attributes and Independence of a Director**

The Company Policy on Remuneration of Directors, Key Managerial Personnel and other Employees of the Company is formulated to attract, retain and motivate members for the Board and other executives of the Company.

The remuneration policy of the Company provides a well-balanced and performance-related compensation package to the members for the Board and senior management personnel of the Company, taking into account shareholder's interests, industry standards and relevant rules and regulations.

The said policy can be accessed at <https://www.apiholdings.in/policies>.

### **Performance Evaluation of Directors**

The Company's Policy for Evaluation of the Performance of the Board prescribes the criteria to evaluate the performance, on annual basis; of (a) the Board as a whole; (b) Individual Directors (including Managing Director, Whole time Director, Executive Director, Non-executive Director, Independent Director of the Company); (c) Committees of the Board and (d) The Chairperson of the Board.

During the financial year under review, Independent Directors in their separate meeting discussed manner of evaluation of performance of board, its committees and individual directors as per the requirement of the Act.

### **Directors' Responsibility Statement**

Your directors state that:

- a. in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. the Directors 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 as at March 31, 2022 and of the loss of the Company for the year ended on that date;
- c. the Directors 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;
- d. the Directors have prepared the annual accounts on a 'going concern' basis; and
- e. the Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems are adequate and operating effectively.

## **AUDITORS AND AUDITORS' REPORT**

### **Statutory Auditor and Auditors' Report**

M/s. Price Waterhouse Chartered Accountants LLP (having Firm's registration Number: 012754N/N500016), were appointed as Statutory Auditors of the Company for a term of five consecutive years, from the conclusion of the 2<sup>nd</sup> Annual General Meeting of the Company till the conclusion of the 7<sup>th</sup> Annual General Meeting of the Company. The Company had received a letter from M/s. Price Waterhouse Chartered Accountants LLP (having Firm's registration Number: 012754N/N500016), that they are not disqualified for appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder.

The notes on financial statements for financial year 2021-22 referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

### **Secretarial Auditor and Secretarial Auditors' Report**

Pursuant to provisions of Section 204 of the Act, the Board of Directors of the Company appointed M/s. HRU & Associates, Company Secretaries, (C.P. Number: 20259), as the Secretarial Auditors to conduct the Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report provided by M/s. HRU & Associates, Company Secretaries for the financial year 2021-22, in Form MR-3 as **Annexure III**, forms part to this report.

The said report does not contain any qualification, reservation, adverse remark or disclaimer.

### **Cost Records and Cost Auditor**

During the financial year under review, the Company has maintained cost records as specified by the central government under sub-section (1) of Section 148 of the Act and the requirement of audit of cost records maintained by the Company was not applicable for financial year 2021-22.

Pursuant to Section 148 of the Act and rules made thereunder, requirement of audit of cost records maintained by the Company is applicable for the financial year 2022-23. Therefore, the Board of Directors, on the recommendation of the Audit Committee, approved the appointment and fees payable to Mr. Subbiahgowder Thagavelu FCMA, Cost Accountants (Membership No. M11315), to audit the cost records of the Company for the financial year 2022-23.

In this regard, CMA Subbiahgowder Thagavelu FCMA, Cost Accountants (Membership No. M11315), has furnished his consent for being eligible to act as the Cost Auditors of the Company for the financial year 2022-23.

As per the provisions of the Act, the fees payable to the Cost Auditors is required to be ratified by the shareholders of the Company. Accordingly, ratification for the fees payable to the Cost

Auditors is proposed for approval of the members at ensuing 3<sup>rd</sup> Annual General Meeting of the Company.

## **RISK MANAGEMENT**

The Company has in place a Risk Management Policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving various risks associated with the business. Risk Management Policy establishes a structured and disciplined approach to risk management, in order to guide decisions on issues relating to identification, classification, assessment, mitigation, monitoring and reviewing of various risks concerning the Company.

## **VIGIL MECHANISM AND WHISTLE-BLOWER POLICY**

In compliance with provisions of Section 177 of the Act, your Company has adopted Vigil Mechanism and Whistle-blower Policy for Directors and Employees to report instances of unethical practices, illegal activities and/or actual or suspected fraud or violation of the Company's code of conduct or ethics policy to the management of the Company. The mechanism provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate cases. The said policy is posted on the website of the Company and can be accessed at <https://www.apiholdings.in/policies>.

## **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate internal financial control with reference to the financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation of such systems was observed.

## **DISCLOSURES**

### **Particulars of loans given, investments made, guarantees given, and securities provided**

Details of loans given, guarantees given and investments made, securities provided during the financial year under review along with the purpose for which the loans given, guarantees given, investments made and securities provided is proposed to be utilised by the recipient, are provided in the standalone financial statements of the Company for the financial year 2021-22 (Refer note no. 45 of the standalone financial statements for the year ended March 31, 2022).

### **Particulars of contracts or arrangements with related parties**

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Act entered by the Company during the financial year under review with related party(ies) are in the ordinary course of business and on arm's length basis.

The disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in section 188 of the Companies Act, 2013 is attached as **Annexure II**.

Disclosures on related party transactions carried out during the financial year 2021-22, are provided in note 36 of standalone financial statements of the Company.

The Company's Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board can be accessed on the Company's website at <https://www.apiholdings.in/policies>.

### **Dividend**

Considering the loss incurred by the Company in the financial year 2021-22 and accumulated losses of the Company since its incorporation, your directors have not recommended any dividend for the financial year under review.

### **Deposits**

During the financial year under review, in terms of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, as amended, and notification dated June 05, 2015 issued by the Ministry of Corporate Affairs ("MCA"), the Company had accepted the deposits from the shareholders of the Company in compliance with the Act and the said deposits from members were repaid during the financial year. Further, as on end of financial year i.e. March 31, 2022, there were no outstanding deposits in the books of accounts of the Company.

The details of deposits accepted during the financial year 2021-22 by the Company are as under:

<b>Particulars</b>	<b>Details</b>
Deposits accepted during the financial year 2021-22	Rs. 1,25,01,59,974/-
Remained unpaid or unclaimed as at the end of the financial year 2021-22:	Nil
Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- (i) at the beginning of the year (ii) maximum during the year (iii) at the end of the year	No default has been made by the Company during the financial year 2021-22 in relation to repayment of deposits or payment of interest.
Details of deposits which are not in compliance with the requirements of Chapter V of the Act	Nil

## Corporate social responsibility

In terms of Section 135 of Act and rules made thereunder, for the financial year 2021-22, the Company was not eligible to mandatorily spend any amount to undertake any corporate social responsibility activity as mentioned in schedule VII of the Act.

## Particulars of remuneration to employees

Any shareholder interested in obtaining information on details of employees' remuneration as required under the provisions of Section 197 of the Act and Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, may separately reach out to the Company.

## Employees' Stock Option Scheme

During the financial year under review, the Company had granted employee stock options to the employees of the Company and to the employees of its subsidiaries under API Employee Stock Option Scheme 2020 (ESOP Scheme 2020). The disclosures under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are as under:

Sr. No.	Particulars		ESOP Scheme 2020*
a.	Options Granted	:	66,57,70,248 (total options granted till FY22)
b.	Options vested during the year	:	18,25,02,430
c.	Options exercised during the year	:	4,96,34,750
d.	Total number of shares arising as a result of exercise of options	:	4,96,34,750
e.	Options lapsed/ surrendered	:	3,61,92,090
f.	Exercise price	:	Ranging from Rs. 1/- to Rs. 18.18/-
g.	Variation of terms of options	:	During the financial year under review, vesting schedule of some of the ESOP holders was changed (post obtaining all the relevant approval under applicable laws), inter alia, to bring uniformity with vesting schedule under various ESOP pools under ESOP Scheme 2020 of the Company.
h.	Money realized on exercise of options	:	Rs. 3,48,82,291/-

Sr. No.	Particulars	ESOP Scheme 2020*																						
i.	Total number of options in force	: 57,41,18,851																						
j.	Employee wise details of options granted to:																							
(i)	Key managerial personnel / Senior Management Personnel	<table border="1"> <thead> <tr> <th data-bbox="874 501 1130 603">Name</th> <th data-bbox="1130 501 1415 603">No. of options granted</th> </tr> </thead> <tbody> <tr> <td data-bbox="874 603 1130 671">Mr. Dhaval Shah</td> <td data-bbox="1130 603 1415 671">48,288,460</td> </tr> <tr> <td data-bbox="874 671 1130 739">Mr. Dharmil Sheth</td> <td data-bbox="1130 671 1415 739">48,288,460</td> </tr> <tr> <td data-bbox="874 739 1130 852">Mr. Siddharth Shah</td> <td data-bbox="1130 739 1415 852">48,288,460</td> </tr> <tr> <td data-bbox="874 852 1130 920">Mr. Harsh Parekh</td> <td data-bbox="1130 852 1415 920">48,288,460</td> </tr> <tr> <td data-bbox="874 920 1130 988">Mr. Hardik Dedhia</td> <td data-bbox="1130 920 1415 988">48,288,460</td> </tr> <tr> <td data-bbox="874 988 1130 1102">Mr. Abhinav Yajurvedi</td> <td data-bbox="1130 988 1415 1102">22,639,430</td> </tr> <tr> <td data-bbox="874 1102 1130 1215">Ms. Savita Sharma</td> <td data-bbox="1130 1102 1415 1215">691,570</td> </tr> <tr> <td data-bbox="874 1215 1130 1329">Mr. Akarsh Bhardwaj</td> <td data-bbox="1130 1215 1415 1329">6,331,710</td> </tr> <tr> <td data-bbox="874 1329 1130 1397">Ms. Drashti Shah</td> <td data-bbox="1130 1329 1415 1397">4,390,100</td> </tr> <tr> <td data-bbox="874 1397 1130 1499">Mr. Chebolu V. Ram</td> <td data-bbox="1130 1397 1415 1499">2,371,050</td> </tr> </tbody> </table>	Name	No. of options granted	Mr. Dhaval Shah	48,288,460	Mr. Dharmil Sheth	48,288,460	Mr. Siddharth Shah	48,288,460	Mr. Harsh Parekh	48,288,460	Mr. Hardik Dedhia	48,288,460	Mr. Abhinav Yajurvedi	22,639,430	Ms. Savita Sharma	691,570	Mr. Akarsh Bhardwaj	6,331,710	Ms. Drashti Shah	4,390,100	Mr. Chebolu V. Ram	2,371,050
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Mr. Akarsh Bhardwaj	6,331,710																							
Ms. Drashti Shah	4,390,100																							
Mr. Chebolu V. Ram	2,371,050																							
(ii)	Any other employee to whom options granted during the financial year 2021-22 amounted to five percent or more of total options granted during the said financial year	<p data-bbox="874 1510 1415 1714">The employees to whom options granted during financial year 2021-22 amounted to five percent or more of the total options granted during the financial year 2021-22:</p> <table border="1" data-bbox="874 1714 1415 2018"> <thead> <tr> <th data-bbox="874 1714 1187 1839">Name</th> <th data-bbox="1187 1714 1415 1839">No. of options granted</th> </tr> </thead> <tbody> <tr> <td data-bbox="874 1839 1187 1896">Mr. Dhaval Shah</td> <td data-bbox="1187 1839 1415 1896">4,82,88,460</td> </tr> <tr> <td data-bbox="874 1896 1187 1941">Mr. Dharmil Sheth</td> <td data-bbox="1187 1896 1415 1941">4,82,88,460</td> </tr> <tr> <td data-bbox="874 1941 1187 1986">Mr. Siddharth Shah</td> <td data-bbox="1187 1941 1415 1986">4,82,88,460</td> </tr> <tr> <td data-bbox="874 1986 1187 2018">Mr. Harsh Parekh</td> <td data-bbox="1187 1986 1415 2018">4,82,88,460</td> </tr> </tbody> </table>	Name	No. of options granted	Mr. Dhaval Shah	4,82,88,460	Mr. Dharmil Sheth	4,82,88,460	Mr. Siddharth Shah	4,82,88,460	Mr. Harsh Parekh	4,82,88,460												
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Mr. Harsh Parekh	4,82,88,460																							

Sr. No.	Particulars	ESOP Scheme 2020*	
		Mr. Hardik Dedhia	4,82,88,460
		Mr. Ananth	
		Sankaranarayanan	4,81,85,940
		Mr. Saurabh Pandey	2,44,62,790
(iii)	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	:	Nil

*\*The numbers are adjusted pursuant to bonus allotment made by the Company on February 12, 2021, in the ratio of 2:1 (i.e. 2 new fully paid-up equity shares as bonus for every 1 fully paid-up share held) and on October 28, 2021, in the ratio of 10: 1 (i.e. 10 new fully paid-up equity shares as bonus for every 1 fully paid-up equity share held) and sub-division of face value of shares approved by the shareholders of the Company from the face value of Rs.10/- each to face value of Re. 1/- each.*

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

During the financial year under review, no case was reported in the Company pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has a policy and framework for employees to report sexual harassment cases at workplace and the process ensures complete anonymity and confidentiality of information. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Training and awareness programs are conducted at various locations of the Company to sensitives the workforce of the Company towards creating conducive and respectable environment for the workforce.

### **Meetings of the Board of Directors**

During the financial year under review, 16 (sixteen) meetings of the Board of Directors of the Company were held and the gap between two meetings did not exceed one hundred and twenty days as per the requirement of Act. The necessary quorum was present during all such meetings.

### **Committees**

In order to adhere to the best corporate governance practices, to effectively discharge its functions and responsibilities and in compliance with the requirements of applicable laws, your Board of Directors has constituted several Committees of the Board including the following:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship Committee
- d. Corporate Social Responsibility Committee
- e. Risk Management Committee (Dissolved with effect from August 9, 2022)
- f. IPO Committee (Dissolved with effect from August 9, 2022)

#### a. Audit Committee

During the financial year under review, the Audit Committee met 3 (three) times. The composition of the Committee along with the details of the meetings held and attended by the members of the Audit Committee during the financial year 2021-22 is detailed below:

Sr. No.	Name of the Director	Director category	Nature of membership	No. of meetings held	No. of meetings attended
1	Mr. Subramaniam Somasundaram	Independent Director	Chairperson	3	3
2	Mr. Deepak Vaidya*	Independent Director	Member	NA	NA
3	Mr. Ramakant Sharma**	Independent Director	Member	3	0
4	Mr. Harsh Parekh	Whole-time Director	Member	3	3

\* Mr. Deepak Vaidya was appointed as the member of the Audit Committee on April 27, 2022.

\*\* Mr. Ramakant Sharma resigned as Director of the Company with effect from April 21, 2022 and consequently, he ceased to be a member of the Audit Committee.

#### b. Nomination and Remuneration Committee

During the financial year under review, the Nomination and Remuneration Committee met once. The composition of the Committee along with the details of the meetings held and attended by the members of the Nomination and Remuneration Committee during the financial year 2021-22 is detailed below:

Sr. No.	Name of the Director	Director category	Nature of membership	No. of meetings held	No. of meetings attended
1	Mr. Deepak Vaidya	Independent Director	Chairperson	1	1
2	Dr. Jaydeep Tank*	Independent Director	Member	NA	NA
3	Mr. Ramakant Sharma**	Independent Director	Member	1	1
4	Mr. Ankur Thadani	Non-executive Director	Member	1	1

*\* Dr. Jaydeep Tank was appointed as the member of the Nomination and Remuneration Committee on April 27, 2022.*

*\*\* Mr. Ramakant Sharma resigned as Director of the Company with effect from April 21, 2022 and consequently, he ceased to be a member of the Nomination and Remuneration Committee.*

### **c. Stakeholders' Relationship Committee**

During the financial year under review, the Stakeholders' Relationship Committee met once. The composition of the Committee along with the details of the meetings held and attended by the members of the Stakeholders' Relationship Committee during the financial year 2021-22 is detailed below:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Director category</b>	<b>Nature of membership</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
1	Mr. Ved Kalanoria*	Non-executive Director	Chairperson	1	1
2	Mr. Ankur Thadani**	Non-executive Director	Chairperson	1	0
3	Mrs. Vineeta Rai	Independent Director	Member	1	1
4	Mr. Ashutosh Sharma	Non-executive Director	Member	1	1
5	Mr. Dharmil Sheth	Whole-time Director	Member	1	1

*\*Mr. Ved Kalanoria ceased to be Chairperson and Member of the Stakeholders' Relationship Committee with effect from October 22, 2021 pursuant to his resignation as Director of the Company.*

*\*\*Mr. Ankur Thadani was appointed as the Chairperson of the Stakeholders' Relationship Committee on October 26, 2021*

### **d. Corporate Social Responsibility Committee**

The composition of the Corporate Social Responsibility Committee is detailed below:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Director category</b>	<b>Nature of membership</b>
1	Mrs. Vineeta Rai	Independent Director	Chairperson
2	Dr. Jaydeep Tank	Independent Director	Member
3	Mr. Ankur Thadani	Non-executive Director	Member
4	Mr. Siddharth Shah	Co-founder, Managing Director and Chief Executive Officer	Member

### **e. Risk Management Committee (Dissolved with effect from August 9, 2022)**

The composition of Risk Management Committee is detailed below. However, Risk Management Committee was dissolved with effect from August 9, 2022.

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Category</b>	<b>Nature of membership</b>
1	Mr. Ashutosh Sharma	Non-executive Director	Chairperson
2	Mr. Subramaniam Somasundaram	Independent Director	Member
3	Mr. Siddharth Shah	Co-founder, Managing Director and Chief Executive Officer	Member
4.	Mr. Ved Kalanoria*	Non-executive Director	Member

\*Mr. Ved Kalanoria ceased to be a Member of Risk Management Committee with effect from October 22, 2021.

#### **f. IPO Committee (Dissolved with effect from August 9, 2022)**

During the financial year under review, IPO Committee met three (3) times. The composition of IPO Committee is detailed below. However, IPO Committee was dissolved with effect from August 9, 2022 pursuant to withdrawal of draft red herring prospectus of the Company filed with Securities and Exchange Board of India and the Stock Exchanges:

<b>Name</b>	<b>Director category</b>	<b>Nature of membership</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mr. Ankur Thadani	Director	Chairman	3	3
Mr. Siddharth Bhaskar Shah	Co-founder, Managing Director and Chief Executive Officer	Member	3	3

#### **Alteration of Articles of Association**

During the financial year under review, the Company had adopted amended Articles of Association (“AOA”) of the Company in substitution of the existing AOA from time to time.

#### **Secretarial Standards**

During the financial year under review, the Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of Directors (SS–1) and General Meetings (SS–2) read with the applicable circulars issued by the MCA granting exemptions in view of the COVID-19 pandemic.

#### **Compliance with Foreign Exchange Management Regulations**

The Company has received certificate from Price Waterhouse Chartered Accountants LLP, Statutory Auditors of the Company, in compliance with the requirements of the Foreign

Exchange Management (Non-debt Instruments) Rules, 2019, for the downstream investments made by the Company during the financial year 2021-22.

## **Annual Return**

The Annual Return in Form MGT-7 as on March 31, 2022, is available on the website of the Company at <https://www.apiholdings.in/>

## **Energy conservation, technology absorption and foreign exchange earnings and outgo**

The particulars of Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo, as required to be disclosed under the Act and the Companies (Accounts) Rules, 2014, are as follows:

### **1. Conservation of Energy**

- a. Steps taken for conservation of energy:** The Company, through its group companies has been taking initiatives for energy conservation across the organization.

Few of the measures undertaken are -

1. Installation of power factor controllers across 11 locations to optimize energy consumption
2. Adopting LED lights across locations
3. Optimum usage of air conditioning through thermal insulation and centralized HVAC system
4. Conducting energy audits and investing in energy efficient infrastructure and design

For new infrastructure, the Company is implementing energy efficiency measures which are at the design stage and is planning to get green building certificate for the Company's infrastructure. Through these initiatives currently we have realised a saving of INR 8 lakh per month

- b. Steps taken by the Company for utilising alternate sources of energy:** The Company through its subsidiary companies has initiated the process of adopting solar power as a source for alternate energy. Currently, the Company has installed 600 KW solar power capacity plant and plan to expand it further
- c. Capital investment on energy conservation equipment:** The Company through its group companies have invested ~Rs. 32,00,000 (Rupees Thirty-Two Lakhs only) towards energy conservation efforts.

### **2. Technology Absorption**

- a. Major efforts made towards technology absorption:** None

- b. **The benefits derived like product improvement, cost reduction, product development or import substitution:** The Company has not entered into any technology agreement or collaborations.
- c. **Information regarding imported technology (Imported during the last three years):** The Company has not imported any technology during the year under review.
- d. **Expenditure incurred on research and development:** Nil

### 3. Foreign Exchange Earnings and Outgo:

Particulars	Financial year 2021-22	Financial year 2020-21
Foreign Exchange earned in terms of actual inflows	Nil	Nil
Foreign Exchange used in terms of actual outflows	23,389,392	Nil

### Shifting of registered office of the Company

During the financial year under review, the Company has shifted its registered office within the local limits of the Mumbai city.

### GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions or events pertaining to these items during the financial year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. There were no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company.
3. No fraud has been reported by the Auditors to the Audit Committee or the Board.
4. Since the Company has suffered losses, no amount has been transferred to the reserves account.
5. There were no one time settlements for loan from Banks or Financial Institutions.
6. There were no funds required to be transferred to the Investor Education and Protection Fund.
7. There is no application made or proceedings pending under the Insolvency and Bankruptcy Code, 2016.
8. The provisions of section 197(14) of the Act, in relation to disclosure of remuneration or commission received by a Managing or Whole-time Director from the Company's holding or subsidiary company are not applicable.

## **ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Investors, Banks, Lenders, Government and any regulatory authorities, Customers, Vendors, Employees and Members during the financial year under review.

**For and on behalf of the Board of Directors**

Place: Mumbai

Date: September 26, 2022

Sd/-

**Siddharth Shah**

**Chief Executive Officer and  
Managing Director**

**DIN: 05186193**

**Address: 701/702 B Wing, Kailash  
Tower, Vallabh Baug Lane,  
Ghatkopar (East), Mumbai 400  
075**

Sd/-

**Dharmil Sheth**

**Chief Business Officer and  
Whole Time Director**

**DIN: 06999772**

**Address: 8A, 804, Akash  
Deep CHS Damodar Park,  
LBS Marg, Near R City Mall,  
Ghatkopar West, Mumbai  
400 086, Maharashtra, India**

**Annexure-I to the Directors' Report  
Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures  
Part A Subsidiaries**

(Rs. In Millions)

Sr. No.	1	2	3	4	5	6	7	8
Name of the Subsidiary	<b>Threpsi Solutions Private Limited</b>	<b>ARZT and Health Private Limited</b>	<b>Aycon Graph Connect Private Limited</b>	<b>AHWSPL India Private Limited</b>	<b>Docon Technologies Private Limited</b>	<b>Instinct Innovations Private Limited</b>	<b>Ayro Retail Solutions Private Limited</b>	<b>Medlife Wellness Retail Private Limited</b>
The date since when subsidiary was acquired	27-Aug-20	27-Aug-20	21-Jun-19	23-May-19	27-Aug-20	8-May-20	27-Aug-20	22-Jan-21
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR	INR	INR	INR	INR	INR	INR
Share capital	12.11	0.05	0.10	0.10	142.53	0.49	0.10	0.24
Reserves and surplus	(10,726.28)	(202.93)	2,330.31	2,985.00	32,189.28	(199.66)	(1008.57)	(4,037.74)
Total assets	7,576.45	248.37	3,184.02	3,017.87	32,605.15	100.35	334.44	820.47
Total Liabilities (Excluding share capital and reserves and surplus	18,290.62	451.25	853.61	32.77	273.34	299.52	1,342.91	4,857.97



holding company's reporting period.								
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR	INR	INR	INR	INR	INR	INR
Share capital	12.13	1,001.33	0.10	0.10	0.20	0.10	55.50	117.50
Reserves and surplus	(658.54)	2,979.64	(35.92)	(463.85)	207.32	(434.46)	(88.77)	(363.56)
Total assets	14.77	12,919.00	128.54	1,426.76	633.92	1,207.07	312.23	834.47
Total Liabilities (Excluding share capital and reserves and surplus)	661.18	8,938.03	164.36	1,890.51	426.40	1,641.43	345.50	1,080.53
Investments	-	4,361.87	-	-	-	-	-	-
Turnover	72.46	4,504.18	1,436.55	3,592.68	2,246.52	2,963.34	1,125.04	2,590.58
Profit before taxation	(128.45)	(425.01)	(26.45)	(2.55)	23.44	(154.47)	(10.20)	(82.09)
Provision for taxation	-	-	-	(15.16)	5.83	-	-	-
Profit after taxation	(128.45)	(425.01)	(26.45)	12.61	17.61	(154.47)	(10.20)	(82.09)
Proposed Dividend	-	-	-	-	-	-	-	-
Extent of shareholding (in percentage) at the end of financial year 2021-22	100%	100%	100%	80%	51%	100%	100%	100%

Sr. No.	17	18	19	20	21	22	23	24
Name of the Subsidiary	<b>Muthu Pharma Private Limited</b>	<b>Pearl Medicals Private Limited</b>	<b>Rau and Co Pharma Private Limited</b>	<b>Reenav Pharma Private Limited</b>	<b>Shell Pharmaceuticals Private Limited</b>	<b>Mahaveer Medi-Sales Private Limited</b>	<b>VPI Medisales Private Limited</b>	<b>Venkatesh Medico Private Limited</b>
The date since when subsidiary was acquired	27-Aug-20	27-Aug-20	27-Aug-20	27-Aug-20	27-Aug-20	27-Aug-20	27-Aug-20	27-Aug-20
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR	INR	INR	INR	INR	INR	INR
Share capital	2.50	0.10	1.00	1.00	0.90	4.00	0.10	0.10
Reserves and surplus	(112.81)	(20.75)	(74.64)	13.75	(46.02)	694.19	(159.33)	(24.38)
Total assets	1,050.50	52.81	101.76	34.21	31.34	1,463.65	494.25	352.40
Total Liabilities (Excluding share capital and reserves and surplus)	1,160.81	73.46	175.40	19.46	76.46	765.46	653.48	376.68
Investments	-	-	-	-	-	-	-	-
Turnover	2,351.97	466.81	569.17	2,174.61	164.27	6,631.95	1,346.06	838.38
Profit before taxation	(21.28)	(7.81)	(13.49)	10.93	(4.07)	325.27	(59.00)	(8.31)

Provision for taxation	-	-	-	2.68	-	83.73	-	(2.74)
Profit after taxation	(21.28)	(7.81)	(13.49)	8.25	(4.07)	241.54	(59.00)	(5.57)
Proposed Dividend	-	-	-	-	-	-	-	-
Extent of shareholding (in percentage) at the end of financial year 2021-22	100%	100%	100%	51%	100%	51%	100%	51%

Sr. No.	25	26	27	28	29	30	31	32
Name of the Subsidiary	<b>Aushad Pharma Distributors Private Limited</b>	<b>Avighna Medicare Private Limited</b>	<b>Akna Medical Private Limited</b>	<b>Allumer Medical Private Limited</b>	<b>Shreeji Distributors Pharma Private Limited</b>	<b>Vardhman Health Specialities Private Limited</b>	<b>Cosaintis Products Private Limited</b>	<b>Healthchain Private Limited</b>
The date since when subsidiary was acquired	27-Aug-20	15-Jan-21	17-Sep-21	17-Sep-21	17-Sep-21	17-Sep-21	17-Sep-21	17-Sep-21
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR	INR	INR	INR	INR	INR	INR
Share capital	384.66	0.10	33.52	99.21	1.00	55.50	0.02	0.02
Reserves and surplus	(114.25)	(0.66)	3,543.41	(163.01)	144.32	522.20	(0.01)	(0.01)

Total assets	337.31	87.07	6,689.23	21.74	805.21	3,123.97	0.02	0.01
Total Liabilities (Excluding share capital and reserves and surplus	66.90	87.63	3,112.30	85.54	659.89	2,546.27	0.01	0.01
Investments	-	-	1,984.15	-	-	-	-	-
Turnover	955.22	227.97	3,158.03	87.21	1,178.83	4,989.74	-	-
Profit before taxation	51.53	(1.00)	(1,744.27)	(16.48)	(16.45)	80.38	-	-
Provision for taxation	13.90	-	-	-	2.84	19.63	-	-
Profit after taxation	37.63	(1.00)	(1,744.27)	(16.48)	(13.61)	60.75	-	-
Proposed Dividend	-	-	-	-	-	-	-	-
Extent of shareholding (in percentage) at the end of financial year 2021-22	51%	100%	67.30%	100%	100%	100%	100%	70%

Sr. No.	33	34	35	36	37
Name of the Subsidiary	<b>Supplythis Technologies Private Limited</b>	<b>Thyrocare Technologies Limited</b>	<b>Nuclear Healthcare Limited</b>	<b>Dial Health Drug Supplies Private Limited</b>	<b>Care Easy Health Tech Private Limited</b>
The date since when subsidiary was acquired	17-Sep-21	2-Sep-21	2-Sep-21	27-Aug-20	22-Nov-21
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company	Same as Holding Company

Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR	INR	INR	INR
Share capital	0.10	529.00	111.11	0.10	0.10
Reserves and surplus	(27.91)	4,677.84	565.13	(178.04)	(250.98)
Total assets	61.44	5,971.85	836.81	0.32	26.50
Total Liabilities (Excluding share capital and reserves and surplus)	89.25	764.97	160.56	178.26	277.38
Investments	-	2,594.05	361.76	-	-
Turnover	138.34	5,615.35	273.41	-	11.55
Profit before taxation	(27.91)	2,072.87	204.14	(55.01)	(251.11)
Provision for taxation	-	553.35	(37.58)	-	-
Profit after taxation	(27.91)	1,519.53	241.72	(55.01)	-
Proposed Dividend	-	-	-	-	-
Extent of shareholding (in percentage) at the end of financial year 2021-22	100%	71.18%	100%	100%	80.00%

**1. Names of subsidiaries which are yet to commence operations:** Dial Health Drug Supplies Private Limited

**2. Names of subsidiaries which have been liquidated or sold during the year:** No subsidiary has been liquidated or sold during the year, except Erstwhile Medlife International Private Limited and Erstwhile Evriksh Healthcare Private Limited which merged with the Company.

**Annexure-I to the Directors' Report  
Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**  
**Part B Associates and Joint Ventures**

(Rs. In Millions)

<b>Sr. No.</b>	<b>1</b>	<b>2</b>	<b>3</b>
Name of the Associates or Joint Ventures	<b>MARG ERP Ltd</b>	<b>Equinox Labs Limited</b>	<b>Impex Healthcare Private Limited</b>
1. Latest audited Balance Sheet Date	March 31, 2022	March 31, 2022	March 31, 2022
2. Date on which the Associate or Joint Venture was associated or acquired	14-Oct-21	02-Sep-21	17-Sep-21
3. Shares of Associate or Joint Ventures held by the company on the year end	49.17%	30%	26%
No. of Shares	4917499	429186	650000
Amount of Investment in Associates or Joint Venture	2549.66	209.2	206.36
Extent of Holding (in percentage)	49.17%	30.03%	26.00%
4. Description of how there is significant influence	By holding more than 20%	By holding more than 20%	By holding more than 20%
5. Reason why the associate/Joint venture is not consolidated.	Consolidated as per the requirement of Indian Accounting Standards (Ind AS) as notified under Companies Act, 2013	Consolidated as per the requirement of Indian Accounting Standards (Ind AS) as notified under Companies Act, 2013	Consolidated as per the requirement of Indian Accounting Standards (Ind AS) as notified under Companies Act, 2013
6. Net worth attributable to shareholding as per latest audited Balance Sheet	99.23	209.2	90.30

7. Profit or Loss for the year			
i. Considered in Consolidation	18.49	1.70	3.25
ii. Not Considered in Consolidation	-	-	-

**1. Names of associates or joint ventures which are yet to commence operations.:** Nil

**2. Names of associates or joint ventures which have been liquidated or sold during the year.:** Nil

The above statement also indicates performance and financial position of each of the subsidiaries and associates.

**For and on behalf of the Board of Directors  
API Holdings Limited**

**Sd/-**

**Siddharth Shah  
Chief Executive Officer and Managing  
Director  
DIN: 05186193  
Address: 701/702 B Wing, Kailash  
Tower, Vallabh Baug Lane, Ghatkopar  
(East), Mumbai 400 075**

**Sd/-**

**Dharmil Sheth  
Chief Business Officer and Whole  
Time Director  
DIN: 06999772  
Address: 8A, 804, Akash Deep CHS  
Damodar Park, LBS Marg, Near R City  
Mall, Ghatkopar West, Mumbai  
400 086, Maharashtra, India**

**Annexure II  
Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and 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 sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto)

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

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NOT APPLICABLE							

**2. Details of material contracts or arrangements or transactions at arm's length basis**

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts/arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount in INR (in Million)	Date(s) of approval by the Board, if any*	Amount paid in advances, if any
1	Threpsi Solutions Private Limited	Subsidiary	Repayment of Loans	Short term loan	<b>Tenure:</b> Repayable on demand;	11,109.71	NA	NA
2	Ascent Wellness and Pharma Solutions Private Limited	Step down subsidiary	Repayment of Loans	Short term loan	<b>Rate of Interest-</b> 8% upto Oct 21, 10% from Nov 21 to March 22;	9,547.75	NA	NA
3	Docon Technologies Private Limited	Subsidiary	Repayment of Loans	Short term loan	<b>Nature:</b> Unsecured	2,655.50	NA	NA

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts/ arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount in INR (in Million)	Date(s) of approval by the Board, if any*	Amount paid in advances, if any
4	Aycon Graph Connect Private Limited	Subsidiary	Repayment of Loans	Short term loan	<b>Tenure:</b> Repayable on demand; <b>Rate of Interest-</b> 8% upto Oct 21, 10% from Nov 21 to March 22; <b>Nature:</b> Unsecured	680.36	NA	NA
5	Medlife Wellness Retail Private Limited	Subsidiary	Repayment of loans	Short term loan		2,017.66	NA	NA
6	Metarain Distributors Private Limited	Subsidiary	Repayment of loans	Short term loan		378.22	NA	NA
7	Threpsi Solutions Private Limited	Subsidiary	Loan given	Short term loan		15,505.85	NA	NA
8	Ascent Wellness and Pharma Solutions Private Limited	Step down subsidiary	Loan given	Short term loan		9,187.31	NA	NA
9	Docon Technologies Private Limited	Subsidiary	Loan given	Short term loan		3,307.27	NA	NA
10	Aycon Graph Connect Private Limited	Subsidiary	Loan given	Short term loan		1,286.87	NA	NA
11	Medlife Wellness Retail Private Limited	Subsidiary	Loan given	Short term loan		1,958.01	NA	NA
12	Care Easy Health Tech Private Limited	Subsidiary	Loan given	Short term loan		236.57	NA	NA
13	Threpsi Solutions Private Limited	Subsidiary	Interest income	On short term loan		404.70	NA	NA
14	Medlife Wellness Retail Private Limited	Subsidiary	Interest income	On short term loan		310.21	NA	NA
15	Ascent Wellness and Pharma Solutions Private Limited	Step down subsidiary	Interest income	On short term loan		232.97	NA	NA

<b>Sr. No.</b>	<b>Name(s) of the related party</b>	<b>Nature of relationship</b>	<b>Nature of contracts /arrangements /transactions</b>	<b>Duration of the contracts/ arrangements /transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	<b>Amount in INR (in Million)</b>	<b>Date(s) of approval by the Board, if any*</b>	<b>Amount paid in advances, if any</b>
16	Docon Technologies Private Limited	Subsidiary	Investment in Equity Shares	NA	NA	49,082.92	NA	NA
17	Akna Medical Private Limited	Subsidiary	Investment in Equity Shares	NA	NA	3,080.00	NA	NA
18	Threpsi Solutions Private Limited	Subsidiary	Investment in CCD	NA	As per CCD issue terms	3,505.88	NA	NA
19	Docon Technologies Private Limited	Subsidiary	Investment in CCD	NA	As per CCD issue terms	1,329.14	NA	NA
20	Ascent Wellness and Pharma Solutions Private Limited	Step down subsidiary	Investment in CCD	NA	As per CCD issue terms	1,001.23	NA	NA
21	Aycon Graph Connect Private Limited	Subsidiary	Investment in CCD	NA	As per CCD issue terms	735.17	NA	NA
22	Ascent Wellness and Pharma Solutions Private Limited	Step down subsidiary	Guarantee provided on behalf of subsidiary	Upto August 2022	Guarantee issued against term loan availed by subsidiary	6,840.00	NA	NA
23	Aycon Graph Connect Private Limited	Subsidiary	Guarantee provided on behalf of subsidiary	Upto August 2022	Guarantee issued against term loan availed by subsidiary	560.00	NA	NA
24	Threpsi Solutions Private Limited	Subsidiary	Guarantee provided on behalf of subsidiary	Upto August 2022	Guarantee issued against term loan availed by subsidiary	9,190.00	NA	NA

<b>Sr. No.</b>	<b>Name(s) of the related party</b>	<b>Nature of relationship</b>	<b>Nature of contracts /arrangements /transactions</b>	<b>Duration of the contracts/ arrangements /transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	<b>Amount in INR (in Million)</b>	<b>Date(s) of approval by the Board, if any*</b>	<b>Amount paid in advances, if any</b>
25	Akna Medical Private Limited	Subsidiary	Guarantee provided on behalf of subsidiary	Upto May 2025	Guarantee issued against NCD issued by subsidiary	650.00	NA	NA
*As the transactions were in ordinary course and at arm's length, no approval of the Board of Directors was required as per Section 188 of the Companies Act, 2013								

**For and on behalf of the Board of Directors  
API Holdings Limited**

**Sd/-  
Siddharth Shah  
Chief Executive Officer and Managing  
Director  
DIN: 05186193  
Address: 701/702 B Wing, Kailash  
Tower, Vallabh Baug Lane, Ghatkopar  
(East), Mumbai 400 075**

**Sd/-  
Dharmil Sheth  
Chief Business Officer and Whole  
Time Director  
DIN: 06999772  
Address: 8A, 804, Akash Deep CHS  
Damodar Park, LBS Marg, Near R City  
Mall, Ghatkopar West, Mumbai  
400 086, Maharashtra, India**

# Independent Auditor's Report

To the Members of API Holdings Limited (formerly known as API Holdings Private Limited)

## Report on the Audit of the Standalone Financial statements

### Opinion

1. We have audited the accompanying standalone financial statements of API Holdings Limited, formerly known as API Holdings Private Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive loss (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

3. 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 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.

### Emphasis of Matter

4. We draw your attention to note 40A to the standalone financial statements in respect of the scheme of amalgamation (the "Scheme") between the Company and Medlife International Private Limited, its subsidiary and Evriksh Healthcare Private Limited, its step-down subsidiary, as approved by the Regional Director vide its order dated September 24, 2021. The Scheme has been given effect to in the standalone financial statements in accordance with the Appendix C to Ind AS 103, Business Combination from January 22, 2021, which is different from the appointed date of January 25, 2021, specified in the order of Regional Director. Our opinion is not modified in respect of this matter.

### Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of management and those charged with governance for the standalone financial statements**

6. 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 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 misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.  
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control 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 with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.  
If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

11. 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.

#### **Other matter**

12. We did not audit the standalone financial statements of Medlife International Private Limited and Evriksh Healthcare Private Limited for the period January 22, 2021 to March 31, 2021, included in the standalone financial statements of the Company, which constitute total assets of Rs. 4,383.67 million and net assets of Rs. (121.96) million as at March 31, 2021, total revenue of Rs. 122.28 million, total comprehensive loss (comprising of loss and other comprehensive income) of Rs. 166.69 and net cash flows amounting to Rs. 4.31 million for the period then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the standalone financial statements (including other information) to the extent they have been derived from such standalone financial statements is based solely on the report of such other auditors.

#### **Report on other legal and regulatory requirements**

13. As required by the Companies (Auditor's Report) Order, 2020 ("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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (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 44 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. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 48 to the financial statements);

- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 48 to the financial statements); and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number:012754N/N500016

Sd/-

Nitin Khatri  
Partner  
Membership Number: 110282  
UDIN: 22110282ASBYVU8696

Place: Mumbai  
Date: September 13, 2022

# Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of API Holdings Limited (formerly known as API Holdings Private Limited) on the standalone financial statements as at and for the year ended March 31, 2022

Page 1 of 2

## Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of API Holdings Limited (formerly known as API Holdings Private Limited) ("the Company") as of March 31, 2022 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

2. 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 ("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 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

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

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

**Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number:012754N/N500016

Sd/-

Nitin Khatri  
Partner  
Membership Number: 110282  
UDIN: 22110282ASBYVU8696

Place : Mumbai  
Date : September 13, 2022

- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group.  
We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of Rs. 4,861.31 million in the financial year and of Rs. 1,680.40 million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 37.1 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, potential sources of funds available with the Company as mentioned in Note 2 to the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number:012754N/N500016

Sd/-

Nitin Khatri  
Partner  
Membership Number: 110282  
UDIN: 22110282ASBYVU8696

Place: Mumbai  
Date: September 13, 2022

API Holdings Limited (formerly known as API Holdings Private Limited)  
**Standalone Balance Sheet as at March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021 (Restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	22.92	41.69
Right-of-use asset	4	5.19	28.76
Goodwill	5	3,280.00	6,659.39
Other Intangible assets	6	4.16	8.60
Financial assets			
Investments	7	55,532.54	19,586.02
Loans	14	5,786.76	-
Non-current tax assets (net)	8	219.54	131.15
Other non-current assets	9	350.09	621.12
<b>Total non-current assets</b>		<b>65,201.20</b>	<b>27,076.73</b>
<b>Current assets</b>			
Inventories	10	16.25	21.98
Financial assets			
Trade receivables	11	241.87	236.85
Cash and cash equivalents	12	255.84	123.60
Other Bank Balances	13	951.24	781.04
Loans	14	176.20	10,960.33
Other financial assets	15	41.70	6,221.09
Other current assets	16	330.68	178.40
<b>Total current assets</b>		<b>2,013.78</b>	<b>18,523.29</b>
<b>TOTAL ASSETS</b>		<b>67,214.98</b>	<b>45,600.02</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	17	6,142.04	256.20
<b>Other equity</b>			
Instruments entirely in the nature of equity	18	-	115.47
Equity component of compound financial instruments	19	78.90	828.90
Reserves and surplus	19	56,244.25	39,967.82
<b>Total equity</b>		<b>62,465.19</b>	<b>41,168.39</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	20	-	1,364.83
Lease liabilities	4	2.48	15.46
Other financial liabilities	21	1,215.09	20.68
Provisions	22	13.08	39.22
<b>Total non-current liabilities</b>		<b>1,230.65</b>	<b>1,440.19</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	20	2,700.00	1,449.39
Lease liabilities	4	2.80	14.89
Trade payables			
-total outstanding dues of micro enterprises and small enterprises	23	13.19	4.16
-total outstanding dues of creditors other than micro enterprises and small enterprises	23	469.16	1,056.94
Others financial liabilities	24	264.14	334.34
Provisions	25	23.05	42.53
Contract liabilities	26A	3.90	-
Other current liabilities	26B	42.90	89.19
<b>Total current liabilities</b>		<b>3,519.14</b>	<b>2,991.44</b>
<b>Total liabilities</b>		<b>4,749.79</b>	<b>4,431.63</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>67,214.98</b>	<b>45,600.02</b>

Significant accounting policies

2

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP

Firm's Registration No: 012754N/N500016

For and on behalf of Board of the Directors of

API Holdings Limited (formerly known as API Holdings Private Limited)

CIN :U60100MH2019PLC323444.

Sd/-

Nitin Khatri

Partner

Membership number: 110282

Sd/-

Siddharth Shah

Managing Director and

Chief Executive Officer

DIN: 05186193

Sd/-

Dharmil Sheth

Whole time Director

DIN: 06999772

Sd/-

Chebolu V Ram

Chief Financial Officer

Place : Mumbai

Date: September 13, 2022

Sd/-

Drashti Shah

Company Secretary and

Chief Compliance Officer

Membership number: ACS22968

Place : Mumbai

Date: September 13, 2022

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
<b>Continuing operations</b>			
<b>Income</b>			
Revenue from operations	27	1,697.40	504.54
Other Income	28	1,771.01	253.42
<b>Total income</b>		<b>3,468.41</b>	<b>757.96</b>
<b>Expenses</b>			
Purchases of stock-in-trade	29	156.13	9.82
Changes in inventories of stock-in-trade	30	(136.14)	(3.19)
Employee benefit expense	31	6,759.65	229.06
Finance costs	32	468.58	106.64
Depreciation and amortisation expense	33	35.20	20.13
Other expenses	34	3,585.50	1,192.26
<b>Total expenses</b>		<b>10,868.92</b>	<b>1,554.72</b>
<b>Loss before exceptional items and tax</b>		<b>(7,400.51)</b>	<b>(796.76)</b>
<b>Exceptional items</b>			
Impairment of Goodwill	34A	3,379.39	-
Impairment in value of financial assets	34A	40,030.20	-
<b>Loss before tax</b>		<b>(50,810.10)</b>	<b>(796.76)</b>
<b>Income tax expense</b>			
Current tax	39	-	-
Deferred tax charge / (credit)	39	-	0.80
<b>Total tax expenses / (credit)</b>		<b>-</b>	<b>0.80</b>
<b>Loss after tax from continuing operations</b>		<b>(50,810.10)</b>	<b>(797.56)</b>
<b>Discontinued operations</b>			
Loss from discontinued operation before tax		-	(1,482.93)
Tax expenses/(credit) of discontinued operations	39	-	180.65
<b>Loss from discontinued operations</b>		<b>-</b>	<b>(1,663.58)</b>
<b>Loss for the year</b>		<b>(50,810.10)</b>	<b>(2,461.14)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	35	32.86	2.51
Income tax relating to these items		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>32.86</b>	<b>2.51</b>
<b>Total comprehensive income for the year</b>		<b>(50,777.24)</b>	<b>(2,458.63)</b>
<b>Earnings per share (Face Value of Re. 1 each)</b>			
Basic and Diluted Earnings per share (In Rupees) from Continuing Operations	38	(9.19)	(0.33)
Basic and Diluted Earnings per share (In Rupees) from Discontinued Operations		-	(0.70)

Significant accounting policies

2

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

**For Price Waterhouse Chartered Accountants LLP**

Firm's Registration No: 012754N/N500016

For and on behalf of Board of the Directors of

**API Holdings Limited (formerly known as API Holdings Private Limited)**

CIN :U60100MH2019PLC323444.

Sd/-

Sd/-

Sd/-

**Nitin Khatri**

Partner

Membership number: 110282

**Siddharth Shah**

Managing Director and  
Chief Executive Officer  
DIN: 05186193

**Dharmil Sheth**

Whole time Director  
DIN: 06999772

Sd/-

Sd/-

**Chebolu V Ram**

Chief Financial Officer

**Drashti Shah**

Company Secretary and Chief  
Compliance Officer  
Membership number: ACS22968

Place : Mumbai

Date: September 13, 2022

Place : Mumbai

Date: September 13, 2022

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Standalone Statement of Cash Flow for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
<b>A. Cash flow from operating activities</b>		
(Loss)/Profit before tax from continued operations	(50,810.10)	(796.76)
(Loss)/Profit before tax from discontinued operations	-	(1,482.93)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	35.20	90.71
Impairment of financial asset	40,030.20	-
Impairment of goodwill	3,379.39	-
Share based payment expense	3,000.40	213.71
Interest income	(1,404.02)	(242.75)
Unwinding of interest on security deposits	(1.48)	(0.14)
Finance costs	468.58	270.11
Amortisation of financial guarantee liability	(172.23)	(7.40)
Net gain on derivative instrument	(110.60)	-
(Gain)/loss on fair valuation of financial instruments	(115.07)	287.66
Expected credit loss provision on financial assets (net)	(15.48)	10.81
Provision for doubtful advances and deposits (net)	(15.83)	14.16
Reversal of provision for doubtful balances with government authorities	(63.01)	-
Impact due to derecognition of lease	(2.70)	(10.66)
<b>Operating profit before working capital changes</b>	<b>(5,796.75)</b>	<b>(1,653.48)</b>
<b>Changes in working capital:</b>		
(Increase)/ Decrease in trade receivables	(28.45)	(149.70)
(Increase)/ Decrease in Inventories	(142.00)	164.86
(Increase)/ Decrease in other current and non-current assets	83.17	75.33
(Increase)/ Decrease in loans	-	(216.35)
(Increase)/ Decrease in other financial assets	78.10	(159.91)
Increase / (Decrease) in provisions	(12.76)	11.15
Increase / (Decrease) in trade payables	(400.97)	358.61
Increase / (Decrease) in other current and non-current financial liabilities	50.57	(189.33)
Increase / (Decrease) in other current and non-current liabilities	(42.40)	(78.18)
<b>Cash generated/(used) from operations</b>	<b>(6,211.49)</b>	<b>(1,837.00)</b>
Income taxes paid (net)	(88.39)	(39.61)
<b>Net cash flow used in operating activities (A)</b>	<b>(6,299.88)</b>	<b>(1,876.61)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(24.07)	(41.82)
Proceeds from sale of property, plant and equipment and intangible assets	12.59	-
Investment in subsidiaries	(57,125.16)	(12.61)
Investment in associates	(2,548.00)	-
Investments in other equity instruments	(99.95)	-
Loan to subsidiaries	(31,694.08)	(12,674.18)
Loan repaid by subsidiaries	26,397.37	2,967.24
Interest received	1,243.88	103.09
Proceeds from sale of business/assets through slump sale	5,363.13	409.90
Amount (invested)/redeemed through fixed deposits (Net)	(160.17)	271.77
<b>Net cash flow used in investing activities (B)</b>	<b>(58,634.46)</b>	<b>(8,976.61)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issue of equity instruments	63,521.76	7,076.25
Payment of share issue costs	(131.57)	(21.91)
Payment for extinguishment of financial instruments	-	(64.46)
Proceed from issue of instruments entirely in the nature of equity	47.90	-
Proceed from issue of compulsory convertible debentures	3,209.33	3,992.77
Finance cost paid	(510.91)	(279.35)
Principal element of lease payments	(12.56)	(152.05)
Proceeds / (repayments) from short term borrowings (net)	2,597.74	158.70
Proceeds from long term borrowings	1,250.00	-
Repayments of long term borrowings	(3,813.95)	-
Payment for employee share options bought-back	(1,081.13)	-
<b>Net cash flow from financing activities (C)</b>	<b>65,076.61</b>	<b>10,709.95</b>
<b>Net cash flows during the year (A+B+C)</b>	<b>142.27</b>	<b>(143.26)</b>
<b>Cash and cash equivalents acquired on amalgamation</b>	<b>-</b>	<b>8.79</b>
<b>Cash and cash equivalents (opening balance)</b>	<b>154.61</b>	<b>289.08</b>
<b>Cash and cash equivalents (closing balance)</b>	<b>296.88</b>	<b>154.61</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Standalone Statement of Cash Flow for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
<b>Components of cash and cash equivalents (Refer note 12)</b>		
Cash on hand	0.08	0.41
Cheques on hand	-	77.52
Balance with banks		
In current accounts	255.76	45.67
Add: Earmarked funds with banks (refer note 13)	41.04	31.01
<b>Total</b>	<b>296.88</b>	<b>154.61</b>
<b>The following are the non cash investing and financing activities:</b>		
Fair value changes in valuation of financial instruments	115.07	-
Acquisition of Right to use assets	24.84	0.81
Employee share based payment issued in business combination	-	1,379.49
Bonus issue of shares	5,583.67	228.15
Equity component of compound financial instruments	-	828.90
Adjustment on conversion of equity component of compound financial instruments	750.00	-
Net gain on derivative instrument	110.60	-
Issued during the year pursuant to scheme of amalgamation	-	13,570.54
Conversion of share warrants into Equity	-	108.33
Conversion of Compulsorily Convertible Debentures ("CCDs") into CCPS	-	5,999.99
Conversion of share warrants into Convertible Preference Shares ("CCPS")	-	54.17
Conversion of Optional Convertible Redeemable Debentures ("OCRD") into Equity	3.00	-
Conversion of Compulsorily Convertible Debentures ("CCD") into Equity	3,210.04	95.87
Conversion of Compulsorily Convertible Preference Shares ("CCPS") into Equity	19,092.40	-
Amount transferred to securities premium on exercise of share options	905.33	-
CCPS Issued pursuant to acquisition of Medlife International Private Limited	-	10,827.60
Investment in subsidiaries	10,557.43	19,483.32

Also, refer note 20(viii), Net Debt Reconciliation for disclosure of non-cash financing activities

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

Significant accounting policies

2

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

**For Price Waterhouse Chartered Accountants LLP**  
Firm's Registration No: 012754N/N500016

For and on behalf of Board of the Directors of  
**API Holdings Limited (formerly known as API Holdings Private Limited)**  
CIN :U60100MH2019PLC323444.

Sd/-

Sd/-

Sd/-

**Nitin Khatri**  
Partner  
Membership number: 110282

**Siddharth Shah**  
Managing Director and  
Chief Executive Officer  
DIN: 05186193

**Dharmil Sheth**  
Whole time Director  
DIN: 06999772

Sd/-

Sd/-

**Chebolu V Ram**  
Chief Financial Officer

**Drashti Shah**  
Company Secretary and  
Chief Compliance Officer  
Membership number: ACS22968

Place : Mumbai  
Date: September 13, 2022

Place : Mumbai  
Date: September 13, 2022

API Holdings Limited (formerly known as API Holdings Private Limited)  
**Standalone Statement of Changes in Equity for the year ended March 31, 2022**  
 (All amounts in Rupees Million, unless otherwise stated)

**A Share Capital**

**Equity Share Capital**

Particulars	Amount
As at March 31, 2020	0.10
Reduction pursuant to scheme of amalgamation (refer note 17 (ii) (a))	(0.10)
Issued during the year	256.20
<b>As at March 31, 2021 (Restated)</b>	<b>256.20</b>
As at March 31, 2021 (Restated)	256.20
Changes during the year	5,885.84
<b>As at March 31, 2022</b>	<b>6,142.04</b>

**B Instrument entirely in the nature of equity**

Particulars	Amount
As at March 31, 2020	-
Changes during the year	115.47
<b>As at March 31, 2021 (Restated)</b>	<b>115.47</b>
As at March 31, 2021 (Restated)	115.47
Changes during the year	(115.47)
<b>As at March 31, 2022</b>	<b>-</b>

**C Other Equity**

Particulars	Reserves and Surplus					Equity component of compound financial instruments	Money received against share warrants	Total
	Employee stock option outstanding	Amalgamation deficit balance	Capital reserve	Accumulated deficit	Securities premium reserve			
<b>Balance as at March 31, 2020</b>	<b>386.00</b>	<b>1.62</b>	<b>1.40</b>	<b>(6,758.34)</b>	<b>9,367.50</b>	<b>78.90</b>	<b>16.30</b>	<b>3,093.38</b>
Loss for the year	-	-	-	(797.56)	-	-	-	(797.56)
Loss for the year from discontinued operation	-	-	-	(1,663.58)	-	-	-	(1,663.58)
Other comprehensive income / (loss) (net of tax)	-	-	-	2.51	-	-	-	2.51
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,458.63)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,458.63)</b>
<b>Transaction with owners in the their capacity as owners</b>								
Equity component of instruments issued during the year	-	-	-	-	-	750.00	-	750.00
Issue of equity shares and instruments in the nature of equity	-	-	-	-	38,040.25	-	-	38,040.25
Bonus shares issued	-	-	-	-	(228.15)	-	-	(228.15)
Transaction cost on issue of equity instruments	-	-	-	-	(21.91)	-	-	(21.91)
Employee share based payment issued in business combination	1,379.49	-	-	-	-	-	-	1,379.49
Share based payment expense	551.22	-	-	-	-	-	-	551.22
Employee share options repurchased during the year	(136.19)	-	-	(86.18)	-	-	-	(222.37)
Loss on conversion of share warrants	-	-	-	(35.20)	-	-	(16.30)	(51.50)
Adjustment on account of amalgamation of Acquirer	-	(35.16)	0.10	-	-	-	-	(35.06)
<b>Balance as at March 31, 2021 (Restated)</b>	<b>2,180.52</b>	<b>(33.54)</b>	<b>1.50</b>	<b>(9,338.35)</b>	<b>47,157.69</b>	<b>828.90</b>	<b>-</b>	<b>40,796.72</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Standalone Statement of Changes in Equity for the year ended March 31, 2022**  
 (All amounts in Rupees Million, unless otherwise stated)

Particulars	Reserves and Surplus				Equity component of compound financial instruments	Money received against share warrants	Total
	Employee stock option outstanding	Amalgamation deficit balance	Capital reserve	Accumulated deficit			
<b>Balance as at March 31, 2021 (Restated)</b>	2,180.52	(33.54)	1.50	(9,338.35)	828.90	-	40,796.72
Loss for the year	-	-	-	(50,810.10)	-	-	(50,810.10)
Other comprehensive income / (loss) (net of tax)	-	-	-	32.86	-	-	32.86
<b>Total comprehensive income / (loss) for the year</b>	-	-	-	(50,777.24)	-	-	(50,777.24)
<b>Transaction with owners in their capacity as owners</b>							
Issue of equity shares and instruments in the nature of equity	-	-	-	-	67,314.51	-	67,314.51
Bonus shares issued	-	-	-	-	(5,583.67)	-	(5,583.67)
Transaction cost on issue of equity instruments	-	-	-	-	(131.57)	-	(131.57)
Share based payment expense	6,282.79	-	-	-	-	-	6,282.79
Employee share options repurchased during the year	(506.17)	-	-	(352.59)	-	-	(858.76)
Transfer on exercise of employee stock option	(905.33)	-	-	-	935.70	-	30.37
Adjustment on conversion during the year	-	-	-	-	(750.00)	-	(750.00)
<b>Balance as at March 31, 2022</b>	<b>7,051.81</b>	<b>(33.54)</b>	<b>1.50</b>	<b>(60,468.18)</b>	<b>109,692.66</b>	<b>-</b>	<b>56,323.15</b>

2

Significant accounting policies  
 The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.  
**For Price Waterhouse Chartered Accountants LLP**  
 Firm's Registration No: 012754N/N500016

For and on behalf of Board of the Directors of  
**API Holdings Limited (formerly known as API Holdings Private Limited)**  
 CIN : U60100MH2019PLC323444.

Sd/-

**Nitin Khatri**  
 Partner  
 Membership number: 110282

Sd/-

**Siddharth Shah**  
 Managing Director and Chief Executive Officer  
 DIN: 05186193

Sd/-

**Dharmil Sheth**  
 Whole time Director  
 DIN: 06999772

Sd/-

**Chebolu V Ram**  
 Chief Financial Officer

Sd/-

**Drashti Shah**  
 Company Secretary and Chief Compliance Officer  
 Membership number: ACS22968

Place : Mumbai  
 Date: September 13, 2022

Place : Mumbai  
 Date: September 13, 2022

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

Notes to Standalone financial statements as at and for the year ended March 31, 2022

### **Note 1. Background**

API Holdings Limited [formerly known as API Holdings Private Limited] ("API" or "the Company") is a public Company limited by shares, incorporated on March 31, 2019 and domiciled in India. The Company, its subsidiaries (collectively the "Group") and its associates, are engaged in diversified businesses primarily trading of pharmaceutical and cosmetic goods, licensing of internet portals or mobile applications (related to sales and distribution of pharmaceutical and cosmetic goods), diagnostic services, teleconsulting etc. The registered address of the Company is 902, 9th Floor, Raheja Plaza 1, B-Wing, Opposite R-City Mall, L.B.S Marg, Ghatkopar (W) Mumbai 400086.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the annual general meeting of the shareholders of the Company held on October 1, 2021 and consequently the name of the Company has changed to API Holdings Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on October 28, 2021.

On August 27, 2020 (the "Effective Date"), the Scheme of Amalgamation of Thea Technologies Private Limited ("TTPL"), Swifto Services Private Limited ("SSPL") with 91Streets Media Technologies Private Limited ("91Streets") and 91Streets, Ascent Health and Wellness Solutions Private Limited ("Ascent"), Aahaan Commercials Private Limited ("ACPL") and Lokprakash Vidhya Private Limited ("LVPL") with API Holdings Limited ("API" or "the Company") and their respective shareholders (the "Scheme") became effective, pursuant to filing of the order of National Company Law Tribunal, Bench, Mumbai sanctioning the Scheme, with the Registrar of Companies, Mumbai.

Pursuant to the Scheme becoming effective, the erstwhile TTPL, SSPL (being subsidiaries of 91Streets) amalgamated into 91Streets, and 91Streets, Ascent, ACPL and LVPL amalgamated into the Company. Accordingly, these companies were dissolved without winding up and the entire business, assets, liabilities, undertaking, etc. of these companies were transferred to and now vests with the Company.

The Scheme has been accounted for as a business combination using the acquisition method of accounting under the provisions of Ind AS 103 Business Combinations with the Effective Date being the acquisition date. 91Streets has been determined to be the acquirer for accounting purposes. As a result, upon consummation of the Scheme, the historical standalone financial statements of 91Streets have been included in the standalone financial statements from the earliest period presented. The share capital as appearing in the standalone financial statements is that of API Holdings Limited (the surviving entity in the amalgamation). Refer note 40B for details.

On 30th September 2021 (the "Effective Date"), the Scheme of Amalgamation of Medlife International Private Limited ("MIPL") and Evriksh Healthcare Private Limited ("EHPL") with API Holdings Limited (formerly known as API Holdings Private Limited) and their respective shareholders (the "Scheme") became effective from 25th January 2021 (the "Appointed Date") pursuant to filing of the order of Regional Director, Ministry of Corporate Affairs, Western Region ("RD") sanctioning the Scheme with the Registrar of Companies, Mumbai. Pursuant to the Scheme becoming effective, the erstwhile Medlife International Private Limited and Evriksh Healthcare Private Limited stand dissolved without winding up and the entire business, assets, liabilities, undertaking, etc. of these companies stand transferred to and vest in API Holdings Limited ("the Company").

Consequently, based on RD order and requirement of Appendix C to Ind AS-103 on Business Combinations, on the appointed date, the Company has accounted the merger of MIPL and EHPL as common control transaction effective January 22, 2021. Accordingly, the financial statements of the Company for the year ended March 31, 2021, have been restated to include results of erstwhile MIPL and EHPL with effect from January 22, 2021 (i.e., the common control acquisition date).

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
Notes to Standalone financial statements as at and for the year ended March 31, 2022

**Note 2: Summary of significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

**A. Basis of preparation**

As at March 31, 2022, the current liabilities of the Company exceeds its current assets, the Company has incurred losses during the financial years ended March 31, 2022 and March 31, 2021 and has issued letters of continued financial support to its subsidiaries. These standalone financial statements have been prepared on a going concern basis, considering the business plan for 12 months from the reporting period as approved by its Board of Directors which includes planned reduction in certain recurring costs (e.g. employee benefits, marketing and legal and professional fees, etc.), the results of operations subsequent to the financial year end being in line with the budget, funds raised subsequent to year end by issue of long term non-convertible debentures, equity commitment letters issued by certain existing shareholders and long term debt commitment by a debt fund.

**(i) Compliance with Ind AS**

The standalone financial statements comply in all material aspects with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These financial statements were authorised for issue by the Company's Board of Directors on September 13, 2022.

**(ii) Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) and contingent consideration (if any) is measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value; and
- share-based payments

**(iii) New and amended standards adopted by the Company**

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period ended March 31, 2022:

- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

The Company has applied the following amendments to the Schedule III Division II of the Companies Act 2013 while preparing the standalone financial statements:

- Additional disclosures related to ageing of trade receivables, trade payables, unbilled revenue, capital work in progress, intangibles under developments etc.
- Additional disclosures related to title deeds of immovable properties, ratios, corporate social responsibility, loans given, utilisation borrowed funds and securities premium, reconciliation of returns submitted to banks with books of accounts, delay in registration of charges outstanding, promoter's shareholding, relationship with struck off companies, surrendered income, revaluation of Property, plant and equipment and valuation of investment properties, etc.
- Presentation of lease liabilities and current maturities of long-term borrowings in the financial statements.

The Company has applied the above amendments to the extent applicable to these standalone financial statements.

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

Notes to Standalone financial statements as at and for the year ended March 31, 2022

### (iv) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified. The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### (v) Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates, judgements 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 revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Significant judgements:

#### a) Recognition of deferred tax assets:

The Company recognises deferred tax assets only to the extent that it is probable that future taxable profits will be available against which the tax losses can be utilized.

Estimation of the level of future taxable profits is therefore required to determine the appropriate carrying value of the deferred tax assets. Considering past losses, uncertainty of its ability to generate future taxable profit, the Company has recognised deferred tax assets only to the extent of deferred tax liabilities.

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- b) Business combination:  
In accounting for business combinations, judgment is required in identifying the acquirer and acquiree for the purpose of business combination and whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and liabilities acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.
- c) Investments  
A judgement is involved in determining whether the investor has a significant influence over the investee. It is dependent on various factors such as the quantum of investments, representation on board of directors or other governing bodies, participation in policy making processes, including decisions on dividend distributions, material transactions between investor and investee, interchange of managerial personnel or provision of essential technical information. The Company has determined that it has a significant influence over its investee, Marg ERP Limited, with 49% equity interest along with a call option on remaining equity interest which is exercisable at a future date. The Company does not have a significant influence over Aarman Solutions Private Limited considering, 19.99% equity interest in the investee with a written call on its entire interest in investee exercisable at fair value at any time, absence of board representation and absence of voting rights on policy making decisions.
- d) Going concern assessment  
The business plan for 12 months from reporting period end is based on management estimates of future revenue, planned reduction of recurring costs, equity and debt commitments which are based on information available upto the date of issue of these standalone financial statements and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the management assessment of the going concern.

Critical estimates:

- a) Fair value of employee share options  
The fair valuation of the employee share options is based on the Black-Scholes Model used for valuation of options. Key assumptions include expected volatility, share price, expected dividends, term and discount rate, under this pricing model.
- b) Impairment of goodwill  
The Company tests whether goodwill has suffered any impairment loss on an annual basis. The recoverable amount of the cash generating units (CGUs) is determined based on higher of value-in-use calculations or fair value less cost to sell which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management. Cash flows beyond the initial period are extrapolated using the estimated growth rates. The revenue or earnings multiples used in the fair value less cost to sale estimates is based on that of the comparable companies. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.
- c) Impairment of investment in subsidiaries and associates  
The recoverable amount of the investment is determined based on higher of value-in-use calculations or fair value less cost to sell which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management. Cash flows beyond the initial period are extrapolated using the estimated growth rates.

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The revenue or earnings multiples used in the fair value less cost to sale estimates is based on that of the comparable companies. These growth rates are consistent with forecasts included in industry reports specific to the industry in which such investee company operates.

### (vi) Current/non-current classification

The Company classifies an asset as current when:

- it expects to realise the asset or intends to sell or consume it in normal operating cycle
- it holds the asset primarily for the purpose of trading
- it expects to realise the assets within twelve months after the reporting period, or
- the asset is Cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

The Company classifies a liability as current when:

- it expects to settle the liability in normal operating cycle
- it holds the liability primarily for the purpose of trading
- the liability is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current-noncurrent classification of assets and liabilities.

### B. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director and Chief Executive Officer of the Company, which assesses the financial performance and position of the Company as a whole and makes strategic decisions, has been identified as the chief operating decision maker.

### C. Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (Rupees), which is the functional and presentation currency of the Company.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

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All the foreign exchange gains and losses are presented in the statement of profit and loss on a net basis with other income/other expenses as applicable.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as at FVOCI are recognised in other comprehensive income.

**D. Revenue recognition**

**(i) sale of goods**

The Company sells a range of pharmaceutical and cosmetic goods. Sales are recognised when control of the products is transferred, which occurs when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts and goods and service tax. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) and a right to recover the returned goods (included in other current assets) are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level.

No significant element of financing is deemed present as the sales are made with a credit term consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

**(ii) sale of services**

The Company provides services of delivery person and diagnostic services such as testing and imaging services. Revenue is recognised in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. Revenue from testing and imaging services is recognized at a point in time once the testing samples are processed for requisitioned diagnostic tests. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices.

The customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. If the contract includes an hourly fee, revenue is recognised in the amount to which the Company has a right to invoice. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, Goods and Service tax.

Customers are invoiced on a periodic basis and consideration is payable when invoiced in accordance with the credit period.

## Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of API Holdings Limited (formerly known as API Holdings Private Limited) on the standalone financial statements as of and for the year ended March 31, 2022

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- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
  
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.  
  
(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.  
  
(c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not own any immovable properties (Refer Note 3 to the standalone financial statements). Therefore, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.  
  
(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.  
  
(e) Based on the information and explanations furnished to us, no proceedings have been initiated or pending on the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of account.  
  
(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has made investments in eight companies, granted unsecured loans to nine companies and stood guarantee, or provided security to four companies.

The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries and associates are as per the table given below:

Particulars	Guarantees (Rs. millions)	Loans (Rs. millions)
Aggregate amount granted/ provided during the year to subsidiaries	19,940.00	31,694.08
Balance outstanding as a balance sheet date in respect of the above subsidiaries	21,940.00	10,772.39

(Also refer Note 7, 36 and 45 to the standalone financial statements)

- (b) In respect of the aforesaid investments, guarantees/securities and loans, the terms and conditions under which such investments were made, guarantees /security provided, and loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans, no schedule for repayment of principal has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal. In respect of the aforesaid loans, the schedule of repayment of interest has been stipulated, and the parties are regular in payment of interest as applicable.
- (d) In respect of the aforesaid loans/advances in nature of loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans /advances in nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.
- (f) Following loans/advances in nature of loans were granted during the year, including to promoters/related parties under Section 2(76), which are repayable on demand or where no schedule for repayment of principal has been stipulated by the Company.

Particulars	Related Parties (Rs. millions)
Aggregate of loans repayable on demand	31,694.08
Percentage of loans to the total loans	100%

(Also refer Note 36 to the standalone financial statements)

- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted by the Company or amounts which are deemed to be deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits, and therefore, the question of our commenting on whether the same has been complied with or not does not arise.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, profession tax and goods and services tax, though there has been a slight delay in a few cases. Also, refer note 44 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance, income tax, profession tax and goods and services tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at balance sheet date which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in million)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Maharashtra Value Added Tax - 2002	Value Added Tax	2.73	Financial Year 2016-17	Commissioner of Sales Tax	NA
Maharashtra Value Added Tax - 2002	Value Added Tax	1.54	Financial Year 2017-18	Commissioner of Sales Tax	NA

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating Rs. 1,520.92 million for long-term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has raised loans during the year on the pledge of securities held in its subsidiaries as per details below. Further, the Company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of lender	Amount of loan (Rs. in million)	Name of the subsidiary, joint venture, associate	Relation (subsidiary /JV/ Associate)	Details of security pledged	Remarks, if any
Short term loan	Consortium of NBFCs lead by Kotak Mahindra Financial Services Limited	2,700	Threpsi Solutions Private Limited	Subsidiary	100% of the share capital	Not applicable
			Docon Technologies Private Limited	Subsidiary	100% of the share capital	
			Akna Medical Private Limited	Subsidiary	67% of the share capital	
			Aycon Graph Connect Private Limited	Subsidiary	10,000 shares of the subsidiary	
			Thyrocare Technologies Limited	Step down subsidiary	Shares acquired from promoters of the subsidiary	

- (x)(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has made a private placement of equity shares, convertible preference shares and convertible debentures during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistleblower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

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### (iii) customer loyalty programme

The Company operates a loyalty programme where customers accumulate points for purchases made. A contract liability for the award points is recognised at the time of the sale. Revenue is recognised when the points are redeemed or when they expire. A contract liability is recognised until the points are redeemed or expire.

### (iv) financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money. No significant element of financing is deemed present as the sales are made with a credit term consistent with market practice.

## E. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## F. Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

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However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term.

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Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

### **G. Business combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any noncontrolling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity,
- amount of pre-existing relationships with the acquiree, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange.

The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

### **(I) Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

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For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### (J) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts which are repayable on demand and form an integral part of the Company's cash management. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### (K) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

### (L) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

### (M) Investments and other financial assets

#### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

#### (iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss,

## API Holdings Limited (formerly known as API Holdings Private Limited)

Notes to Standalone financial statements as at and for the year ended March 31, 2022

transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income/ other expenses.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income / other expenses. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other income/ other expenses in the period in which it arises. Interest income from these financial assets is included in other income.

### Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ other expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### (iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### (v) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

Notes to Standalone financial statements as at and for the year ended March 31, 2022

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### (vi) Income recognition

**Interest income** : Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**Dividends** : Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

### (N) Derivatives and hedging activities

Derivatives are only used for economic hedging purposes and not as speculative activities. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Company does not designate derivatives contracts as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/other expenses.

**Embedded derivatives** : Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109, Financial Instruments are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

### (O) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

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Notes to Standalone financial statements as at and for the year ended March 31, 2022

(P) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

- Computer hardware - 3 years
- Office equipment – 5 years
- Vehicles – 10 years
- Plant and machinery – 15 years
- Electric fittings/installation – 10 years

Leasehold improvements are depreciated, using the straight-line method, over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The useful lives have been determined by the management which is in accordance with those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses.

(Q) Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiaries and businesses is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity/business include the carrying amount of goodwill relating to the entity/business sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

(ii) Computer software

Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

Notes to Standalone financial statements as at and for the year ended March 31, 2022

- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

### (iii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (ii) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

### (iv) Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following period:

- Computer software – 3 years
- Other intangibles – 3 years

### (R) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### (S) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of optionally convertible debentures is determined using a market interest rate for an equivalent non-convertible debenture. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income/expenses.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

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Notes to Standalone financial statements as at and for the year ended March 31, 2022

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### (T) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

### (U) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

### (V) Employee benefits

#### (i) Short-term obligations

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

#### (ii) Other long-term employee benefit obligations

The Company has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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Notes to Standalone financial statements as at and for the year ended March 31, 2022

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Defined benefit plans

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the standalone statement of changes in equity and in the standalone statement of assets and liabilities.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via Employee Stock Option Plans formulated by API Holdings Limited.

Employee options

The fair value of options granted under the Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The equity instruments generally vest in a graded manner over the vesting period. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants.

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Notes to Standalone financial statements as at and for the year ended March 31, 2022

At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Cancellation or settlements are accounted as an acceleration of vesting, and therefore recognised immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period.

If new equity instruments are granted to the employee and, on the date when those new equity instruments are granted, Company identifies the new equity instruments granted as replacement equity instruments for the cancelled equity instruments, the Company accounts for granting of replacement equity instruments in the same way as a modification of the original grant of equity instruments. When the terms of an equity-settled award are modified, the Company recognises as a minimum, the services received measured at the grant date fair value of the equity instruments granted, unless those equity instruments do not vest because of failure to satisfy a vesting condition (other than a market condition) that was specified at grant date. An additional expense is recognised for any modification that increases the total fair value of the share based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Payments made to the employee on the settlement of the options is accounted for as the repurchase of an equity interest, i.e. as a deduction from equity, except to the extent that the payment exceeds the fair value of the equity instruments granted, measured at the repurchase date. Any such excess is recognised as an expense and presented as cash flow from operating activities in the statement of cash flows. Any excess or shortfall between the repurchase date fair value and grant date fair value and excess in repurchase date fair value over the payments made is transferred to retained earnings. Amounts paid to the extent of the repurchase date fair value are presented as cash flow from financing activities in the statement of cash flows.

### (W) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### (X) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell.

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A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Standalone Balance Sheet. The liabilities classified as held for sale are presented separately from other liabilities in the Standalone Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.

(Y) Put liability

The Company enters into business combination arrangements which may include terms where the Company has written put options or a purchased call option along with the written put, over the equity of a subsidiary which permit the holder to put their shares in the subsidiary back to the Company at the exercise price specified in the arrangement. The Company analyses the terms of such arrangements to assess whether they provide the Company or the non-controlling interest with access to the risks and rewards associated with the actual ownership of the shares.

(Z) Contributed equity

Equity shares are classified as equity. Compulsory convertible instruments such as preference shares and/or debentures that will be or are expected to be settled in the Company's own equity instruments are classified as equity if they are expected to be settled into a fixed number of equity shares. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(AA) Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

(AB) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million Rupees as per the requirement of Schedule III, unless otherwise stated.

3 Property, plant and equipment

Particulars	Office equipment	Computers and printers	Furniture and fixtures	Vehicles	Leasehold improvement	Plant and Machinery	Total
<b>Gross Carrying amount</b>							
<b>Balance as at March 31, 2020</b>	78.49	89.84	80.44	3.12	71.10	-	322.99
Additions	4.33	5.74	0.69	0.67	-	-	11.43
Acquisition on account of business combination (refer note 40A and 40B)	21.59	26.44	7.30	1.09	15.67	7.15	79.24
Disposals on account of business transfer (refer note 40A and 40B)	(82.41)	(98.19)	(81.40)	(0.35)	(81.99)	(7.15)	(351.49)
Disposals / Adjustments	(5.00)	(3.55)	(2.23)	-	(0.31)	-	(11.09)
<b>Balance as at March 31, 2021 (Restated)</b>	17.00	20.28	4.80	4.53	4.47	-	51.08
Additions	9.80	12.90	0.54	-	1.26	-	24.50
Disposals / Adjustments	(15.49)	(14.97)	(2.53)	-	(3.01)	-	(36.00)
<b>Balance as at March 31, 2022</b>	11.31	18.21	2.81	4.53	2.72	-	39.58
<b>Accumulated depreciation</b>							
<b>Balance as at March 31, 2020</b>	34.04	56.52	25.09	1.28	32.00	-	148.93
Depreciation on continuing operations	2.61	3.94	0.27	0.60	1.17	-	8.59
Depreciation on discontinued operations	8.44	8.60	5.42	-	8.51	-	30.97
Disposals / Adjustments	(0.58)	(0.50)	(0.77)	-	(0.01)	-	(1.86)
Disposals on account of business transfer (refer note 40A and 40B)	(42.41)	(64.52)	(29.80)	-	(40.51)	-	(177.24)
<b>Balance as at March 31, 2021 (Restated)</b>	2.10	4.04	0.21	1.88	1.16	-	9.39
Depreciation for the year	4.40	8.49	0.99	1.18	1.84	-	16.90
Disposals / Adjustments	(3.08)	(4.70)	(0.61)	-	(1.24)	-	(9.63)
<b>Balance as at March 31, 2022</b>	3.42	7.83	0.59	3.06	1.76	-	16.66
<b>Net carrying amount:</b>							
<b>Net carrying value as on March 31, 2022</b>	7.89	10.38	2.22	1.47	0.96	-	22.92
<b>Net carrying value as on March 31, 2021 (Restated)</b>	14.90	16.24	4.59	2.65	3.31	-	41.69

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Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
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4 Right to use assets

a. Amounts recognised in balance sheet are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
<b>Right-of-use assets</b>		
Buildings	5.19	28.76
<b>Total</b>	<b>5.19</b>	<b>28.76</b>

The following is the break-up of current and non-current lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
<b>Lease Liabilities</b>		
Current	2.80	14.89
Non-current	2.48	15.46
<b>Total</b>	<b>5.28</b>	<b>30.35</b>

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Additions to the right of use assets	26.10	0.81
Additions through business combination (refer note 40A)	-	115.40

b. The amounts recognised in the statement of profit or loss are as follows:

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Depreciation of Right-of-use assets	33	13.86	9.93
Interest on lease liabilities	32	3.66	1.29
Expense relating to short-term leases	34	9.64	2.35
<b>Total amount recognised in profit or loss</b>		<b>27.16</b>	<b>13.57</b>

Extension and termination options are included in leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.

The total cash outflow for leases for the year ended March 31, 2022 is Rs.25.86 ( March 31, 2021: Rs.6.78)

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**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

**5 Goodwill**

Particulars	Amount
<b>As at March 31, 2020</b>	-
Acquisition on account of business combination (refer note 40A and 40B)	6,680.58
Disposals on account of business transfer (refer note 40B)	(21.19)
<b>As at March 31, 2021 (Restated)</b>	<b>6,659.39</b>
Changes during the year	(3,379.39)
<b>As at March 31, 2022</b>	<b>3,280.00</b>

**Impairment of non financial assets**

Goodwill is not amortized, instead, it is tested for impairment annually or more frequently if indicators of impairment exist. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use or fair value less cost to sell calculations which require the use of certain assumptions. Considering the outlook of the current economic environment and other macro economic factors, management has drawn an operating plan in light of the latest available information. Basis the operating plan, a downward revision to projections was necessitated and accordingly, it has been determined that an impairment would be required to be considered in the financial statements.

Following are the details with respect to carrying amount of goodwill allocated to CGU:

Particulars of CGU	Gross carrying value	Impairment	Net carrying value
Diagnostics	6,659.39	3,379.39	3,280.00

Diagnostic services are provided to Hospitals, Corporates, and Consumers including on PharmEasy marketplace. The recoverable amount of the Diagnostics CGU, Rs 3,160.00 millions as at 31 March 2022, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by the management covering a five-year period. The projected cash flows have been updated to reflect the current market situation. These projected cash flows are discounted to the present value using a weighted average cost of capital (discount rate). The discount rate is commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic conditions. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 20.14% (31 March 2021: NA) and cash flows beyond the five-year period are extrapolated using a 5.00% growth rate (31 March 2021: NA) that is the same as the long-term average growth rate for similar companies in the industry. As a result of this analysis, management has recognised an impairment charge of Rs 3,379.39 millions in the current year against goodwill, previously carried at Rs 6,539.39 millions. The impairment charge is recorded in the statement of profit and loss and presented as an exceptional item.

Following key assumptions were considered while performing impairment testing :-

Particulars	Diagnostics
Terminal growth rate	5%
Revenue growth rate	20%
Weighted Average Cost of Capital % (WACC)	20.14%

**Sensitivity Analysis**

The table below provides the revised value of recoverable amount for any reasonable possible change in key assumptions:

Particulars	Carrying value of CGU	Decrease in revenue by 1%	Increase in discount rate by 0.25%	Decrease in terminal growth rate by 0.25%
Diagnostics CGU	3,160.00	3,048.18	3,098.43	3,120.66

**6 Intangible Assets**

Particulars	Computer software	Other intangibles	Total
<b>Gross Carrying amount</b>			
<b>Balance as at March 31, 2020</b>	<b>26.87</b>	<b>5.46</b>	<b>32.33</b>
Additions	7.62	-	7.62
Acquisition on account of business combination (refer note 40A and 40B)	3.08	-	3.08
Disposals on account of business transfer (refer note 40B)	(13.13)	(5.46)	(18.59)
<b>Balance as at March 31, 2021 (Restated)</b>	<b>24.44</b>	<b>-</b>	<b>24.44</b>
Additions	-	-	-
Disposals / Adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>24.44</b>	<b>-</b>	<b>24.44</b>
<b>Accumulated amortisation</b>			
<b>Balance as at March 31, 2020</b>	<b>14.33</b>	<b>4.59</b>	<b>18.92</b>
Amortisation on continuing operations	1.51	0.10	1.61
Amortisation on discontinued operations	1.80	-	1.80
Disposals on account of business transfer (refer note 40B)	(1.80)	(4.69)	(6.49)
<b>Balance as at March 31, 2021 (Restated)</b>	<b>15.84</b>	<b>-</b>	<b>15.84</b>
Amortisation expenses	4.44	-	4.44
Disposals / Adjustments	-	-	-
<b>Balance as at March 31, 2022</b>	<b>20.28</b>	<b>-</b>	<b>20.28</b>
<b>Net carrying value as on March 31, 2022</b>	<b>4.16</b>	<b>-</b>	<b>4.16</b>
<b>Net carrying value as on March 31, 2021 (Restated)</b>	<b>8.60</b>	<b>-</b>	<b>8.60</b>

The remaining amortisation period ranges from the financial year 2023 to 2024.

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
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**7 Investments (Non-current)**

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
<b>Investment in subsidiaries (At cost)</b>		
<b>Equity (unquoted)</b>		
ARZT and Health Private Limited	0.05	0.05
5,000 (March 31, 2021- 5,000) Equity Shares of Rs 10 each, fully paid		
AHWSPL India Private Limited	2,554.31	2,554.31
10,000 (March 31, 2021- 10,000) Equity Shares of Rs 10 each, fully paid		
Aycon Graph Connect Private Limited	8,830.09	8,830.09
10,000 (March 31, 2021- 10,000) Equity Shares of Rs 10 each, fully paid		
Threpsi Solutions Private Limited	12.50	12.50
1,210,847 (March 31, 2021- 10,000) Equity Shares of Rs 10 each, fully paid		
Docom Technologies Private Limited	49,117.54	-
14,253,118 (March 31, 2021- Nil) Equity shares of Rs 10 each, fully paid		
Akna Medical Private Limited (refer note (v) below)	8,299.08	-
2,256,145 (March 31, 2021- Nil) Equity shares of Rs 10 each, fully paid		
Medlife Wellness Retail Private Limited (refer note 40A)	4,436.11	4,436.11
2,424 (March 31, 2021- 2,424) Equity Shares of Rs 100 each, fully paid		
Meiarain Distributors Private Limited (refer note 40A)	3,344.82	3,344.82
12,125,083 (March 31, 2021- 12,125,083) Equity Shares of Rs 1 each, fully paid		
Care Easy Health Tech Private Limited	0.08	-
8,000 (March 31, 2021- Nil) Equity Shares of Rs 10 each, fully paid		
<b>Investment in compulsory convertible debentures of subsidiaries and step down subsidiaries (At cost)- unquoted</b>		
Docom Technologies Private Limited	1,329.14	-
433,367 (March 31, 2021: Nil) 0.001% Compulsory convertible debentures having face value of Rs.3,067 each		
Threpsi Solutions Private Limited	3,505.88	-
58,028 (March 31, 2021: Nil) 0.001% Compulsory convertible debentures having face value of Rs.60,417 each		
Aycon Graph Connect Private Limited	735.17	-
337 (March 31, 2021: Nil) 0.001% Compulsory convertible debentures having face value of Rs.2,181,516 each		
Ascent Wellness and Pharma Solutions Private Limited	1,001.23	-
517 (March 31, 2021: Nil) 0.001% Compulsory convertible debentures having face value of Rs.1,936,616 each		
<b>Investments in associates-unquoted</b>		
Marg ERP Limited	2,548.00	-
4,917,499 (March 31, 2021- Nil) Equity Shares of Rs 10 each, fully paid		

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
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Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
<b>Investments in equity instruments- (At fair value through profit and loss)</b>		
unquoted		
Aarman Solutions Private Limited (refer note (vi) below)	20.89	-
1,999,000 (March 31, 2021- Nil) Equity Shares of Rs 10 each, fully paid		
Aarman Solutions Private Limited (refer note (vi) below)	83.56	-
7,996,000 (March 31, 2021- Nil) 0.000001% Compulsory Convertible Preference Shares of Rs 10 each, fully paid		
Thane Janta Sahakari Bank	0.00	0.00
40 (31 March 2021 : 40) Equity Shares of Rs 50 each, fully paid		
<b>Equity portion of loan/ Fair value of financial guarantee given on behalf of subsidiaries and step down subsidiaries (refer note vii below)</b>		
AHWSPL India Private Limited	0.17	-
Aycon Graph Private Limited	15.24	-
Therpsi Solutions Private Limited	189.83	-
Akna Medical Private Limited	36.19	-
Docon Technologies Private Limited.	17.13	-
ARZT and Health Private Limited	4.68	-
Care Easy Health Tech Private Limited	0.13	-
Ascend Wellness and Pharma Solutions Private Limited	185.12	40.13
<b>Employee stock options granted to employees of subsidiaries</b>		
Therpsi Solutions Private Limited	1,700.16	278.92
Aycon Graph Connect Private Limited	181.51	37.17
Docon Technologies Private Limited.	95.72	-
AHWSPL India Private Limited	453.22	48.86
Medlife Wellness Retail Private Limited	80.14	3.06
Metarain Distributors Private Limited	2.51	-
Akna Medical Private Limited	1,111.78	-
ARZT and Health Private Limited	24.58	-
	<b>89,916.56</b>	<b>19,586.02</b>
Aggregate amount of impairment in value of investments (refer note below)	34,384.02	-
<b>Total</b>	<b>55,532.54</b>	<b>19,586.02</b>
Refer note 36 for related party transactions and balances		
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	55,532.54	19,586.02
Aggregate amount of impairment in value of investments	34,384.02	-
<b>Aggregate amount of impairment in value of investments (refer note 34A)</b>		
Aycon Graph Connect Private Limited	7,431.90	-
Docon Technologies Private Limited	13,793.90	-
Medlife Wellness Retail Private Limited	4,516.25	-
Metarain Distributors Private Limited	3,347.33	-
Akna Medical Private Limited	5,294.64	-
	<b>34,384.02</b>	<b>-</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
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 (All amounts in Rupees Million, unless otherwise stated)

**Notes:**

- (i) The Company has pledged following investment in subsidiaries as first ranking exclusive charge by way of pledge as security against guarantor lines of Rs. 19,290 Millions (31 March 2021: Rs. Nil Millions) taken by Ascend Wellness and Pharma Solutions Private Limited, Aycon Graph Connect Private Limited, Threpsi Solutions Private Limited and Erstwhile Medlife International Private Limited (merged with API Holding Limited) at the year end.
- (a) 100% of the equity shares of Threpsi Solutions Private Limited;
- (b) 100% of the equity shares of Docon Technologies Private Limited;
- (c) 67% of the equity shares of Akna Medical Private Limited;
- (d) 100% of the equity shares of Aycon Graph Connect Private Limited

- (ii) Investment in Subsidiaries have been carried at cost (net of impairment allowance)
- (iii) The details of subsidiaries along with ownership interest, country of incorporation, place of operation and principle activities are set out below

Name of the Entity	Principal Place of business / place of incorporation	Ownership interest held by the Company(%)		Principal business activity
		As at March 31, 2022	As at March 31, 2021 (Restated)	
ARZT and Health Private Limited	India	100	100	Distribution of pharmaceuticals and other consumer goods.
AHWSPL India Private Limited	India	100	100	Management support service.
Aycon Graph Connect Private Limited	India	100	100	IT services for life Sciences and providing healthcare solutions.
Threpsi Solutions Private Limited	India	100	100	Distribution of pharmaceuticals and other consumer goods, developing technology and providing platform for healthcare products and services.
Docon Technologies Private Limited	India	100	-	EMR and clinic management services along with teleconsultation offerings for doctors, clinics and patients.
Akna Medical Private Limited	India	67.30	-	Hospital-focused supply chain platform
Medlife Wellness Retail Private Limited	India	100	100	Distribution of pharmaceuticals and other consumer goods.
Metarain Distributors Private Limited	India	100	100	Distribution of pharmaceuticals and other consumer goods.
Care Easy Health Tech Private Limited	India	80	-	Technology enabled healthcare and healthcare ancillary services.

- (iv) The Company has issued financial guarantee for borrowings taken by AHWSPL India Private Limited, Aycon Graph Connect Private Limited, Threpsi Solutions Private Limited, Akna Medical Private Limited. Financial Guarantee has been initially recognised at fair value and carried at cost until the investment in subsidiaries are derecognised or impaired.

- (v) In addition to the investment in Akna Medical Private Limited, the Company entered into separate agreements with non-controlling shareholders, whereby the Company holds a call option to purchase shares held by those shareholders (representing 32.70% equity interest) if specified EBITDA thresholds are not met by end of the specified period in the respective agreements. These shareholders, in turn, hold a put option to put the shares to the Company at any time by end of the specified period defined in these agreements.

- (vi) The Company has made an investment of Rs. 99.95 million representing 19.99% of shareholding of Armaan Solutions Private Limited which is the holding company of Axelia Solutions Private Limited. As per the shareholding agreement, the Company does not have a representation at the Board of Directors or its committees, it does not have right to participate in the policy making matters or dividend distribution decisions. Further, the Company has a written call option on its entire 19.99% shareholding in favour of one of the other Shareholder of Armaan Solutions Private Limited which is exercisable at any time at the fair value. There are not interchange of managerial personnel between the Company and the investee. Armaan Solutions Private Limited and its subsidiaries have substantial contracts with the customers other than the Company.

The Company has contractual arrangements with Axelia Solutions Private Limited through which it has recognised income from sale of services amounting to Rs. 654.49 million (31 March 2021: Rs. 285.00 million) which is included in Revenue from Operations in the Statement of Profit and Loss; Incurred expenses (including sales promotion and marketing, commission and brokerage, postage and courier related cost) amounting to Rs. 594.18 million (31 March 2021: Rs. 4.06 million) which is included in Other expenses in the Statement of Profit and Loss. The Company has outstanding receivables amounting to Rs. 182.61 million (31 March 2021: Rs. 177.53 million) which is included in Trade receivables in the Balance Sheet; The Company has outstanding payables amounting to Rs. 76.81 million (31 March 2021: Rs. 2.48 million) which is included in Trade payables and Other financial liabilities in the Balance Sheet. The Company does not extend financial support, nor does it intend to provide so to the investee and is not exposed to potential losses of investee.

**8 Non-Current tax assets (net)**

Particulars	As at	As at
	March 31, 2022	March 31, 2021 (Restated)
Advance income-tax (net of provision for taxes, if any)	219.54	131.15
<b>Total</b>	<b>219.54</b>	<b>131.15</b>

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
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9 Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Unsecured, considered good, unless otherwise stated		
Balances with government authorities	349.79	618.86
Considered good	12.40	75.41
Considered doubtful	(12.40)	(75.41)
Less: Provision for doubtful balances with government authorities	0.30	2.26
Capital Advances		
<b>Total</b>	<b>350.09</b>	<b>621.12</b>

10 Inventories

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Valued at lower of cost and net realisable value		
Stock in trade	-	12.58
Less: Provision for stock in trade	-	(1.00)
Stores and consumables	16.25	10.40
<b>Total</b>	<b>16.25</b>	<b>21.98</b>

Note: Inventories of traded Goods include Stock-in-transit of Rs. Nil (March 31, 2021- 1.17 million).

11 Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Trade receivables from contract with customers – billed	229.52	266.25
Trade receivables from contract with customers – unbilled	10.76	-
Trade receivables from contract with customers – related parties (refer note 36)	25.53	10.02
Less: Loss allowance for doubtful receivables (refer note 37 (b))	(23.94)	(39.42)
<b>Total</b>	<b>241.87</b>	<b>236.85</b>

Refer note 36 for related party balances

Break-up of security details

	As at March 31, 2022	As at March 31, 2021 (Restated)
(a) Trade receivables considered good - secured	-	-
(b) Trade receivables considered good - unsecured	265.81	276.27
(c) Trade receivables which have significant increase in credit risk	-	-
(d) Trade receivables -credit impaired	-	-
Less: Loss allowance for doubtful receivables (refer note 37 (b))	265.81	276.27
	(23.94)	(39.42)
<b>Total</b>	<b>241.87</b>	<b>236.85</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
 (All amounts in Rupees Million, unless otherwise stated)

**Trade receivables ageing schedule**

<b>As at March 31, 2022</b>	<b>Unbilled</b>	<b>Not Due</b>	<b>Less than 6 Months</b>	<b>6 Months to 1 Year</b>	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>Total</b>
Undisputed trade receivable							
considered good	10.76	111.90	117.37	6.55	19.23	-	265.81
which have significant increase in credit risk							
credit impaired	-	-	-	-	-	-	-
Disputed trade receivable							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-

<b>As at March 31, 2021 (Restated)</b>	<b>Unbilled</b>	<b>Not Due</b>	<b>Less than 6 Months</b>	<b>6 Months to 1 Year</b>	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>Total</b>
Undisputed trade receivable							
considered good	-	53.16	211.31	9.44	2.36	-	276.27
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed trade receivable							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-

**12 Cash and cash equivalents**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021 (Restated)</b>
<b>Cash and cash equivalents</b>		
Balances with banks		
in current accounts	255.76	45.67
Cash on hand	0.08	0.41
Cheques on hand	-	77.52
<b>Total</b>	<b>255.84</b>	<b>123.60</b>

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior year.

**13 Other bank balances**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021 (Restated)</b>
<b>Balances with banks</b>		
Fixed deposits with original maturity for more than 3 months and less than 12 months	910.20	750.03
Earmarked funds with banks #	41.04	31.01
<b>Total</b>	<b>951.24</b>	<b>781.04</b>

**Details of bank balances / deposits**

Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances	910.20	750.03
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# Earmarked funds with banks represent balances which is held by the Company for the purpose of pooling the monies collected on behalf of retailers for its subsequent payments to the retailers.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
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14 Loans

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021 (Restated)	As at March 31, 2022	As at March 31, 2021 (Restated)
Unsecured, considered good				
Loan to Subsidiaries	5,786.76	-	176.20	10,960.33
<b>Total</b>	<b>5,786.76</b>	<b>-</b>	<b>176.20</b>	<b>10,960.33</b>
Refer note 36 for related party balances				
i) <u>Break-up of security details</u>				
Loans considered good – secured	-	-	-	-
Loans considered good – unsecured	10,596.19	-	176.20	10,960.33
Loans which have significant increase in credit risk	-	-	-	-
Loans – credit impaired	-	-	-	-
<b>Total</b>	<b>10,596.19</b>	<b>-</b>	<b>176.20</b>	<b>10,960.33</b>
Loss Allowance (refer note 34A)	4,809.43	-	-	-
<b>Total Loans</b>	<b>5,786.76</b>	<b>-</b>	<b>176.20</b>	<b>10,960.33</b>

ii) Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

Particulars	Amount Outstanding as at March 31, 2022	Percentage to the total loans and advances in the nature of loans	Amount Outstanding as at March 31, 2021	Percentage to the total loans and advances in the nature of loans
<b>a) Amounts repayable on demand*</b>				
Promoters	-	-	-	-
Directors	-	-	-	-
Key managerial personnel	-	-	-	-
Other related parties	10,772.39	100%	10,960.33	100%

\*Gross amount before allowance for impairment

iii) The loans granted to subsidiary companies are receivable on demand, however the Company as on 31 March 2022 extended financial support to its certain subsidiary in order to meet the shortfall in its fund requirements (if any) for a period of not less than 12 months and accordingly classified the loan receivable from such companies under Non-Current.

15 Other financial assets (Current)

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Unsecured, considered good, unless otherwise stated		
Interest receivable from related party		
Unsecured, considered good	-	-
Unsecured, considered doubtful	13.21	13.21
Less: Loss allowance for interest receivable from related parties	(13.21)	-
Interest accrued but not due	0.38	3.99
Other receivables (refer note below)	869.48	936.75
Less: Loss allowance for other receivables from related parties (refer note 34A)	(836.75)	-
Receivable on account of Slump Sale	-	5,253.08
Security deposits		
Unsecured, considered good	8.59	14.06
Unsecured, considered doubtful	10.79	18.14
Less: Allowance for doubtful deposits	(10.79)	(18.14)
<b>Total</b>	<b>41.70</b>	<b>6,221.09</b>

Refer note 36 for related party balances

**Note:** Other receivables includes reimbursement of expenses recoverable from certain shareholders and amount collected by delivery persons on behalf of Retailers for its subsequent payments to the Retailers. Corresponding liability is included in other current financial liabilities.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
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16 Other current assets

Particulars	As at	As at March 31, 2021 (Restated)
	March 31, 2022	
Unsecured, considered good, unless otherwise stated		
Balances with government authorities	240.74	119.55
Advances to suppliers		21.72
Considered good	5.64	54.90
Considered doubtful	37.04	(54.90)
Less: Provision for advance to suppliers	(37.04)	0.07
Advances to employees	1.19	37.06
Prepaid expenses	83.11	
<b>Total</b>	<b>330.68</b>	<b>178.40</b>

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**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**

(All amounts in Rupees Million, unless otherwise stated)

**17 Share capital**

Particulars	As at	As at
	March 31, 2022	March 31, 2021 (Restated)
<b>Authorised</b>		
<b>Equity shares (refer note (ii) (k) )</b>		
10,048,189,000 equity shares of Re.1/- each (March 31, 2021 - 47,000,000 equity shares of Rs.10 each)	10,048.19	470.00
	<b>10,048.19</b>	<b>470.00</b>
<b>Issued, subscribed and fully paid up</b>		
<b>Equity shares</b>		
6,142,041,070 equity shares of Re.1/- each (March 31, 2021 - 25,620,120 equity shares of Rs.10 each)	6,142.04	256.20
<b>Total</b>	<b>6,142.04</b>	<b>256.20</b>

**(i) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at		As at	
	March 31, 2022		March 31, 2021 (Restated)	
	No. of Shares	Rs. In million	No. of Shares	Rs. In million
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	25,620,120	256.20	10,000	0.10
Share capital reduced pursuant to scheme of amalgamation (refer note (ii) (a) below)	-	-	(10,000)	(0.10)
Issued during the year pursuant to Scheme of Amalgamation (refer note (ii) (b) below)	-	-	868,337	8.68
Conversion of Compulsorily Convertible Debentures (CCD IV, V, VI, VII & VIII) into Equity {refer note (ii) (c) below}	2,167,332	21.67	64,731	0.65
Conversion of share warrants (refer note (ii) (d) below)	-	-	178,192	1.78
Bonus issued during the year (refer note (ii) (e)(i) below)	-	-	22,814,598	228.15
New issue during the year (refer note ii (g) below)	10,979,231	109.79	1,694,262	16.94
Conversion of Compulsorily Convertible Debentures (CCD IX) into Equity {refer note (ii) (d) below}	401,712	4.02	-	-
Conversion of Compulsorily Convertible Preference Shares (CCPS) into Equity {refer note (ii) (e)(ii) below}	16,264,768	162.65	-	-
Conversion of Optional Convertible Redeemable Debentures (OCRD) into Equity {refer note (ii) (f) below}	4,200	0.04	-	-
Bonus shares issued {refer note ii (h) below}	554,373,630	5,543.74	-	-
<b>Pre sub division of equity shares</b>	<b>609,810,993</b>	<b>6,098.11</b>	<b>25,620,120</b>	<b>256.20</b>
Pursuant to sub-division of equity shares of Rs.10 each into equity share of Re. 1/- each {refer note (ii) (i) below}	6,098,109,930	6,098.11	-	-
New issue during the year {refer note ii (j) below}	43,931,140	43.93	-	-
<b>Shares outstanding at the end of the year</b>	<b>6,142,041,070</b>	<b>6,142.04</b>	<b>25,620,120</b>	<b>256.20</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**

(All amounts in Rupees Million, unless otherwise stated)

**(ii) Note:**

- (a) Pursuant to the scheme of amalgamation (refer note 40A), 10,000 equity shares held by existing shareholders stand cancelled without any payment. Accordingly, the share capital of the Company stood reduced to the extent of the face value of shares held by existing shareholders as on the Appointed date.
- (b) Pursuant to the scheme of amalgamation (refer note 40A), 8,68,337 equity shares have been allotted to the shareholders of 91Streets Media Technologies Private Limited ("91Streets"), Aahaan Commercials Private Limited ("ACPL"), Lokprakash Vidhya Private Limited ("LVPL") and Ascent Health and Wellness Solutions Private Limited ("AHPL").
- (c) During the year ended March 31, 2021, pursuant to its Board Resolution dated March 25, 2021 and March 26, 2021, the Company has converted 21,577 fully paid-up CCDs issued to founders into 64,731 equity shares, having face value of Rs. 10/- each, at a premium of approximately Rs. 1,471.10/- per equity share in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every 1 fully paid CCD for the year ended March 31, 2021. During the year ended March 31, 2022, pursuant to its Board Resolution dated July 01, 2021, August 13, 2021, September 04, 2021, September 15, 2021, and September 30, 2021, the Company has converted 722,444 of its fully paid Compulsory Convertible Debentures (CCD) into 21,67,332 Equity shares having face value of Rs 10 each, in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every 1 fully paid CCD.
- (d) (i) The Company has issued and allotted fully paid-up 89,096 CCPS VII and fully paid-up 1,78,192 equity shares for an aggregate consideration of Rs. 162.5 million on account of exercise of fully paid warrants for the year ended March 31, 2021.  
(ii) During the year ended March 31, 2022, pursuant to its Board Resolution dated September 28, 2021, the Company has converted 1,33,904 of its fully paid Compulsory Convertible Debenture (CCD) held by Ivy Icon Solutions LLP into 4,01,712 Equity shares having face value of Rs 10 each, in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every 1 fully paid CCD.
- (e) (i) During the year ended March 31, 2021, pursuant to its Board Resolution dated February 12, 2021, the Company has issued bonus equity shares to equity and preference shareholders in the proportion of 2 (Two) new fully paid-up equity shares of Rs. 10/- each for every 1 (One) fully paid-up equity or preference share held. Accordingly, the Company had allotted 2,28,14,598 equity shares having face value of Rs.10 each as bonus shares by capitalisation of securities premium account.  
(ii) During the year ended March 31, 2022, pursuant to its Board Resolution dated September 06, 2021 and October 26, 2021, the Company has converted 31,504 and 1,62,33,264 respectively of its fully paid Compulsory Convertible Preference Share (CCPS) into 1,62,64,768 Equity shares having face value of Rs 10 each, in the ratio of 1 fully paid Equity share of Rs 10 each for every 1 (One) fully paid-up CCPS of Rs.10 each.
- (f) During the year, pursuant to its Board Resolution dated July 24, 2021, the Company has converted its 30 fully paid Optional Convertible Redeemable Debenture (OCRD) into 4,200 Equity shares having face value of Rs 10 each.
- (g) Pursuant to Board resolution dated March 1, 2021, the Company had issued 12,87,072 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 1,867 per Equity Share (including premium of Rupees 1,857 per Equity Share).  
Pursuant to Board resolution dated March 10, 2021, the Company had issued 4,07,190 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 1,867 per Equity Share (including premium of Rupees 1,857 per Equity Share).  
Pursuant to Board resolution dated April 5, 2021, the Company had issued 37,34,878 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 2,000.33 per Equity Share (including premium of Rupees 1,990.33 per Equity Share).  
Pursuant to Board resolution dated May 20, 2021, the Company had issued 1,72,173 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 2,000.33 per Equity Share (including premium of Rupees 1,990.33 per Equity Share).  
Pursuant to Board resolution dated June 2, 2021, the Company had issued 1,59,018 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 2,515.77 per Equity Share (including premium of Rupees 2,505.77 per Equity Share).  
Pursuant to Board resolution dated July 1, 2021, the Company had issued 652,217 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 2,515.77 per Equity Share (including premium of Rupees 2,505.77 per Equity Share).  
Pursuant to Board resolution dated August 13, 2021, the Company had issued 231,652 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,396 per Equity Share (including premium of Rupees 5,386 per Equity Share).  
Pursuant to Board resolution dated August 21, 2021, the Company had issued 14,24,385 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,396 per Equity Share (including premium of Rupees 5,386 per Equity Share).  
Pursuant to Board resolution dated September 2, 2021, the Company had issued 18,53,224 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,396 per Equity Share (including premium of Rupees 5,386 per Equity Share).  
Pursuant to Board resolution dated September 16, 2021, the Company had issued 3,10,968 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,396 per Equity Share (including premium of Rupees 5,386 per Equity Share).  
Pursuant to Board resolution dated September 20, 2021, the Company had issued 2,24,740 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,865 per Equity Share (including premium of Rupees 5,855 per Equity Share).

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
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- Pursuant to Board resolution dated October 09, 2021, the Company had issued 12,29,153 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,900 per Equity Share (including premium of Rupees 5,890 per Equity Share).
- Pursuant to Board resolution dated October 13, 2021, the Company had issued 3,78,362 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,900 per Equity Share (including premium of Rupees 5,890 per Equity Share).
- Pursuant to Board resolution dated October 20, 2021, the Company had issued 5,56,610 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,900 per Equity Share (including premium of Rupees 5,890 per Equity Share).
- Pursuant to Board resolution dated October 20, 2021, the Company had issued 11,103 equity shares of face value of Rupees 10 each on exercise of Employee stock option vested under various ESOP plan at an issue price of Rupees 10 per Equity Share (including premium of Rupees nil per Equity Share). Further, the Company had issued 40,748 equity shares of face value of Rupees 10 each on exercise of Employee stock option vested under various ESOP plan at an issue price of approximately Rupees 440.99 per Equity Share (including premium of approximately Rupees 430.99 per Equity Share).
- (h) During the year, pursuant to its Board Resolution dated October 29, 2021, the Company has allotted Bonus shares in the proportion of 10 (Ten) new fully paid-up equity shares of Rs.10 each for every 1 (One) fully paid-up equity share of Rs. 10 each held by Shareholders as on record date October 28, 2021. The Company has allotted 55,43,73,630 equity shares of the company having face value of Rs. 10 each as Bonus shares by capitalisation of securities premium account.
- (i) During the year, pursuant to a resolution passed by the Board on October 13, 2021 and a resolution passed by our Shareholders in the EGM held on October 13, 2021, the Company has subdivided its share capital from face value of 10 each to face value of Re 1 each, held by shareholders of the Company, as on the record date i.e. October 29, 2021.
- (i) During the year, pursuant to its Board resolution dated November 29, 2021 the Company has allotted of 4,39,31,140 equity Shares on exercise of 39,93,740 ESOPs under API Holdings Employee Stock Options Pool 15 which are fully vested at an exercise price of Rs. 4.207 per ESOP, and the remaining 3,99,37,400 ESOPs under API Holdings Employee Stock Options Pool 15 being held on account of adjustment made to ESOPs pursuant to bonus issuance of equity shares of the Company.
- (k) Pursuant to the Scheme of Amalgamation, the authorised share capital of Thea Technologies Private Limited ("TTPL") and Swifto Services Private Limited ("SSPL") had merged with 91Streets on amalgamation of TTPL and SSPL with 91Streets. Subsequently, the authorized share capital of 91Streets, AHPL, Aahaan Commercial Private Limited ("ACPL") and Lokprakash Vidhya Private Limited ("LVPL") had merged with API Holdings Limited ("the Company or "API") on amalgamation of 91Streets, AHPL, ACPL and LVPL with API. The authorized share capital of API was enhanced to an amount of Rs. 710.60 million divided into 1,10,60,000 equity shares of Rs. 10 each and 6,00,00,000 preference shares of Rs. 10/- each. Subsequently, pursuant to the Shareholder's resolution passed in extra ordinary general meeting held on January 27, 2021 authorised Share Capital of Rs. 710.60 million- is reclassified into 4,70,00,000 equity shares of Rs. 10/- each and 2,40,60,000 preference shares of Rs. 10/- each. Further, pursuant to ordinary resolution passed at extra ordinary general meeting held on July 24, 2021 the authorised share capital of the Company increased to Rs 10,000 million divided into 97,59,40,000 equity shares of Rs 10 each and 2,40,60,000 preference shares of Rs 10 each. Further, pursuant to scheme of amalgamation between Medlife International Private Limited and Evriksh Healthcare Private Limited with API Holdings Limited sanctioned by regional director, Ministry of Corporate Affairs vide its order pronounced on September 24, 2021 the authorised share capital further increased to Rs 10,048.19 million and preference share capital of Rs 262.61 million. Further, the members of the Company vide an ordinary resolution passed at the Extra-Ordinary General Meeting held on October 13, 2021 approved the sub-division of the shares (equity and preference) from face value of Rs.10/- (Rupees Ten only) each, to be made effective as on record date as decided by the Board of Directors. The Board of Directors of the Company decided October 29, 2021 as the record date.

**(iii) Rights, preferences and restrictions attached to the shares:**

Equity shares have a par value of Re 1 each (31 March 2021: Rs 10 each). The shareholders of the Company are entitled to vote on poll for the fully paid-up shares held by them in proportion to the shareholders' share in the paid-up share capital of the Company. In the event of liquidation of the Company, the assets and available proceeds shall be discharged in accordance with the provisions of the Articles of Association of the Company. The partly paid up equity share holders shall be entitled to rights in relation to the partly paid up equity shares only to the extent the partly paid up equity shares are paid up.

**(iv) Details of shareholders holding more than 5% of a class of equity shares in the Company:**

Particulars	As at		As at	
	March 31, 2022	% of holding	March 31, 2021 (Restated)	% of holding
	No. of Shares		No. of Shares	
<b>Equity shares:</b>				
Naspers Ventures B. V.	813,316,570	13.24%	-	0.00%
Evermed Holdings Pte. Ltd.	396,033,000	6.45%	3,752,800	14.65%
MacRitchie Investments Pte. Ltd.	732,516,290	11.93%	3,521,038	13.74%
Prasad Uno Family Trust through its trustee Surbhi Singh	374,780,680	6.10%	3,377,210	13.18%
TPG Growth V SF Markets Pte. Ltd	449,492,340	7.32%	2,235,986	8.73%
Lightrock Growth Fund I SA, SICAV-RAIF, for and on behalf of Lightrock Global Fund	238,229,320	3.88%	1,593,245	6.22%
Bessemer India Capital Holdings II Ltd.	210,363,670	3.42%	1,527,400	5.96%
CDPQ Private Equity Asia Pte. Ltd	280,092,780	4.56%	1,455,398	5.68%

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Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in Rupees Million, unless otherwise stated)

**(v) Shares reserved for issue :**

The Company has reserved equity shares for issuance as follows :

a) ESOPs issued to employees pursuant to various ESOP Schemes of the Company (refer note 42)

**(vi) Aggregate number of shares issued for consideration other than cash**

Particulars	No. of Shares	
	As at March 31, 2022	As at March 31, 2021 (Restated)
Bonus shares issued (refer note 17 (ii))	554,373,630	22,814,598
Issued during the year pursuant to Scheme of Amalgamation	-	868,337
Issued during the year pursuant to Conversion of CCD, CCPS, ORCD, and share warrant into Equity	18,838,012	242,923

(vii) The Company has not bought back any shares from incorporation till date.

**18 Instruments entirely in the nature of Equity**

Particulars	As at	As at
	March 31, 2022	March 31, 2021 (Restated)
<b>Authorised</b>		
<b>Preference shares</b>		
26,26,11,000 Compulsory convertible preference shares of Re 1/- each (March 31, 2021: 24,060,000 Compulsory convertible preference shares of Rs. 10 each)	262.61	240.60
	<b>262.61</b>	<b>240.60</b>
<b>Issued, subscribed and fully paid up shares</b>		
<b>Preference shares</b>		
Nil (March 31, 2021: 11,475,189, March 31, 2020 : Nil) compulsorily convertible preference shares (CCPS) of Rs. 10 each fully paid up (refer note (ii))	-	114.75
<b>Debentures</b>		
Nil (March 31, 2021: 722,444) 0.0001% Compulsorily Convertible Debentures of face value Rs. 4443.31 each and Re. 1 each paid up (refer note (v))	-	0.72
	-	<b>115.47</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**

(All amounts in Rupees Million, unless otherwise stated)

**(i) Reconciliation of the number of shares/debenture outstanding at the beginning and at end of the reporting year:**

Particulars	As at March 31, 2022		As at March 31, 2021 (Restated)	
	No. of Shares	Rs. In million	No. of Shares	Rs. In million
<b>Preference shares:</b>				
Shares outstanding at the beginning of the year	11,475,189	114.75	-	-
Issued pursuant to Scheme of Amalgamation (refer note (iv)(b) below)	-	-	6,842,983	68.43
Conversion of Compulsorily Convertible Debentures ("CCDs") into CCPS (refer note (iv)(d) below)	-	-	1,358,952	13.59
Conversion of share warrants into CCPS (refer note 17 (ii) (d) )	-	-	89,096	0.89
New issue during the year	4,789,579	47.90	1,251,003	12.51
Issued pursuant to acquisition of Medlife International Private Limited (refer note (iv)(c) below)	-	-	1,933,155	19.33
Conversion of Compulsorily Convertible Preference Shares (CCPS) into Equity (refer note 17(e)(ii))	(16,264,768)	(162.65)	-	-
<b>Shares outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>11,475,189</b>	<b>114.75</b>
<b>Debentures:</b>				
Debentures outstanding at the beginning of the year	722,444	0.72	-	-
Issued pursuant to Scheme of Amalgamation (refer note (iv)(d) below)	-	-	24,267	0.24
Conversion of Compulsorily Convertible Debentures ("CCDs") into CCPS (refer note (iv)(d) below)	-	-	(24,267)	(0.24)
New issue during the year (refer note (v) below)	399,935	0.40	744,021	0.74
Conversion of Compulsorily Convertible Debentures ("CCDs") into Equity (refer note 17 (ii) (c))	(722,444)	(0.72)	(21,577)	(0.02)
Conversion of Compulsorily Convertible Debentures ("CCDs") into NCD and redemption thereafter (refer note (v) below)	(399,935)	(0.40)	-	-
<b>Debentures outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>722,444</b>	<b>0.72</b>

**(ii) Terms and rights attached to preference shares:**

Compulsorily Convertible Preference shares issued by the Company have a par value of Rupees 10 each. The Preference shareholders of the Company are entitled to vote on every resolution placed before the Company on a poll for the fully paid-up Preference shares held by them in proportion to the shareholders' share in the paid-up share capital of the Company. In the event of liquidation of the Company, the assets and available proceeds shall be discharged in accordance with the provisions of the Articles of Association of the Company.

The Company has issued Twenty Seven series of Compulsorily Convertible Preference shares ("CCPS") (CCPS I to CCPS XV, CCPS XVI, CCPS XVI -A, CCPS XVII to CCPS XXVI) having a face value of Rs. 10/- per share. These shares are compulsorily convertible into equity shares of equal numbers (subject to the provisions of the Articles of Association of the Company) on or before the maturity date ("Maturity Date") ranging between September 30, 2029 (earliest) and September 01, 2041 (farthest). Further, the Preference shareholder has the right to convert the compulsorily convertible preference shares into equity shares at any time before maturity by providing a written notice to the holding company. The compulsorily convertible preference shares shall be automatically converted into equity shares on earlier of (i) Maturity Date or (ii) later of (a) the date immediately prior to the filing of the draft red herring prospectus with the Securities and Exchange Board of India or (ii) immediately upon expiry of the maximum period permitted under the law after filing of the draft red herring prospectus for holding such compulsorily convertible preference shares on the company proposing to undertake an IPO for the issue of Equity Shares to the public.

The compulsorily convertible preference shares shall be entitled to receive a cumulative dividend at the rate of 0.0001% (zero point zero zero zero one per cent) per annum on the face value of each Preference share and the dividend shall accrue from year to year when not paid, and accrued dividends shall be paid in full.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend declared by the board. The Preference shares carry a dividend rate of 0.0001% per annum.

During the year ended March 31, 2022, the Company converted all its outstanding Compulsorily Convertible Preference shares into fully paid-up equity shares.

**API Holdings Limited (formerly known as API Holdings Private Limited)****Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**

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**(iii) Details of shareholders holding more than 5% of a class of preference shares in the Company:**

Particulars	As at March 31, 2022		As at March 31, 2021 (Restated)	
	No. of Shares	% of holding	No. of Shares	% of holding
<b>Preference shares:</b>				
Prasid Uno Family Trust through its trustee Surbhi Singh	-	-	1,688,605	14.72%
MacRitchie Investments Pte. Ltd.	-	-	1,673,408	14.58%
Evermed Holdings Pte. Ltd.	-	-	1,283,609	11.19%
CDPQ Private Equity Asia Pte. Ltd	-	-	1,090,900	9.51%
TPG Growth V SF Markets Pte. Ltd	-	-	1,110,157	9.67%
Lightstone Fund S.A., for and on behalf of Lightstone Global Fund	-	-	781,567	6.81%
Bessemer India Capital Holdings II Ltd.	-	-	703,640	6.13%

**(iv) The Company since inception:**

- a) has not bought back any shares
  - b) has issued 68,42,983 number of preference shares pursuant to Scheme of Amalgamation without consideration being received in cash.
  - c) has issued 1,933,155 number of compulsorily convertible preference shares pursuant to acquisition of equity shares of Medlife International Private Limited on swap basis, without consideration being received in cash.
  - d) has issued 24,267 number of compulsorily convertible debentures pursuant to Scheme of Amalgamation without consideration being received in cash, subsequently the same got converted into CCPS in the swap ratio of 1:56.
- (v) During the year ended March 31, 2022, the Company has issued Compulsory Convertible Debentures ("CCD") ranging from Series CCD X to Series CCD XIV of having face value of Rs 2,000.33 each and are paid up to the extent of Re 1/- each to the founders. Based on board resolution dated September 06, 2021 and shareholder resolution dated September 09, 2021, the Company has converted these Compulsory Convertible Debentures ("CCD") into Non-Convertible Debentures (NCDs) The NCDs of members amounting Rs. 159,974 considered as Deposit under Companies (Acceptance of Deposits) Rules, 2014. On September 27, 2021 the Company has redeemed all these NCD's. The Company has complied with applicable compliance in relation to same.

During the year ended March 31, 2021, the Company has issued Five series of Compulsory Convertible Debentures ("CCDs") having a face value Rs. 4,443.31 each. These CCDs are paid-up to the extent of Re 1/- each and the holders of the CCDs shall be entitled to the rights in relation to the CCDs only to the extent the CCDs paid-up. Further the Company has received call money on 722,444 CCDs (March 31, 2021- 21,577 CCDs) to the extent of Rs 4,442.31 for each CCDs.

The holder of CCDs shall be entitled to remit/make payment towards the amount remaining unpaid on any CCDs before conversion of CCDs into equity shares. The holders of CCDs shall be required to pay the monies unpaid on CCDs immediately prior to the filing of red herring prospectus with the Securities Exchange Board of India for an initial public offering by the company on a recognized stock exchange in India, failing which CCDs will be forfeited.

These CCDs are compulsorily convertible into equity shares at the ratio of 1:1 (subject to the provisions of the Articles of Association of the Company) on or before the maturity date ("Maturity Date") being 31st October, 2030 for CCDs ranging from CCD I - CCD IX and 15th March 2031 for CCDs ranging from CCD X- CCDXIV. Further, the holders of CCDs have a right to convert the CCDs into equity shares at any time before Maturity Date by providing a written notice to the Company. The CCDs shall be automatically converted into equity shares on earlier of (i) Maturity Date or (ii) later of (a) the date immediately prior to the filing of the draft red herring prospectus with the Securities and Exchange Board of India or (b) immediately upon expiry of the maximum period permitted under the law after filing of the draft red herring prospectus for holding such compulsorily convertible preference shares on the Company proposing to undertake an IPO (iii) immediately prior to a Conversion Liquidation Event as specified in the shareholder's agreement.

During the year, pursuant to its Board Resolution dated July 01, 2021, August 13, 2021, September 04, 2021, September 15, 2021, and September 30, 2021, the Company has converted 722,444 of its fully paid Compulsory Convertible Debenture (CCD) into 2,167,332 Equity shares having face value of Rs 10 each, in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every one fully paid CCD. Further, vide special resolution passed at Extra ordinary general meeting held on September 09, 2021 399,935 CCDs have been converted into Non Convertible Debentures in the ratio of 1:1 and consequently redeemed during the year.

19 Other Equity

Particulars	Reserves and Surplus			Equity component of compound financial instruments	Money received against share warrants	Total
	Employee stock option outstanding	Amalgamation deficit balance	Capital reserve			
<b>Balance as at March 31, 2020</b>	386.00	1.62	1.40	78.90	16.30	3,093.38
Loss for the year	-	-	-	-	-	(797.56)
Loss for the year from discontinued operation	-	-	-	-	-	(1,663.58)
Other comprehensive income / (loss) (net of tax)	-	-	-	-	-	2.51
<b>Total comprehensive income / (loss) for the year</b>	-	-	-	-	-	(2,458.63)
<b>Transaction with owners in their capacity as owners</b>						
Equity component of instruments issued during the year	-	-	-	750.00	-	750.00
Issue of equity shares and instruments in the nature of equity	-	-	-	-	-	38,040.25
Bonus shares issued	-	-	-	-	-	(228.15)
Transaction cost on issue of equity instruments	-	-	-	-	-	(21.91)
Employee share based payment issued in business combination	1,379.49	-	-	-	-	1,379.49
Share based payment expense	551.22	-	-	-	-	551.22
Employee share options repurchased during the year	(136.19)	-	-	-	-	(222.37)
Loss on conversion of share warrants	-	-	-	-	-	(51.50)
Adjustment on account of amalgamation of Acquirer	-	(35.16)	0.10	-	(16.30)	(51.50)
<b>Balance as at March 31, 2021 (Restated)</b>	<b>2,180.52</b>	<b>(33.54)</b>	<b>1.50</b>	<b>828.90</b>	-	<b>40,796.72</b>
<b>Balance as at March 31, 2021 (Restated)</b>	<b>2,180.52</b>	<b>(33.54)</b>	<b>1.50</b>	<b>828.90</b>	-	<b>40,796.72</b>
Loss for the year	-	-	-	-	-	(50,810.10)
Other comprehensive income / (loss) (net of tax)	-	-	-	-	-	32.86
<b>Total comprehensive income / (loss) for the year</b>	-	-	-	-	-	(50,777.24)
<b>Transaction with owners in their capacity as owners</b>						
Issue of equity shares and instruments in the nature of equity	-	-	-	-	-	67,314.51
Bonus shares issued	-	-	-	-	-	(5,583.67)
Transaction cost on issue of equity instruments	-	-	-	-	-	(131.57)
Share based payment expense	6,282.79	-	-	-	-	6,282.79
Employee share options repurchased during the year	(506.17)	-	-	-	-	(352.59)
Transfer on exercise of employee stock option	(905.33)	-	-	935.70	-	30.37
Adjustment on conversion during the year	-	-	-	(750.00)	-	(750.00)
<b>Balance as at March 31, 2022</b>	<b>7,051.81</b>	<b>(33.54)</b>	<b>1.50</b>	<b>109,692.66</b>	-	<b>56,323.15</b>

**Descriptions of Other Equity**

- (i) **Securities premium reserve**  
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provision of the Act. Stamp duty is written off from Securities premium.
- (ii) **Equity component of Compound Financial Instruments:**  
The 91Streets Media Technologies Private Limited had issued share warrants to the supplier and availed facility to utilise the advertising services from the supplier. The transaction was accounted in accordance with the share based transaction wherein the present value of goods and services received was accounted as deferred payment liabilities and residual value is accounted as equity component of compound financial instrument within Other equity. During the year, pursuant to its Board Resolution dated September 28, 2021, the Company has converted 133,904 of its fully paid Compulsory Convertible Debenture (CCD) held by Ivy Icon Solutions LLP into 401,712 Equity shares having face value of Rs 10 each, in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every 1 fully paid CCD.
- (iii) **Capital reserve**  
Capital Reserves represents bargain purchase in previous acquisitions.
- (iv) **Employee stock options:**  
The employee stock option reserve is used to recognize the grant date fair value of options issued to employees under stock option schemes.
- (v) **Amalgamation Deficit Balance**  
Amalgamation deficit balance has arisen as a result of accounting for amalgamation between Swifto Services Private Limited and Thea Technologies Private Limited and 91Streets Media Technologies Private Limited with API Holdings Limited and the respective shareholders.
- (vi) **Money received against share warrants**  
During the year ended March 31, 2019, the 91 Streets has issued 5 warrants at a subscription price of Rs. 3.25 million per warrant (exercise price Rs. 32.5 million per warrant) convertible into Compulsory Convertible Preference Shares (CCPS) of the Company at the option of the holder which have been settled by issue of shares during the year ended March 31, 2021.

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**20 Borrowings**

Particulars	Non-Current		Current	
	As at	As at March 31, 2021	As at	As at March 31, 2021
	March 31, 2022	(Restated)	March 31, 2022	(Restated)
<b>Secured, considered good</b>				
14.00% Non convertible debentures (refer note (i) (a) below)	-	1,063.95	-	-
Term loan from others (refer note (ii) below)	-	1,238.40	-	100.00
Less: Current maturity of long term debt	-	(1,238.40)	-	1,238.40
From bank and financial institution (refer note (v) below)	-	-	2,700.00	-
<b>Unsecured, considered good</b>				
15.50% Non convertible debentures (refer note (i) (b) below)	-	250.00	-	-
Nil (March 31, 2021: 30) 0.0001% Optionally convertible redeemable debentures of Rs.100,000 each (refer note (iii) below)	-	2.60	-	-
Nil (March 31, 2021: 1,33,904) Compulsorily Convertible Debenture of face value Rs 5601 each, fully paid up (refer note (iv) below)	-	157.01	-	-
Less: Current maturity of compound financial instruments	-	(108.73)	-	108.73
Loan acquired in business combination (Refer note 40B)	-	-	-	2.26
	-	<b>1,364.83</b>	<b>2,700.00</b>	<b>1,449.39</b>

- (i) a) During the financial year ended March 31, 2020, Medlife International Private Limited (now amalgamated with API Holdings, refer note 40A) had issued non convertible debenture to Wilson Global Opportunities Fund of Rs. 1063.95 millions at interest rate of 14% p.a, with a term of 4 years from 17 December 2019. The debenture is secured against the assets of the Subsidiary, personal guarantee given by erstwhile promoters namely Mr.Prashanth Singh and Mr.Tushar Kumar ('Promoters') and corporate guarantee from Medlife Wellness Retail Private Limited. Interest is payable on quarterly basis and the loan is repayable on quarterly equated instalments during the last year of term, i.e. beginning from March 2023.This has been paid during the year ended March 31, 2022.
- b) During the financial year ended 31 March 2021, Medlife International Private Limited (now amalgamated with API Holdings, refer note 40A) has issued compulsorily convertible debenture to Prasad Uno Family trust of Rs. 250 millions at interest rate of 15.5% p.a, with a term of 36 months. The CCD was convertible at the end of the tenure to equity shares based on the fair market value of equity shares on the date of conversion. On 8 December 2020, the existing terms of CCDs were substituted with such terms, so as to render the CCDs as 25 unsecured redeemable Non convertible Debentures (NCDs); the tenure of NCDs remained 36 months from the allotment date. This has been repaid by Medlife International Private Limited on September 29, 2021.
- (ii) Medlife International Private Limited (now amalgamated with API Holdings, refer note 40A) has taken term loan of Rs.1250 million from Hero Fin Corporation which carries interest rate from 12.75% to 14.25% p.a for a period of three years. The gross term loan (without giving effect of transaction cost) is bifurcated between Facility 1 (Rs. 1100 million), Facility 2 (Rs.150 million) aggregating to Rs 1250 million. The loan is secured against hypothecation of assets of the subsidiary, personal guarantee given by erstwhile Promoters of the subsidiary and corporate guarantee given by 'Prasad Uno Family Trust'. Interest is payable on quarterly basis and 30% of the loan is repayable on completion of 1.5 years and remaining 70% of the loan is repayable at the end of the term. This has been paid during the year ended March 31,2022. Further Medlife International Private Limited (now amalgamated with API Holdings, refer note 40) has taken loan from Shri Pack Private Limited amounting Rs. 52.50 million and from Prashant Packaging Private limited amounting to Rs. 47.50 million carried interest @ 8.5% p.a. and is repayable on 31 December 2021. This has been paid during the year ended March 31, 2022.
- (iii) 0.0001% Optionally convertible redeemable debentures of Rs.100,000 each (OCRD) had been issued in consideration for business acquisition of Beetle Ventures Private Limited. As per the terms of the agreement with debenture holders, the Company may, at its option, at any time convert debentures or any portion thereof into Equity Shares at the Conversion Price as determined as per the terms of agreement. The conversion price as per terms of the agreement is the price of first equity shares issued after the issue of OCRD. Further, unless debentures are converted into equity shares, the Company may at its option, at any time after expiry of 5 years from the date of issue of debentures but before maturity date (i.e. 10 years from date of issue), redeem debentures or part thereof at the prevailing fair market value of the Equity Shares that the holder would have been entitled on the redemption date if the debentures were converted into equity share at the conversion price. The change in fair value is accounted through statement of profit and loss. This has been converted into equity during the year (refer note 18).
- (iv) 15.50% 1,33,904 Compulsorily Convertible Debenture of face value Rs 5601 each, fully paid up ("CCD") has been issued to Ivy Icon Solutions LLP at a face value Rs 5601 each, fully paid up and at a coupon rate of 15.5% (Fifteen Decimal Point Five percent) per annum compounded monthly. The CCD holder have right to convert its CCD into equity shares of the Company, by providing a written notice to the Company. The CCD shall automatically convert into equity shares at the conversion ratio of 1:1 equity shares of the Company on October 31, 2022. The instrument was accounted as compound financial instruments where the present value of coupon interest has been accounted as liability and residual portion as equity. These CCDs have been converted into equity shares during the year (refer note 17 (ii) (d)). The profit or loss on conversion has been accounted through statement of profit and loss.

**API Holdings Limited (formerly known as API Holdings Private Limited)****Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**

(All amounts in Rupees Million, unless otherwise stated)

- (v) For the year ended March 31, 2022, the loan from bank and financial institutions of Rs. 2,700 million carry effective interest at 9% to 12.50% per annum and repayable within year. The loan is secured against First ranking exclusive charge by way of pledge over (a) 100% of the share capital of Threpsi Solutions Private Limited, (b) 100% of the share capital of Docon Technologies Private Limited, and (c) 67% of the share capital of Akna Medical Private Limited (on a fully diluted basis) (d) Shares acquired from promoters of Thyrocare Technologies Limited (“Thyrocare”) and (e) pledge over 10,000 equity shares of Aycon Graph Connect Private Limited.
- (vi) The Company has utilised the borrowings for the purposes for which it has been obtained. Further, the Company has complied filing of the requisite statements to the bank or financial institutions and there are no discrepancies with underlying books of accounts. There are no charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (vii) During the year ended March 31, 2022, the Company has taken loan of Rs.1250 million from Prasad Uno Family Trust (“PUFT” or “Lender”) which carries interest rate of 10% per annum with a final maturity date of September 30, 2021; or January 01, 2024, (in accordance with agreement) or such extended date as may be agreed between the parties. The said loan has been considered as Deposit under Companies (Acceptance of Deposits) Rules, 2014, the Company has complied with applicable compliance in relation to same. During the year ended March 31, 2022, the said loan has been repaid by the Company.

**(viii) Net Debt Reconciliation**

Particulars	As at	As at
	March 31, 2022	March 31, 2021 (Restated)
Cash and cash equivalents*	296.88	154.61
Lease liability	(5.28)	(30.35)
Non-current borrowings**	-	(2,736.40)
Current borrowings	(2,700.00)	(102.26)
Other financial liability	(1,181.40)	-

\* Cash and Cash equivalents includes Bank Cash credit facility and Temporary book overdraft which is integral part of cash management function of the Company.

\*\* Non-Current borrowings includes current maturities included under other current borrowings

Particulars	Cash and cash equivalent	Lease liability	Non-current borrowings	Current borrowings	Other financial liability	Total
<b>Net debt as at 01 April 2021</b>	<b>154.61</b>	<b>(30.35)</b>	<b>(2,736.40)</b>	<b>(102.26)</b>	<b>-</b>	<b>(2,714.40)</b>
Cash flows (net)	142.27	12.56	-	-	-	154.83
Proceeds from long term borrowings	-	-	(1,250.00)	(2,700.00)	-	(3,950.00)
Repayment of borrowings	-	-	3,813.95	102.26	-	3,916.21
Interest expense	-	(3.66)	(207.84)	(184.98)	-	(396.48)
Interest paid	-	3.66	267.02	184.98	-	455.65
<b>Other non-cash movements</b>						
Acquisition - Leases	-	(24.84)	-	-	-	(24.84)
Disposals of Right-of-use asset	-	34.65	-	-	-	34.65
Gain on termination of lease	-	2.70	-	-	-	2.70
Conversion of OCRD into equity	-	-	3.00	-	-	3.00
Fair value adjustments	-	-	110.28	-	-	110.28
Recognition of derivative liability	-	-	-	-	(1,292.00)	(1,292.00)
Change in fair value of derivative liability (net)	-	-	-	-	110.60	110.60
<b>Net debt as at 31 March, 2022</b>	<b>296.88</b>	<b>(5.28)</b>	<b>-</b>	<b>(2,700.00)</b>	<b>(1,181.40)</b>	<b>(3,589.80)</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

Particulars	Cash and cash equivalent	Lease liability	Non-current borrowings	Current borrowings	Other financial liability	Total
<b>Net debt as at April 1, 2020</b>	<b>289.08</b>	<b>(390.51)</b>	<b>(1,563.50)</b>	<b>(272.06)</b>	-	<b>(1,936.99)</b>
Cash flows (net)	(143.26)	152.05	(4,288.79)	137.31	-	(4,142.68)
Proceed from issue of compulsory convertible debentures	-	-	-	-	-	-
Interest expense	-	(23.08)	(247.03)	-	-	(270.11)
Interest paid	-	23.08	256.27	-	-	279.35
<b>Other non-cash movements</b>						
Acquisition through business acquisition (net)	8.79	(123.48)	(2,584.61)	(270.95)	-	(2,970.25)
Adjustments on share warrants	-	-	-	-	-	-
Settled through business acquisition/ business transfer	-	244.81	-	303.44	-	548.25
Conversion of compulsorily convertible debentures into equity	-	-	-	-	-	-
Conversion of compulsorily convertible preference shares into equity	-	-	6,088.77	-	-	6,088.77
Fair value adjustments	-	-	(397.51)	-	-	(397.51)
Disposals-Leases	-	87.59	-	-	-	87.59
Acquisition - Leases	-	(0.81)	-	-	-	(0.81)
<b>Net debt as at 31 March, 2021 (Restated)</b>	<b>154.61</b>	<b>(30.35)</b>	<b>(2,736.40)</b>	<b>(102.26)</b>	-	<b>(2,714.40)</b>

**21 Other financial liabilities (Non-current)**

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Financial guarantee contract liability	33.69	20.67
Security deposit	-	0.01
Derivative liability ((refer note 7 (v)))	1,181.40	-
	<b>1,215.09</b>	<b>20.68</b>

**22 Provisions (Non-current)**

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
<b>Provision for employee benefits</b>		
Gratuity (refer note 35)	13.08	39.22
	<b>13.08</b>	<b>39.22</b>

**23 Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Total outstanding dues of micro enterprises and small enterprises	13.19	4.16
Total outstanding dues of creditors other than micro enterprises and small enterprises	404.18	1,056.94
Trade payables to related parties (refer note 36)	64.98	-
	<b>482.35</b>	<b>1,061.10</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
 (All amounts in Rupees Million, unless otherwise stated)

**Trade payable ageing schedule as at March 31, 2022**

Particulars	Accrued Expenses	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Micro and Small Enterprises	-	-	13.19	-	-	-	13.19
Other than Micro and Small Enterprises	167.49	-	229.07	4.54	1.69	1.39	404.18
Disputed dues – Micro and Small Enterprises	-	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-	-
Due to related parties	13.75	-	51.23	-	-	-	64.98
	<b>181.24</b>	<b>-</b>	<b>293.49</b>	<b>4.54</b>	<b>1.69</b>	<b>1.39</b>	<b>482.35</b>

**Trade payable ageing schedule as at March 31, 2021 (Restated)**

Particulars	Accrued Expenses	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Micro and Small Enterprises	-	-	4.16	-	-	-	4.16
Other than Micro and Small Enterprises	602.79	-	451.07	1.69	1.39	-	1,056.94
Disputed dues – Micro and Small Enterprises	-	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-	-
Due to related parties	-	-	-	-	-	-	-
	<b>602.79</b>	<b>-</b>	<b>455.23</b>	<b>1.69</b>	<b>1.39</b>	<b>-</b>	<b>1,061.10</b>

Information related to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
-------------	----------------------	---------------------------------

- |  |      |      |
|--|------|------|
| (i) Principle Amount Outstanding   | 7.03 | 1.66 |
| (ii) Interest on Principle Amount Due  | 6.16 | 1.49 |
| (iii) Interest and Principle amount paid beyond appointment day  |      |      |
| (iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the amount of interest specified under MSME Development Act.   |      |      |
| (v) The amount of interest accrued and remaining unpaid at the end of the year.  | 6.16 | 2.50 |
| (vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSME Development Act. | -    | -    |

24

**Other financial liabilities (Current)**

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Other payables**	99.23	233.06
Interest accrued but not due	-	24.44
Employee benefits payable	38.96	63.65
Creditors for capital goods	-	1.13
Financial guarantee contract liability	125.95	12.06
	<b>264.14</b>	<b>334.34</b>

Refer note 36 for related party balances

\*\* Includes payable for repurchase of Employee Stock Options Rs. Nil (March 31, 2021: Rs. 222.37 million). It also includes cash collected by delivery persons on behalf of Retailers for its subsequent payments to the Retailers Rs. 70.22 million (March 31, 2021: Rs.10.69 million), and payable towards reimbursement of expenses to Company companies

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
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**25 Provisions (Current)**

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Provision for employee benefits		
Gratuity (refer note 35)	1.16	0.65
Compensated absences (refer note 35)	21.89	41.88
	<b>23.05</b>	<b>42.53</b>

**26A Contract liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Contract liabilities (refer note 27(iii))	3.90	-
	<b>3.90</b>	<b>-</b>

**26B Other current liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Statutory liabilities	42.90	89.19
	<b>42.90</b>	<b>89.19</b>

Statutory liabilities include Tax Deducted at Source, Profession Tax, Provident Fund, ESIC, Service Tax, Sales Tax / Goods and Services Tax.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
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27 Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
<b>Revenue from contracts with customers</b>		
Sale of goods	24.77	0.37
Sale of services*	1,672.63	504.17
	<b>1,697.40</b>	<b>504.54</b>

The Revenue recognised above represents contract price.

\* Sale of services pertains to diagnostic services and rendering services of delivery person.

**Disclosures pursuant to Ind AS 115**

The entire revenue of the Company is restricted to one geographical region i.e. India, where risks do not vary. The revenue from sale is recognised at a point in time when the performance obligation is satisfied which is delivery of goods or performance of service. Contracts with customers are of short term in nature. There is no unfulfilled obligation outstanding as at current or previous year. There is one Customer contributing more than 10% revenue -Rs. 654.49 million (31 March 2021 Rs. 248.12 million)

**(i) Reconciliation of revenue recognised with contract price:**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Contract Price	1,697.40	504.54
<b>Adjustments for:</b>		
Contract liabilities	-	-
Discounts	-	-
<b>Revenue from operations</b>	<b>1,697.40</b>	<b>504.54</b>

**(ii) Recognition of revenue over the period of time and at a point in time.**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Over a period of time	898.74	382.36
At a point in time	798.66	122.18
	<b>1,697.40</b>	<b>504.54</b>

**(iii) Movement in contract balances**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
<b>Contract liabilities</b>		
Opening Balance	-	-
Add: Revenue not recognised in the reporting period that is to be included in the contract liability balance at the end of the period.	3.90	-
Less: Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period.	-	-
<b>Closing Balance</b>	<b>3.90</b>	<b>-</b>

(iv) Refer note 36 for transactions with related parties.

28 Other Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Income from financial assets measured at amortised cost		
Interest income on fixed deposits with banks	192.85	36.99
Interest income on loan given to related parties	1,206.09	201.17
Unwinding of interest on security deposits	1.48	0.14
Financial instrument measured at amortised cost	-	4.59
Gain on fair valuation of financial instruments measured at fair value through profit and loss (Refer note below)	75.60	-
Net gain on derivative instruments	110.60	-
Interest on Income tax refund	5.08	0.18
Amortisation of financial guarantee liability	172.23	7.40
Gain on termination of lease	2.70	-
Miscellaneous income	4.38	2.95
	<b>1,771.01</b>	<b>253.42</b>

**Note:** This includes fair value gain on liability component during conversion of 1,33,904 fully paid CCDs held by Ivy Icon Solutions LLP into equity shares during the year ended March 31, 2022.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
(All amounts in Rupees Million, unless otherwise stated)

29 Purchases of stock-in-trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Purchase of stock in trade	156.13	9.82
	<b>156.13</b>	<b>9.82</b>

30 Changes in inventories of stock-in-trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
<b>Opening stock</b>		
Traded goods	11.59	8.40
<b>Less: Disposal pursuant to asset transfer</b>		
Traded goods	147.73	-
<b>Closing stock</b>		
Traded goods	-	11.59
	<b>(136.14)</b>	<b>(3.19)</b>

31 Employee benefit expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Salaries, bonus and allowances	3,716.81	187.83
Contribution to provident and other funds	20.68	4.68
Gratuity expense (refer note 35)	9.54	1.54
Compensated absences	(3.41)	2.10
Employee share based payment expenses	3,000.40	28.34
Staff welfare expenses	15.63	4.57
	<b>6,759.65</b>	<b>229.06</b>

32 Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Interest and finance charges on financial liabilities at amortised cost	392.82	105.19
Interest on delayed payment of direct tax and statutory dues	0.60	0.16
Interest and finance charges on lease liability	3.66	1.29
Other finance charges (refer note below)	67.73	-
Interest accruals for MSME	3.77	-
	<b>468.58</b>	<b>106.64</b>

Note: Other finance charges includes processing fees, underwriting fees and other charges paid to banks and financial institutions against short term borrowings taken during the year.

33 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Depreciation of property, plant and equipment (refer note 3)	16.90	8.59
Amortization of intangible assets (refer note 6)	4.44	1.61
Depreciation of right of use asset (refer note 4)	13.86	9.93
<b>Total</b>	<b>35.20</b>	<b>20.13</b>

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
(All amounts in Rupees Million, unless otherwise stated)

34 Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Sales promotion and marketing expense	666.32	1.09
Travelling expenses	7.99	13.29
Information technology expenses	21.25	3.47
Contractual payment for delivery associates & phlebotomists	863.33	263.33
Concierge fees	13.79	3.89
Legal and professional fees	1,275.34	705.81
Payments to auditors (refer note 34 (i) below)	47.67	1.94
Water, electricity and fuel expenses	7.63	3.70
Insurance expenses	7.09	0.39
Postage and courier	3.76	0.04
Lease expenses (refer note 34 (ii) below)	9.64	2.35
Telephone and Communication Charges	23.32	13.90
Security services	3.75	3.90
Subcontracting charges	7.08	4.13
Printing and stationery	5.10	0.65
Consumables and processing charges	353.60	24.36
Commission & Brokerage	94.89	0.02
Bank and payment gateway charges	26.81	7.07
Expected credit loss provision on financial assets (net)	(15.48)	11.00
Provision for doubtful advances and deposits (net)	(15.83)	14.16
Rates and taxes	134.52	32.74
Loss on fair value changes to financial instruments	-	64.46
Director commission and sitting fees	12.26	-
Miscellaneous expenses	31.67	16.57
	<b>3,585.50</b>	<b>1,192.26</b>
<b>34 (i) Payment to Auditors (excluding GST)</b>		
Audit Fees	2.50	1.00
Tax Audit Fees	0.10	0.10
Other services	45.07	0.84
	<b>47.67</b>	<b>1.94</b>
<b>34 (ii) Lease payments not recognised as a Lease Liability</b>		
Short Term Lease	9.64	2.35
	<b>9.64</b>	<b>2.35</b>

**34 (iii) Corporate social responsibility (CSR) expenditure**

As per the requirement of Section 135(1) Companies Act, CSR provision are applicable to the Company. In view of the same, CSR Committee was duly constituted by the Board and CSR policy is in place. There is no average profit in preceding financial year, hence no amounts required to be spent for FY 2021-22 and FY 2020-21 by the Company.

34A Exceptional Items

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Impairment in value of non financial assets (refer note below)		-
Goodwill (refer note 5)	3,379.39	
Impairment in value of financial assets (refer note below)		
Investment in subsidiary (refer note 7)	34,384.02	-
Loan to related parties (refer note 14)	4,809.43	-
Other receivable (refer note 15)	836.75	-
	<b>43,409.59</b>	<b>-</b>

Considering the outlook of the current economic environment and other macro economic factors, management has drawn an operating plan in light of the latest available information. Basis the operating plan, a downward revision to projections was necessitated and accordingly as a result of impairment testing, Impairment was identified as the recoverable value of respective assets does not exceeded their respective carrying amounts as at March 31, 2022, considering the size and nature of amounts involved the same are classified as exceptional items and are disclosed separately.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
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35 Employee benefits

a. Defined contribution plans

The Company contributes towards provident fund managed by the Central Government and towards employees state Insurance contribution scheme in pursuance of ESI Act, 1948 (as amended) which is debited to Statement of Profit and Loss as incurred. The Company has no obligation other than making contribution to the fund.

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss, which are included in contribution to provident and other funds.

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021 (Restated)
Contribution to provident and other funds	20.68	4.68

b. Leave obligation

The employees of the Company are entitled to compensated absences as per the policy of the Company. The entire amount of the provision of Rs 21.89 (March 31, 2021 Rs. 41.88) is presented as current since the Company does not have an unconditional right to defer settlement for any of the obligation. However, based on past experience, the Company does not expect all the employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months. Leave obligation not expected to be settled within next 12 month is Rs 18.22 (March 31, 2021 Rs. 0.71).

c. Post-employment obligations

The Company provides for gratuity to employees as per Payment of Gratuity Act, 1972. Every employee who has completed five years or more of continuous service gets a gratuity on death or resignation or retirement at 15 days basic salary (last drawn salary) for each completed years of services as per Company policy. The provision for gratuity is actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the Other Comprehensive Income. The following table sets out the status of the gratuity plan as required under Ind AS 19 'Employee benefits'.

Particulars	Gratuity (Unfunded)	
	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
<b>Movement in net liability recognised in the Balance sheet:</b>		
Obligations as at the beginning of the year	39.88	19.77
Current service cost	8.55	1.27
Past service cost/ (Credit)	(0.11)	-
Interest Expense	1.10	0.27
Benefit payments	(2.32)	-
Remeasurements- Actuarial (gains) / losses	(32.86)	(2.51)
Discontinued operations	-	3.07
Acquired in business combination	-	39.56
Released during business transfer	-	(21.56)
<b>Obligations as at the end of the year</b>	<b>14.24</b>	<b>39.87</b>
<b>Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	8.55	1.27
Past service cost/ (Credit)	(0.11)	-
Interest Expense	1.10	0.27
Discontinued operations	-	3.07
<b>Total expense recognised in the statement of profit and loss</b>	<b>9.54</b>	<b>4.61</b>
<b>Expense recognised in the other comprehensive income</b>		
Loss from change in financial assumptions	5.15	(3.35)
Loss/(gain) from change in demographic assumptions	(16.65)	1.54
Experience losses / (gain)	(21.36)	(0.70)
Discontinued operations	-	(2.77)
<b>Total expenses / (gain) recognized in the other comprehensive income</b>	<b>(32.86)</b>	<b>(5.28)</b>

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

(a) Economic Assumptions

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021 (Restated)
Discount rate	6.10%	6.40%
Expected rate of salary increase	12%	10%

(b) Demographic Assumptions

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021 (Restated)
Retirement Age	60 years	60 years
Mortality Table	100% of IALM 2012-14	100% of IALM 2012-14
Attrition / Withdrawal Rates: (per annum)	20.00% (per annum)	10% (per annum)

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(c) Sensitivity analysis of defined benefit obligation

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
<b>a) Impact of the change in discount rate on defined benefit obligation</b>		
i) Impact due to increase of 1%	(0.88)	(5.29)
ii) Impact due to decrease of 1%	0.98	6.51
<b>b) Impact of the change in salary increase on defined benefit obligation</b>		
i) Impact due to increase of 1%	0.79	5.87
ii) Impact due to decrease of 1%	(0.76)	(4.94)
<b>c) Impact of the change in attrition rate</b>		
i) Impact due to increase of 1% (March 31, 2021- 50%)	(0.36)	(11.57)
ii) Impact due to decrease of 1% (March 31, 2021- 50%)	0.38	27.25
<b>d) Impact of change in Mortality Rate</b>		
i) Impact due to increase of 10%	(0.00)	(0.05)
ii) Impact due to decrease of 10%	0.00	0.07

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Statement of Assets and Liabilities. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(d) Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

**Demographic Risk:**

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Life expectancy:**

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 Escalation Risk:**

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Interest-Rate Risk:**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Regulatory Risk:**

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

**Interest-Rate Risk:**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(e) Defined Benefit Liability and Employer Contributions

The company considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly. Expected contributions to post - employment benefit plans - since the scheme is managed on unfunded basis, the next year contribution is taken as Nil. (March 31, 2021- Nil)

The weighted average duration of the defined benefit obligation is 6 years (March 31, 2021-11-16 years)

(f) Maturity profile of defined benefit obligation (undiscounted basis)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Year 1	1.16	0.65
Between 2 to 5 years	7.17	6.99
More than 5 years	14.29	116.17

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**36 Related parties transactions**

**(i) Names of related parties and description of relationship**

Name of the Entity	Relationship with the entity
Threpsi Solutions Private Limited AHWSPL India Private Limited Ascent Wellness and Pharma Solutions Private Limited Akna Medical Private Limited (w.e.f. September 17, 2021) Arzt And Health Private Limited (w.e.f. August 27, 2020) Aycon Graph Connect Private Limited Medlife Wellness Retail Private Limited (w.e.f. January 22, 2021) Metarain Distributors Private Limited (w.e.f. January 22, 2021) Docon Technologies Private Limited (w.e.f. August 27, 2020) AKP Healthcare Private Limited (w.e.f. August 27, 2020) Aushad Pharma Distributors Private Limited (w.e.f. August 27, 2020) Rau and Co Pharma Private Limited (w.e.f. August 27, 2020) Reenav Pharma Private Limited (w.e.f. August 27, 2020) Instinct Innovations Private Limited (w.e.f. May 08, 2020) Dial Health Drug Supplies Private Limited (w.e.f. August 27, 2020) Ayro Retail Solutions Private Limited (w.e.f. August 27, 2020) Aarush Tirupati Enterprise Private limited (w.e.f. August 27, 2020) Aryan Wellness Private Limited (w.e.f. August 27, 2020) D. C. Agencies Private Limited (w.e.f. August 27, 2020) Desai Pharma Distributors Private Limited (w.e.f. August 27, 2020) Eastern Agencies Healthcare Private Limited (w.e.f. August 27, 2020) Mahaveer Medi-Sales Private Limited (w.e.f. August 27, 2020) Muthu Pharma Private Limited (w.e.f. August 27, 2020) Pearl Medicals Private Limited (w.e.f. August 27, 2020) VPI Medisales Private Limited (w.e.f. August 27, 2020) Shell Pharmaceuticals Private Limited (w.e.f. August 27, 2020) Avighna Medicare Private Limited (w.e.f. August 27, 2020) Venkatesh Medico Private Limited (w.e.f. August 27, 2020) Bhairav Health and Wellness Private Limited (w.e.f. 27 August 2020 upto February 8, 2021) Care Easy Health Tech Private Limited (w.e.f. November 29, 2021) Thyrocare Technologies Limited (w.e.f. September 02, 2021) Nueclear Healthcare Limited (w.e.f. September 02, 2021) Allumer Medical Private Limited (w.e.f. September 17, 2021) Shreeji Distributors Pharma Private Limited (w.e.f. September 17, 2021) Vardhman Health Specialities Private Limited (w.e.f. September 17, 2021) Cosaintis Products Private Limited (w.e.f. September 17, 2021) Healthchain Private Limited (w.e.f. September 17, 2021) Supplythis Technologies Private Limited (w.e.f. September 17, 2021)	Subsidiary and Step down Subsidiary Companies
AKP Healthcare Private Limited Aushad Pharma Distributors Private Limited Rau and Co Pharma Private Limited Reenav Pharma Private Limited Dial Health Drug Supplies Private Limited Ayro Retail Solutions Private Limited Aarush Tirupati Enterprise Private limited Aryan Wellness Private Limited D. C. Agencies Private Limited Desai Pharma Distributors Private Limited Eastern Agencies Healthcare Private Limited Mahaveer Medi-Sales Private Limited Muthu Pharma Private Limited Pearl Medicals Private Limited VPI Medisales Private Limited Shell Pharmaceuticals Private Limited Avighna Medicare Private Limited Venkatesh Medico Private Limited Bhairav Health and Wellness Private Limited	Subsidiaries of Ascent Health and Wellness Solutions Private Limited ( Upto 26 August 2020) ['Ascent']
Marg ERP Limited (w.e.f. October 14, 2021)	Associate

36 Related parties transactions

(i) Names of related parties and description of relationship

Name of the Entity	Relationship with the entity
Siddharth Shah Harsh Shailesh Parekh Dharmil Sheth (w.e.f. September 09, 2021) Dhaval Rajesh Shah Hardik Dedhia (w.e.f. September 09, 2021) Aditya Puri (w.e.f. April 20, 2021) Ashutosh Sharma (w.e.f. April 05, 2021) Ankur Nand Thadani (w.e.f. March 02, 2021) Deepak Vaidya (w.e.f. April 20, 2021, and upto September 09, 2021) Deepak Vaidya (w.e.f. September 09, 2021) Vineeta Rai (w.e.f. September 09, 2021) Subramaniam Somasundaram (w.e.f. September 09, 2021) Ramakant Sharma (w.e.f. September 09, 2021, and upto April 21, 2022) Jaydeep Tank (w.e.f. September 09, 2021) Jaydeep Tank HUF (w.e.f. September 09, 2021) Puri Advisors LLP (w.e.f. April 20, 2021)	Co-founder, Managing Director and CEO Co-founder, Whole Time Director, Chief Business Officer/ KMP Co-founder, Whole Time Director, Chief Business Officer/ KMP Co-founder and Chief business officer/ KMP Co-founder and Chief Innovation Officer/ KMP Chairman and Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Entities having significant influence of director Entities having significant influence of director
Manjula Dedhia (w.e.f. September 09, 2021) Hemangi Desai Vishal Vijay Gupta (w.e.f. August 27, 2020, and upto September 07, 2021) Kartik Srivatsa (w.e.f. August 27, 2020, and upto September 09, 2021) Sandeep Kumar Singh (w.e.f. August 27, 2020, and upto September 09, 2021) Dovaldas Buzinskas (w.e.f. November 09, 2020, and upto September 09, 2021) Prem Venkatachalam Pavoov (w.e.f. August 27, 2020, and upto April 08, 2021) Puncham Mukim (w.e.f. August 27, 2020, and upto April 08, 2021) Ahsish Kumar (w.e.f. August 27, 2020, and upto March 19, 2021)	Relatives of KMP Relatives of KMP Director Director Director Director Director Director Director
Evermed Holdings Pte. Ltd. (w.e.f. August 27, 2020, and upto September 27, 2021) Bessemer India Capital Holdings II Ltd. (w.e.f. August 27, 2020, and upto June 23, 2021) Eight Roads Ventures India III LP and F-Prime Capital Partners Healthcare Fund V LP (w.e.f. August 27, 2020, and upto April 05, 2021) Lightstone Fund S.A. (w.e.f. August 27, 2020, and upto June 23, 2021) The Fundamentum Partnership Fund I (w.e.f. August 27, 2020, and upto January 25, 2021) CDPQ Private Equity Asia Pte. Ltd. (w.e.f. August 27, 2020, and upto July 24, 2021) TPG Growth V SF Markets Pte. Ltd. (w.e.f. March 01, 2021) MacRitchie Investments Pte. Ltd. (w.e.f. August 27, 2020) Naspers Ventures B. V. (w.e.f. April 05, 2021) Prasid Uno Family Trust (w.e.f. January 25, 2021, and upto September 27, 2021) TIMF Holdings (w.e.f. December 30, 2020, and upto January 25, 2021)	Entities having significant influence over the Company (having rights to appoint board member)

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API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
(All amounts in Rupees Million, unless otherwise stated)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
(A)	<b>Transactions during the year</b>		
1	<b>Sales of goods (net of returns)</b>		
	Threpsi Solutions Private Limited	26.66	17.99
	ARZT and Health Private Limited	1.59	19.30
	Thyrocare Technologies Limited	0.22	-
	Ascent Health and Wellness Solutions Private Limited	-	1.90
	Medlife Wellness Retail Private Limited	-	0.69
	Metarain Distributors Private Limited	-	0.08
2	<b>Sale of services</b>		
	Threpsi Solutions Private Limited	52.95	17.53
	D. C. Agencies Private Limited	25.56	15.13
	Ayro Retail Solutions Private Limited	22.69	0.99
	Aarush Tirupati Enterprise Private Limited	22.28	3.58
	Aryan Wellness Private Limited	18.36	9.26
	Eastern Agencies Healthcare Private Limited	17.37	13.62
	Ascent Wellness and Pharma Solutions Private Limited	15.21	5.61
	Muthu Pharma Private Limited	7.15	2.24
	Desai Pharma Distributors Private Limited	6.04	6.26
	ARZT and Health Private Limited	1.88	3.46
	VPI Medisales Private Limited	0.48	-
	Akna Medical Private Limited	0.16	-
	Medlife Wellness Retail Private Limited	0.11	34.28
	Docon Technologies Private Limited	-	3.76
	Ascent Health and Wellness Solutions Private Limited	-	2.65
	Shreeji Distributors Pharma Private Limited	0.13	-
3	<b>Sale of fixed assets (net of returns)</b>		
	Thyrocare Technologies Limited	12.63	-
	Threpsi Solutions Private Limited	3.42	3.27
	Medlife Wellness Retail Private Limited	2.72	0.71
	Ascent Wellness and Pharma Solutions Private Limited	1.06	-
	ARZT and Health Private Limited	0.11	0.46
4	<b>Purchase of goods (net of returns)</b>		
	Threpsi Solutions Private Limited	147.47	1.73
	ARZT and Health Private Limited	8.25	25.30
	Medlife Wellness Retail Private Limited	0.01	0.00
	Eastern Agencies Healthcare Private Limited	-	93.05
	Desai Pharma Distributors Private Limited	-	17.60
	Ascent Health and Wellness Solutions Private Limited	-	91.06
	Muthu Pharma Private Limited	-	4.30
	D. C. Agencies Private Limited	-	32.70
	VPI Medisales Private Limited	-	8.20
	Mahaveer Medi-Sales Private Limited	-	4.70
	Aryan Wellness Private Limited	-	41.00
	Pearl Medicals Private Limited	-	0.04
	Shell Pharmaceuticals Private Limited	-	8.75
	Docon Technologies Private Limited	-	3.66
	Aarush Tirupati Enterprise Private limited	-	7.30
	Metarain Distributors Private Limited	-	0.01
	Venkatesh Medico Private Limited	-	0.15
5	<b>Purchase of fixed assets (net of Returns)</b>		
	Threpsi Solutions Private Limited	0.85	-
	Medlife Wellness Retail Private Limited	0.13	0.70
6	<b>Other income</b>		
	Threpsi Solutions Private Limited	0.01	-
	Arzt And Health Private Limited	-	5.00

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Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
7	<b>Other Expense</b>		
a.	<b>Independent director commission</b>		
	Deepak Vaidya	2.50	-
	Ramakant Sharma	1.20	-
	Jaydeep Tank	1.20	-
	Subramaniam Somasundaram	4.50	-
	Vineeta Rai	2.50	-
b.	<b>Director sitting fees</b>		
	Aditya Puri	0.02	-
	Deepak Vaidya	0.08	-
	Ramakant Sharma	0.04	-
	Jaydeep Tank	0.06	-
	Subramaniam Somasundaram	0.10	-
	Vineeta Rai	0.06	-
c.	<b>Coincierge fees</b>		
	Threpsi Solutions Private Limited	13.79	3.89
d.	<b>Sales promotion and marketing expense</b>		
	Threpsi Solutions Private Limited	4.71	-
e.	<b>Legal professional fees</b>		
	Puri Advisors LLP	11.21	-
f.	<b>Consumption of packing materials and consumables</b>		
	Thyrocare Technologies Limited	93.61	-
	Venkatesh Medico Private Limited	1.87	-
g.	<b>Discontinued operations</b>		
	Arzt And Health Private Limited	-	0.70
8	<b>Loan repayment of loan given</b>		
	Threpsi Solutions Private Limited	11,109.71	2,460.59
	Ascent Wellness and Pharma Solutions Private Limited	9,547.75	3.00
	Docon Technologies Private Limited	2,655.50	133.00
	Aycon Graph Connect Private Limited	680.36	12.50
	Medlife Wellness Retail Private Limited	2,017.66	-
	Metarain Distributors Private Limited	378.22	358.15
	AHWSPL India Private Limited	8.20	-
9	<b>Loan given</b>		
	Threpsi Solutions Private Limited	15,505.85	5,744.60
	Ascent Wellness and Pharma Solutions Private Limited	9,187.31	1,127.14
	Docon Technologies Private Limited	3,307.27	159.31
	Aycon Graph Connect Private Limited	1,286.87	313.54
	Medlife Wellness Retail Private Limited	1,958.01	3,795.66
	Metarain Distributors Private Limited	141.70	838.38
	Care Easy Health Tech Private Limited	236.57	-
	ARZT and Health Private Limited	57.60	204.00
	AHWSPL India Private Limited	12.90	5.00
10	<b>Loan taken</b>		
	AHWSPL India Private Limited	-	146.36
11	<b>Business advance given</b>		
	Desai Pharma Distributors Private Limited	-	10.00
12	<b>Interest income</b>		
	Threpsi Solutions Private Limited	404.70	113.70
	Medlife Wellness Retail Private Limited	310.21	16.43
	Ascent Wellness and Pharma Solutions Private Limited	232.97	16.53
	Docon Technologies Private Limited	128.47	73.96
	Metarain Distributors Private Limited	57.45	2.02
	Aycon Graph Connect Private Limited	43.95	15.57
	Arzt And Health Private Limited	26.86	2.10
	AHWSPL India Private Limited	0.85	48.47
	Care Easy Health Tech Private Limited	0.63	-

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Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
13	<b>Interest expense</b>		
	AHWSPL India Private Limited	-	3.75
14	<b>Interest received</b>		
	Threpsi Solutions Private Limited	320.20	105.17
	Ascent Wellness and Pharma Solutions Private Limited	219.88	15.29
	Docon Technologies Private Limited	78.58	32.29
	Aycon Graph Connect Private Limited	32.62	14.61
	Arzt And Health Private Limited	22.18	1.82
	AHWSPL India Private Limited	0.68	0.03
	Care Easy Health Tech Private Limited	0.50	-
	Medlife Wellness Retail Private Limited	310.21	7.60
	Metarain Distributors Private Limited	57.45	0.33
15	<b>Equity share issued pursuant to business combination</b>		
	Siddharth Shah	-	2.82
	Harsh Parekh	-	0.31
	Hardik Dedhia	-	0.30
	Dharmil Sheth	-	0.18
	Dhaval Shah	-	0.03
16	<b>Preference share issued pursuant to business combination</b>		
	Siddharth Shah	-	106.92
	Harsh Parekh	-	8.71
	Hardik Dedhia	-	8.64
17	<b>Call money received on compulsory convertible debentures:</b>		
	Siddharth Shah	583.45	20.13
	Harsh Parekh	547.58	18.04
	Dharmil Sheth	774.30	21.32
	Dhaval Shah	756.39	18.33
	Hardik Dedhia	547.58	18.04
18	<b>Conversion of compulsory convertible debentures into equity</b>		
	Siddharth Shah	583.58	20.13
	Harsh Parekh	547.71	18.04
	Dharmil Sheth	774.48	21.32
	Dhaval Shah	756.56	18.34
	Hardik Dedhia	547.71	18.04
19	<b>Conversion of compulsory convertible debentures into compulsorily convertible preference shares</b>		
	Lightstone Fund S.A.	-	2,099.89
	MacRitchie Investments Pte. Ltd.	-	3,743.84
20	<b>Conversion of compulsory convertible debentures into non convertible debentures</b>		
	Siddharth Shah	0.08	-
	Harsh Parekh	0.08	-
	Dharmil Sheth	0.08	-
	Dhaval Shah	0.08	-
	Hardik Dedhia	0.08	-
21	<b>Redemption of non convertible debentures</b>		
	Siddharth Shah	0.08	-
	Harsh Parekh	0.08	-
	Dharmil Sheth	0.08	-
	Dhaval Shah	0.08	-
	Hardik Dedhia	0.08	-
22	<b>Compulsory convertible debentures issued</b>		
	Siddharth Shah	0.08	0.14
	Harsh Parekh	0.08	0.13
	Dharmil Sheth	0.08	0.18
	Dhaval Shah	0.08	0.17
	Hardik Dedhia	0.08	0.13

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Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
23	<b>Equity shares allotment (For details of bonus equity shares and split refer note 17)</b>		
	Aditya Puri	300.00	-
	Deepak Vaidya	250.00	-
	Ramakant Sharma	6.67	-
	Jaydeep Tank	6.00	-
	Jaydeep Tank HUF	0.67	-
	CDPQ Private Equity Asia Pte. Ltd.	-	760.22
	MacRitchie Investments Pte. Ltd.	1,249.99	-
	Naspers Ventures B. V.	1,433.33	-
	TPG Growth V SF Markets Pte. Ltd.	1,133.33	-
		-	-
24	<b>Compulsory convertible preference shares issued to</b>		
	Ramakant Sharma	3.33	-
	Jaydeep Tank	2.99	-
	Jaydeep Tank HUF	0.33	-
	CDPQ Private Equity Asia Pte. Ltd.	-	380.11
	Eight Roads Ventures India III LP and F-Prime Capital Partners Healthcare Fund V LP	-	238.09
	Lightstone Fund S.A.	-	643.74
	MacRitchie Investments Pte. Ltd.	625.00	902.24
	Naspers Ventures B. V.	716.66	-
	The Fundamentum Partnership Fund I	-	25.88
	TIMF Holdings	-	-
	TPG Growth V SF Markets Pte. Ltd.	566.67	-
25	<b>Conversion of compulsory convertible preference shares into equity</b>		
	Ramakant Sharma	8.31	-
	Jaydeep Tank	2.99	-
	Jaydeep Tank HUF	0.33	-
	Siddharth Shah	76.86	-
	Manjula Dedhia	8.64	-
	Hemangi Desai	8.71	-
	MacRitchie Investments Pte. Ltd.	7,519.29	-
	Naspers Ventures B. V.	6,517.23	-
	TPG Growth V SF Markets Pte. Ltd.	5,306.84	-
26	<b>Reimbursement of expenses to</b>		
	Siddharth Shah	0.04	0.07
	Dharmil Sheth	2.83	0.07
	Dhaval Shah	0.34	0.32
	Harsh Parekh	0.04	-
	Thyrocare Technologies Limited	11.17	-
	Medlife Wellness Retail Private Limited	13.17	-
27	<b>Reimbursement of expenses from</b>		
	Docon Technologies Private Limited	4.55	-
	Threpsi Solutions Private Limited	-	180.26
28	<b>Equity component of loan given to subsidiaries</b>		
	Docon Technologies Private Limited	-	4.06
29	<b>Employee stock options granted to employees of subsidiaries</b>		
	Threpsi Solutions Private Limited	1,421.24	278.92
	Akna Medical Private Limited	1,111.78	-
	AHWSPL India Private Limited	404.36	48.86
	Aycon Graph Connect Private Limited	144.34	37.17
	Arzt and Health Private Limited	24.58	-
	Docon Technologies Private Limited	95.72	-
	Medlife Wellness Retail Private Limited	80.14	-
	Metarain Distributors Private Limited	2.51	-
30	<b>Sale of subsidiaries to:</b>		
	Aycon Graph Connect Private Limited	-	0.10
	AHWSPL India Private Limited	-	0.10
31	<b>Investment in subsidiaries</b>		
	AHWSPL India Private Limited	-	2,594.34
	Aycon Graph Connect Private Limited	-	8,829.88
	Threpsi Solutions Private Limited	-	12.40
	Docon Technologies Private Limited	49,082.92	-
	Akna Medical Private Limited	8,299.08	-
	Care Easy Health Tech Private Limited	0.08	-

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
32	<b>Investment in associates</b> Marg ERP Limited	2,548.00	-
33	<b>Investment in compulsory convertible debentures of subsidiaries</b> Threpsi Solutions Private Limited Docon Technologies Private Limited Ascent Wellness and Pharma Solutions Private Limited Aycon Graph Connect Private Limited	3,505.88 1,329.14 1,001.23 735.17	- - - -
34	<b>Purchase consideration for business transfer</b> Threpsi Solutions Private Limited Ascent Wellness and Pharma Solutions Private Limited AHWSPL India Private Limited Arush Tirupati Enterprises Private Limited D. C. Agencies Private Limited	- - - - -	1,215.31 3,803.90 0.10 376.56 33.26
35	<b>Sales consideration for business transfer</b> Threpsi Solutions Private Limited	110.06	-
36	<b>Guarantee provided by the Company on behalf</b> Ascent Wellness and Pharma Solutions Private Limited Aycon Graph Connect Private Limited Threpsi Solutions Private Limited Akna Medical Private Limited	6,840.00 560.00 9,190.00 650.00	2,000.00 - - -
37	<b>Guarantee commission income</b> Ascent Wellness and Pharma Solutions Private Limited Aycon Graph Connect Private Limited Threpsi Solutions Private Limited Akna Medical Private Limited	77.38 5.04 82.71 5.02	7.40 - - -
38	<b>ESOP cost cross charge to subsidiary</b> Medlife Wellness Retail Private Limited	-	3.06
39	<b>Purchase of shares of subsidiary</b> Aycon Graph Connect Private Limited	34.62	-
<b>(B)</b>	<b>Outstanding year-end balances</b>		
1	<b>Trade receivables</b> Medlife Wellness Retail Private Limited Ascent Wellness and Pharma Solutions Private Limited Ayro Retail Solutions Private Limited D. C. Agencies Private Limited Threpsi Solutions Private Limited Aarush Tirupati Enterprise Private Limited Aryan Wellness Private Limited Eastern Agencies Healthcare Private Limited Muthu Pharma Private Limited Desai Pharma Distributors Private Limited Akna Medical Private Limited VPI Medisales Private Limited ARZT and Health Private Limited Shreeji Distributors Pharma Private Limited	- 5.53 3.85 3.56 3.37 3.35 2.21 1.80 0.90 0.63 0.19 0.13 0.00 0.07	0.83 0.49 1.15 1.97 - 1.23 1.62 1.47 0.70 0.55 - - - -
2	<b>Trade payables</b> Thyrocare Technologies Limited Threpsi Solutions Private Limited Medlife Wellness Retail Private Limited Eastern Agencies Healthcare Private Limited Mahaveer Medi-Sales Private Limited Ascent Health and Wellness Solutions Private Limited Venkatesh Medico Private Limited Puri Advisors LLP Deepak Vaidya Ramakant Sharma Jaydeep Tank Subramaniam Somasundaram Vineeta Rai	44.54 6.65 0.04 - - - - 3.04 2.25 1.08 1.08 4.05 2.25	- - - 0.35 0.21 0.15 0.16 - - - - - -

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
3	<b>Loan and advances</b>		
	Threpsi Solutions Private Limited	4,597.35	3,659.71
	Medlife Wellness Retail Private Limited	3,950.04	4,009.68
	Ascent Wellness and Pharma Solutions Private Limited	633.71	994.14
	Metarain Distributors Private Limited	622.82	859.32
	Aycon Graph Connect Private Limited	280.27	403.54
	ARZT and Health Private Limited	268.72	211.12
	Care Easy Health Tech Private Limited	236.57	-
	Docon Technologies Private Limited	176.20	820.81
	AHWSPL India Private Limited	6.70	2.00
4	<b>Other receivable</b>		
	Threpsi Solutions Private Limited	5.43	14.85
	Ascent Wellness and Pharma Solutions Private Limited	1.24	-
	Thyrocare Technologies Limited	0.04	-
	ARZT and Health Private Limited	0.00	0.06
	Medlife Wellness Retail Private Limited	810.44	781.40
	Metarain Distributors Private Limited	26.31	42.67
5	<b>Interest receivable</b>		
	Medlife Wellness Retail Private Limited	10.26	10.26
	Metarain Distributors Private Limited	2.95	2.95
6	<b>Receivable towards business transfer</b>		
	Threpsi Solutions Private Limited	-	1,449.18
	Ascent Wellness and Pharma Solutions Private Limited	-	3,803.90
7	<b>Investment in subsidiaries</b>		
	Arzt and Health Private Limited	0.05	0.05
	AHWSPL India Private Limited	2,554.31	2,554.31
	Aycon Graph Connect Private Limited	8,830.09	8,830.09
	Threpsi Solutions Private Limited	12.50	12.50
	Docon Technologies Private Limited	49,117.54	-
	Akna Medical Private Limited	8,299.08	-
	Medlife Wellness Retail Private Limited	4,436.11	4,436.11
	Metarain Distributors Private Limited	3,344.82	3,344.82
	Care Easy Health Tech Private Limited	0.08	-
8	<b>Investment in associates</b>		
	Marg ERP Limited	2,548.00	-
9	<b>Equity portion of loan/ fair value of financial guarantee given to subsidiaries</b>		
	AHWSPL India Private Limited	0.17	-
	Aycon Graph Connect Private Limited	15.24	-
	Threpsi Solutions Private Limited	189.83	-
	Akna Medical Private Limited	36.19	-
	Docon Technologies Private Limited	17.13	-
	ARZT and Health Private Limited	4.68	-
	Care Easy Health Tech Private Limited	0.13	-
	Ascent Wellness and Pharma Solutions Private Limited	185.12	-
10	<b>Employee stock options granted to employees of subsidiaries</b>		
	Threpsi Solutions Private Limited	1,700.16	278.92
	Aycon Graph Connect Private Limited	181.51	37.17
	Docon Technologies Private Limited	95.72	-
	AHWSPL India Private Limited	453.22	48.86
	Medlife Wellness Retail Private Limited	80.14	3.06
	Metarain Distributors Private Limited	2.51	-
	Akna Medical Private Limited	1,111.78	-
	Arzt and Health Private Limited	24.58	-
11	<b>Other payable</b>		
	Thyrocare Technologies Limited	12.06	-
	Threpsi Solutions Private Limited	-	86.10
	Medlife Wellness Retail Private Limited	15.67	-
	Docon Technologies Private Limited	-	11.93
	AHWSPL India Private Limited	-	124.34

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
 (All amounts in Rupees Million, unless otherwise stated)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
12	<b>Investment in compulsory convertible debentures of subsidiaries</b>		
	Threpsi Solutions Private Limited	3,505.88	-
	Docon Technologies Private Limited	1,329.14	-
	Ascent Wellness and Pharma Solutions Private Limited	1,001.23	-
	Aycon Graph Connect Private Limited	735.17	-
13	<b>Guarantee provided by the Company on behalf</b>		
	Ascent Wellness and Pharma Solutions Private Limited	8,840.00	2,000.00
	Aycon Graph Connect Private Limited	560.00	-
	Threpsi Solutions Private Limited	9,190.00	-
	Akna Medical Private Limited	650.00	-
14	<b>Fair value liability of financial guarantee given to subsidiaries</b>		
	Ascent Wellness and Pharma Solutions Private Limited	70.88	32.73
	Aycon Graph Connect Private Limited	3.36	-
	Threpsi Solutions Private Limited	55.14	-
	Akna Medical Private Limited	30.27	-
(C)	<b>Compensation Paid to Key Managerial Personnel (KMP) and Directors</b>		
	Short term employee benefits***	3,275.34	38.27
	Share based payments	2,553.30	-
	*** Excludes provision for gratuity and leave encashment recognised on the basis of actuarial valuation as separate figures are not available.		

*(This space is intentionally left blank)*

37 Financial instruments

The classification of each category of financial instruments and their carrying amounts are as below:

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
<b>Financial assets at amortised cost</b>		
Trade receivables <sup>^</sup>	241.87	236.85
Cash and cash equivalents <sup>^</sup>	255.84	123.60
Other bank balances <sup>^</sup>	951.24	781.04
Loans <sup>^</sup>	5,962.96	10,960.33
Other financial assets <sup>^</sup>	41.70	6,221.09
<b>At fair value through profit and loss</b>		
Non-current investments	104.45	-
<b>Total financial assets</b>	<b>7,558.06</b>	<b>18,322.91</b>
<b>Financial liabilities at amortised cost</b>		
Borrowings <sup>^*</sup>	2,700.00	2,814.22
Lease liabilities	5.28	30.35
Trade payables <sup>^</sup>	482.35	1,061.10
Other financial liabilities <sup>^</sup>	297.83	355.02
<b>At fair value through profit and loss</b>		
Derivative liability	1,181.40	-
<b>Total financial liabilities</b>	<b>4,666.86</b>	<b>4,260.69</b>

There are no Financial instruments that have been classified as Fair Value through Other Comprehensive Income (FVTOCI).

<sup>^</sup> Fair values for these financial instruments have not been disclosed because their carrying amount are a reasonable approximation of their fair values.

\* Borrowings includes current maturities of long term debt.

(a) Fair value hierarchy

Level 1

This includes the fair value of financial instruments traded in active markets which is based on quoted market prices at the end of the reporting period.

Level 2

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2022	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<b>Non current investments</b>				
Other investments	-	-	104.45	104.45
<b>Financial Liabilities</b>				
Derivative liability	-	-	1,181.40	1,181.40
<b>As at March 31, 2021(Restated)</b>				
<b>Financial Assets</b>				
<b>Non current investments</b>				
Other investments	-	-	-	-

Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). The team takes assistance of external valuation experts, wherever required.

Inputs used in the fair valuation of level 3 instruments

Particulars	Fair value as at March 31, 2022	Significant unobservable inputs	Inputs	Sensitivity																				
Other investments	104.45	Weighted Average Cost of Capital (WACC), and Perpetuity Growth %	22.10% and 4% respectively	A sensitivity analysis has been done for the investment value for different levels of perpetuity growth and WACC. The estimated value for the scenarios is as follows: <table border="1"> <thead> <tr> <th></th> <th colspan="2">Perpetuity Growth Rate %</th> </tr> <tr> <th>WACC</th> <th>3.00%</th> <th>5.00%</th> </tr> </thead> <tbody> <tr> <td>21.10%</td> <td>105.15</td> <td>108.95</td> </tr> <tr> <td>23.10%</td> <td>100.85</td> <td>103.75</td> </tr> </tbody> </table>		Perpetuity Growth Rate %		WACC	3.00%	5.00%	21.10%	105.15	108.95	23.10%	100.85	103.75								
	Perpetuity Growth Rate %																							
WACC	3.00%	5.00%																						
21.10%	105.15	108.95																						
23.10%	100.85	103.75																						
Derivative liability	1,181.40	Market Volatility and WACC	32.84% and 13.86% respectively	A sensitivity analysis has been done for the obligation value for different volatility levels and WACC. The estimated value for the scenarios is as follows: <table border="1"> <thead> <tr> <th></th> <th colspan="3">WACC</th> </tr> <tr> <th>Volatility</th> <th>13.36%</th> <th>13.86%</th> <th>14.36%</th> </tr> </thead> <tbody> <tr> <td>27.84%</td> <td>1,183.20</td> <td>1,181.50</td> <td>1,183.90</td> </tr> <tr> <td>32.84%</td> <td>1,178.50</td> <td>1,181.40</td> <td>1,181.20</td> </tr> <tr> <td>37.84%</td> <td>1,172.90</td> <td>1,178.60</td> <td>1,178.40</td> </tr> </tbody> </table>		WACC			Volatility	13.36%	13.86%	14.36%	27.84%	1,183.20	1,181.50	1,183.90	32.84%	1,178.50	1,181.40	1,181.20	37.84%	1,172.90	1,178.60	1,178.40
	WACC																							
Volatility	13.36%	13.86%	14.36%																					
27.84%	1,183.20	1,181.50	1,183.90																					
32.84%	1,178.50	1,181.40	1,181.20																					
37.84%	1,172.90	1,178.60	1,178.40																					

The following table presents the changes in level 3 items for the year ended 31 March 2022 and 31 March 2021 (Restated):

Particulars	Unlisted Equity Instruments	Derivative liability
As at 1 April 2020	-	-
Acquisitions	-	-
Gains(losses) recognised on account of FVTPL	-	-
<b>As at 31 March 2021 (Restated)</b>	<b>-</b>	<b>-</b>
Acquisitions	99.95	1,292.00
Gains(losses) recognised on account of FVTPL	4.50	(110.60)
<b>As at 31 March 2022</b>	<b>104.45</b>	<b>1,181.40</b>

**37 Financial instruments: Disclosures**

**(b) Financial risk management**

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's overall risk management program focuses on robust liquidity management as well as monitoring of various relevant market variables, thereby consistently seeking to minimize potential adverse effects on the Company's financial performance. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

**(i) Credit risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The maximum credit risk comprises the carrying amounts of the financial assets. The Company's exposure to credit risk arises mainly from cash and cash equivalents, trade receivables, security deposits, investments, loans and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

**Credit risk management**

*Credit risk rating*

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- A: Low credit risk
- B: Moderate credit risk
- C: High credit risk

The Company has assigned following credit ratings to its financial assets

Credit rating	Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
A: Low credit risk	Trade Receivables, Cash and cash equivalents, Other bank balances, security deposits, investments and other financial assets	7,558.06	18,322.91

**Credit risk exposure**

**Cash and cash equivalent and other bank balances**

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country. Management does not expect any losses from non-performance by these counterparties.

**Other financial assets measured at amortized cost**

Other financial assets measured at amortized cost includes bank deposits, advances and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

**Trade and other 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 adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing.

**Reconciliation of loss allowance provision**

Particulars	Trade Receivables
Loss allowance on 1 April 2020	-
Changes in loss allowance	39.42
Loss allowance on 31 March 2021 (Restated)	39.42
Changes in loss allowance	(15.48)
<b>Loss allowance on 31 March 2022</b>	<b>23.94</b>

**Ageing of trade receivables and credit risk arising therefrom is as below:**

Particulars	As at 31 March 2022			As at 31 March 2021		
	Gross Credit Risk	Allowance for credit losses	Net credit risk	Gross Credit Risk	Allowance for credit losses	Net credit risk
Unbilled	10.76	-	10.76	-	-	-
Not Due	111.90	-	111.90	53.16	-	53.16
Less than 6 Months	117.37	-	117.37	211.31	36.81	174.50
6 Months to 1 Year	6.55	4.71	1.84	9.44	0.25	9.19
1-2 Years	19.23	19.23	-	2.36	2.36	-
2-3 Years	-	-	-	-	-	-
<b>Total</b>	<b>265.81</b>	<b>23.94</b>	<b>241.87</b>	<b>276.27</b>	<b>39.42</b>	<b>236.85</b>

**Financial Guarantees**

In respect of guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed is the maximum amount which the Company would pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely that not such an amount will not be payable under the the guarantees provided .

**(ii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the Company operates. The Company manages its liquidity risk by ensuring that sufficient funds are available through a combination of equity and debt financing.

37 Financial instruments: Disclosures

**Maturities of financial liabilities**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	As at March 31, 2022				Total
	On demand	Less than 1 year	1-5 years	More than 5 years	
<b>Non-derivatives</b>					
Borrowings	-	2,831.06	-	-	2,831.06
Lease Liability	-	3.46	2.78	-	6.24
Trade payable	-	474.73	7.62	-	482.35
Financial Guarantee Liability	-	18,590.00	650.00	-	19,240.00
Other financial liabilities	-	138.19	-	-	138.19
	-	<b>22,037.44</b>	<b>660.40</b>	-	<b>22,697.84</b>
Particulars	As at March 31, 2021 (Restated)				Total
	On demand	Less than 1 year	1-5 years	More than 5 years	
<b>Non-derivatives</b>					
Borrowings	1,449.39	-	1,313.95	50.88	2,814.22
Lease Liability	-	30.91	45.42	-	76.33
Trade payable	-	1,058.02	3.08	-	1,061.10
Financial Guarantee Liability	-	2,000.00	-	-	2,000.00
Other financial liabilities	-	322.28	-	-	322.28
	<b>1,449.39</b>	<b>3,411.21</b>	<b>1,362.45</b>	<b>50.88</b>	<b>6,273.93</b>

(iii) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks – foreign currency risk, interest risk and price risk.

**Foreign currency risk**

The transactions of the Company are denominated in Indian Rupees, and accordingly, the Company is not exposed to foreign currency risk.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to such risk as the borrowings are availed at fixed rate of interest.

**Price risk**

The Company's investment in certain equity shares is exposed to price risk.

(c) **Capital management**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by total equity (including non-controlling interest). For debt-equity ratio refer note 37.1

37.1 Financial Ratios

S.no	Particulars*	Times/ %	As at March 31, 2022	As at March 31, 2021 (Restated)	Change (%)	Explanation where changes is more than 25%
(i)	Current Ratio	Times	0.57	6.19	-91%	
(ii)	Debt-Equity Ratio	Times	0.04	0.04	19%	
(iii)	Debt Service Coverage Ratio	Times	(1.32)	(0.40)	233%	
(iv)	Return on Equity Ratio	Times	(0.98)	(0.04)	2621%	
(v)	Inventory turnover ratio	Times	3.45	0.66	420%	
(vi)	Trade Receivables turnover ratio	Times	7.09	4.26	66%	
(vii)	Trade payables turnover ratio	Times	0.20	0.02	993%	
(viii)	Net capital turnover ratio	Times	(1.13)	0.03	-3581%	
(ix)	Net profit ratio	Times	(29.93)	(1.58)	1794%	
(x)	Return on Capital employed	%	-75.8%	-1.6%	4735%	
(xi)	Return on investment	%	-89.2%	-2.7%	3253%	

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37 Financial instruments: Disclosures

**Ratio Definition**

(i)	Current Ratio =	$\frac{\text{Current assets}}{\text{Current Liabilities}}$
	Current Assets:	Inventories + Trade Receivables + Cash and cash equivalents + Short term loans + Current Investments + Other Financial Assets + Other current assets
	Current Liabilities:	Short Term Borrowings + Current lease liabilities + Trade payables + Other current financial liabilities + Contract Liabilities + Short term provision + other current Liabilities
(ii)	Debt-Equity Ratio =	$\frac{\text{Debt}}{\text{Shareholder's Funds}}$
	Debt:	Lease Liabilities + Short Term Borrowings + Interest accrued but not due
	Shareholder's Funds:	Equity Share Capital + Other Equity
(iii)	Debt Service Coverage Ratio=	$\frac{\text{Earnings available for debt services}}{\text{Debt Service}}$
	Earnings available for debt services:	Net Profit after taxes + Depreciation and Amortisation + Finance costs+ Non cash operating expenses
	Debt Service:	Finance costs and Principal repayments (including repayment of lease liabilities)
(iv)	Return on Equity Ratio=	$\frac{\text{Net Profit after taxes}}{\text{Average Shareholder's fund}}$
	Shareholder's Funds:	Equity Share Capital + Other Equity
(v)	Inventory turnover ratio=	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$
	Cost of Goods Sold:	Purchases of stock-in-trade + Changes in inventories
	Average Inventory:	(Opening Stock + Closing Stock)/2
(vi)	Trade Receivables turnover ratio=	$\frac{\text{Revenue from Operations}}{\text{Average Trade Receivables ((Opening trade receivable + Closing trade receivable)/2)}}$
(vii)	Trade payables turnover ratio=	$\frac{\text{Purchases of stock-in-trade}}{\text{Average Trade payables (Opening trade payable + Closing trade payable)/2}}$
(viii)	Net capital turnover ratio=	$\frac{\text{Revenue from Operations}}{\text{Working Capital}}$
	Working Capital:	Current Assets - Current Liabilities
(ix)	Net profit ratio =	$\frac{\text{Net Profit after taxes (Continuing business)}}{\text{Revenue from operations (Continuing business)}}$
(x)	Return on Capital employed=	$\frac{\text{Earnings before interest and taxes}}{\text{Capital employed}}$
	Capital employed:	Total Assets - Current Liabilities (excluding borrowings)
(xi)	Return on investment=	$\frac{\text{Earnings before interest and taxes}}{\text{Average total assets ((Opening total assets + Closing total assets)/2)}}$

38 Earnings per share

(Amount in million, except no. of shares)

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021 (Restated)
(Loss)/Profit from continuing operation	(50,810.10)	(797.56)
(Loss)/Profit used in calculating Basic/Diluted Earnings per share	(50,810.10)	(797.56)
(Loss)/Profit from discontinued operation	-	(1,663.58)
(Loss)/Profit used in calculating Basic/Diluted Earnings per share	-	(1,663.58)
Weighted average number of shares used in basic/diluted earnings per share	5,530,566,129	2,387,103,950
<b>Basic and Diluted Earnings per share (In Rupees) from Continued Operations</b>	<b>(9.19)</b>	<b>(0.33)</b>
<b>Basic and Diluted Earnings per share (In Rupees) from Discontinued Operations</b>	<b>-</b>	<b>(0.70)</b>

The following instruments issued by the company have not been considered in calculation of diluted earnings per share, the same being anti-dilutive in nature  
a) ESOPs issued to employees pursuant to various ESOP schemes of the Company (refer note 42)

39 Tax Expenses

(i) Income tax expense in the statement of profit and loss consists of

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
<b>Current income tax:</b>		
In respect of the current year	-	-
<b>Deferred tax:</b>		
In respect of the current year	-	0.80
Tax expense on discontinued operation	-	180.65
<b>Income tax expense / (credit) recognised in statement of profit or loss</b>	<b>-</b>	<b>181.45</b>
<b>Income tax recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>

(ii) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit/(loss) before taxes is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021 (Restated)
Loss before tax including discontinued operation	(50,810.10)	(2,279.69)
Statutory tax rate	25.17%	25.17%
<b>Tax expense / (credit) at applicable rate</b>	<b>(12,787.89)</b>	<b>(573.75)</b>
<b>Tax impact on account of :</b>		
Tax effect of losses lapsed due to business combination	-	244.94
Tax effect of capital gain/loss arises due to transfer of Investments	-	43.58
Tax effects of amounts which are non-deductible in calculating taxable income	10,871.43	142.41
Deferred tax asset not recognised on unabsorbed depreciation and business losses	1,899.46	117.96
Tax effects of items for which deferred tax was not recognised	17.00	24.86
Deferred tax reversed on account of amalgamation for discontinued operation	-	180.65
Deferred tax reversed on account of amalgamation for continued operation	-	0.80
<b>Tax expenses pertaining to the year</b>	<b>-</b>	<b>181.45</b>

(iii) Deferred taxes

Deferred tax assets/(liabilities) as at March 31, 2022 in relation to:

Particulars	As at April 1, 2021	Recognised in statement of profit and loss	Recognised in Other Comprehensive Income	As at March 31, 2022
<b>Deferred Tax Assets</b>				
Lease liabilities	7.24	5.91	-	1.33
Derivative liability	-	297.33	-	297.33
Unabsorbed depreciation and business losses	-	28.97	-	28.97
<b>Deferred Tax Liabilities</b>				
Right-of-use Asset	(7.24)	(5.91)	-	(1.33)
Investment in Subsidiary	-	(326.30)	-	(326.30)
<b>Deferred tax assets/(liabilities) (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Deferred tax assets/(liabilities) recognised in books*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Deferred tax assets/(liabilities) as at March 31, 2021 in relation to:

Particulars	As at April 1, 2020	Recognised in statement of profit and loss	Recognised in Other Comprehensive Income	As at March 31, 2021 (Restated)
<b>Deferred Tax Assets</b>				
Provision for employee benefits	16.30	(16.30)	-	-
Fair valuation of security deposits	0.10	(0.10)	-	-
Provision for doubtful debts and advances	15.70	(15.70)	-	-
Depreciation and amortisation	23.90	(23.90)	-	-
Share based payment expense	95.90	(95.90)	-	-
Disallowances under Section 40(a) of Income Tax Act, 1961	23.72	(23.72)	-	-
Lease liability	101.40	(94.16)	-	7.24
<b>Deferred Tax Liabilities</b>				
Right to use assets	(95.30)	88.06	-	(7.24)
Financial guarantee investment	(0.30)	0.30	-	-
Others	(0.07)	0.07	-	-
<b>Deferred tax assets/(liabilities) (net)</b>	<b>181.35</b>	<b>(181.35)</b>	<b>-</b>	<b>-</b>
<b>Net Deferred tax assets/(liabilities) recognised in books*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*As per Indian Accounting Standard 12, 'Income Taxes', net deferred tax assets/(liabilities) computed as mentioned above. However, in view of business losses and unabsorbed depreciation in current year and earlier years, the deferred taxes are recognized only to the extent of deferred tax liabilities.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
(All amounts in Rupees Million, unless otherwise stated)

(iv) **Deferred tax assets not recognised**

Particulars	As at March 31, 2022	As at March 31, 2021 (Restated)
Property, plant and equipment and intangible assets	43.11	53.79
Unabsorbed depreciation and business losses	2,017.42	117.96
Lease liability	0.02	0.40
Provision for employee benefits	9.09	20.57
Fair value gain/loss on financial instruments	0.58	-
Unamortised amounts under Sec 35D/35DD	45.47	9.02
Provision for loss allowances	21.79	28.30
Others	9.02	-
<b>Deferred tax assets*</b>	<b>2,146.50</b>	<b>230.05</b>

\*The Company has not recognised the Deferred tax assets in absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(v) **Tax losses carried forward**

Description	As at March 31, 2022	As at March 31, 2021 (Restated)	Year of Expiry
<u>Business loss for assessment year</u>			
2020-21	-	-	2028-29
2021-22	330.73	330.73	2029-30
2022-23	7,598.24	-	2030-31
Unabsorbed depreciation	87.52	23.55	NA
<u>Capital Loss for assessment year</u>			
2020-21	-	-	2024-25
2021-22	138.43	138.43	2025-26
2022-23	-	-	2026-27

Brought forward business losses pertaining to 91Streets Media Technologies and its subsidiaries and API Holdings Limited (formerly known as API Holdings Private Limited) and its subsidiaries has lapsed, due to change in shareholding of API Holdings Limited (formerly known as API Holdings Private Limited) consequent to scheme of amalgamation becoming effective on August 27, 2020.

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**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

**40A Amalgamation of Subsidiaries**

- (i) On September 30, 2021 (the "Effective Date"), the Scheme of Amalgamation of Medlife International Private Limited ("MIPL") and Evriksh Healthcare Private Limited ("EHPL") with API Holdings Limited (formerly known as API Holdings Private Limited) and their respective shareholders the ("Scheme") became effective from January 25, 2021 (the "Appointed Date") pursuant to filing of the order of Regional Director, Ministry of Corporate Affairs, Western Region ("RD") sanctioning the Scheme with the Registrar of Companies, Mumbai. Pursuant to the Scheme becoming effective, the erstwhile Medlife International Private Limited and Evriksh Healthcare Private Limited stand dissolved without winding up and the entire business, assets, liabilities, undertaking, etc. of these companies stand transferred to and vest in API Holdings Limited (formerly known as API Holdings Private Limited, "the Company"). As MIPL was an wholly owned subsidiary of the Company and as EHPL was a wholly owned subsidiary of MIPL, no shares were allotted in lieu or exchange of the holdings in these companies or no consideration was paid pursuant to the Amalgamation. API Holdings Limited (formerly known as API Holdings Private Limited) obtained control over the entity effective from January 22, 2021 with 97.1% voting rights. Subsequently on January 25, 2021, the Company acquired

Consequently, basis RD order and requirement of Appendix C to Ind AS-103 on Business Combinations, on the appointed date, the Company has accounted the amalgamation of MIPL and EHPL as common control transaction effective January 22, 2021. Accordingly, the financial statements of the Company for the year ended March 31, 2021 have been restated to include results of erstwhile MIPL and EHPL with effect from January 22, 2021 (i.e. the common control acquisition date).

Pursuant to order, all the assets and liabilities of the erstwhile MIPL and EHPL have been transferred to and vested in the Standalone financial statements at its carrying amounts as appearing in the consolidated financial statements of API Holdings Limited and the excess of carrying value of investments in erstwhile MIPL over the net value of assets, liabilities and reserves of erstwhile MIPL and EHPL amounting to Rs. 6,657.08 million has been debited to Goodwill. The carrying amount of asset and liabilities (including Intangibles and goodwill) pertaining to subsidiaries of MIPL as appearing the consolidated financial statements is recorded as Investments in standalone financial statements.

The above Scheme has been approved by the Regional Director, Ministry of Corporate Affairs, Western Region ("RD") vide its order dated September 24, 2021 and the same has been filed with the Registrar of Companies on September 30, 2021 which is the "Effective Date" as per the Scheme.

The position of assets and liabilities as at the common control acquisition date is as follows:

PARTICULARS	MIPL	EHPL	TOTAL
<b>Non Current Assets</b>			
Property, plant and equipment	50.04	0.01	50.05
Intangible assets	3.07	-	3.07
Right-of-use assets	115.40	-	115.40
Financial assets			
Investments	7,780.93	-	7,780.93
Loans	14.01	0.16	14.17
Non-Current tax assets (net)	34.23	0.85	35.08
Other non current assets	231.74	0.02	231.76
	<b>8,229.42</b>	<b>1.04</b>	<b>8,230.46</b>
<b>Current Assets</b>			
Inventories	14.27	-	14.27
Financial assets			
Trade receivables	60.75	0.02	60.77
Cash and cash equivalents	8.73	0.06	8.79
Other Bank Balances	46.41	0.10	46.51
Loans	603.36	2.23	605.59
Other financial assets	871.82	-	871.82
Other current assets	53.61	0.41	54.02
	<b>1,658.95</b>	<b>2.82</b>	<b>1,661.77</b>
<b>TOTAL ASSETS (A)</b>	<b>9,888.37</b>	<b>3.86</b>	<b>9,892.23</b>
<b>Non Current Liabilities</b>			
Financial liabilities			
Borrowings	2,550.93	-	2,550.93
Lease liabilities	85.52	-	85.52
Other Financial liabilities	0.01	-	0.01
Provisions (Non Current)	38.32	-	38.32
	<b>2,674.78</b>	<b>-</b>	<b>2,674.78</b>
<b>Current Liabilities</b>			
Financial liabilities			
Borrowings	250.00	20.95	270.95
Lease liabilities	37.96	-	37.96
Trade payables	-	-	-
-total outstanding dues of micro enterprises and small enterprises	8.45	-	8.45
-total outstanding dues of creditors other than micro enterprises and small enterprises	545.78	0.55	546.33
Others financial liabilities	117.70	1.79	119.49
Provisions	40.31	-	40.31
Other current liabilities	5.11	0.09	5.20
	<b>1,005.31</b>	<b>23.37</b>	<b>1,028.68</b>
<b>TOTAL LIABILITIES (B)</b>	<b>3,680.09</b>	<b>23.37</b>	<b>3,703.46</b>
<b>NET ASSETS (A)-(B)</b>			<b>6,188.77</b>
Cancellation of Investments in MIPL			(11,751.91)
Portion of market-based measure of Medlife's share-based payments scheme			(1,093.93)
<b>Goodwill</b>			<b>6,657.08</b>

**40B Business combination**

- (i) On 27th August 2020 (the "Effective Date"), the Scheme of Amalgamation of Thea Technologies Private Limited, Swifto Services Private Limited, 91Streets Media Technologies Private Limited, Ascent Health and Wellness Solutions Private Limited, Aahaan Commercials Private Limited and Lokprakash Vidhya Private Limited with API Holdings Private Limited and their respective shareholders the ("Scheme") became effective pursuant to filing of the order of National Company Law Tribunal, Bench (NCLT), Mumbai sanctioning the Scheme with the Registrar of Companies, Mumbai. Pursuant to the Scheme becoming effective, the erstwhile Thea Technologies Private Limited, Swifto Services Private Limited, 91Streets Media Technologies Private Limited ("91Streets"), Ascent Health and Wellness Solutions Private Limited ("Ascent"), Aahaan Commercials Private Limited and Lokprakash Vidhya Private Limited stand dissolved without winding up and the entire business, assets, liabilities, undertaking, etc. of these companies stand transferred to and vest in API Holdings Private Limited ("the Company"). As a result of the Scheme, the erstwhile shareholders (equity and Compulsory Convertible Preference Shares alongwith all the convertible securities) of 91Streets were issued 56 shares in the Company for every 1 share held in 91Streets whereas the erstwhile shareholders of Ascent were issued 65 equity shares in the Company for every 1 equity share held in Ascent and 176,085 shares in the Company for every 3,278 CCPS held in Ascent. Shareholder of Aahaan Commercials Private Limited were issued 20,267 API Shares of face value of Rs. 10 each fully paid up of API for every 800 equity shares of face value of Rs. 10 each fully paid up of ACPL" and Shareholder of Lokprakash Vidhya Private Limited were issued 2,04,295 API Shares of face value of Rs. 10 each fully paid up of API for every 8,514 equity shares of face value of Rs. 100 each fully paid up of LVPL.

The Scheme was accounted for as a business combination using the acquisition method of accounting under the provisions of Ind AS 103, Business Combinations with the Effective Date being the acquisition date. 91Streets has been determined to be the acquirer for accounting purposes based on an analysis of the criteria outlined in Ind AS 103 and the facts and circumstances specific to the Scheme, including the fact that on the Effective Date of the Scheme: (1) erstwhile 91Streets' shareholders owned the majority of the voting rights in the Company; (2) erstwhile 91Streets' shareholders have majority of the members on the board of directors of the Company; and (3) 91Streets' size is more as compared to Ascent. Ascent has been determined to be the acquiree. Under Ind AS 103, 91Streets as the accounting acquirer, recorded the assets acquired and liabilities assumed of Ascent at their fair values as of the acquisition date. As a result, upon consummation of the Scheme, the historical financial statements of 91Streets became the historical financial statements of the Company. The Company has been identified as the entity giving effect to the above scheme of amalgamation. The combination of 91Streets and the Company has been accounted for as a capital restructuring whereby the statement of profit and loss, including comparatives, reflect the pre-combination results of 91Streets and the Company. Similarly, the total equity, including comparatives, is the aggregate of equity of 91Streets and the Company. The share capital as appearing in the financial statements is that of the Company (surviving entity).

The above Scheme has been approved by the NCLT vide its order dated 8 June 2020. However, the Company has received the certified true copy of the Order on 02 July 2020 and the same has been filed with the Registrar of Companies on 27 August 2020 which is the "Effective Date" as well as "Appointed Date" as per the Scheme.

The fair value of the purchase consideration on the date of acquisition is based on the number of equity shares of 91Streets that would have been issuable to give the shareholders of Ascent the same percentage equity interest in the combined entity that results from the amalgamation (i.e. the Company).

**Purchase Consideration:**

On the basis of the guidance in the above paragraph, the total fair value of the purchase consideration is determined as follows.

Particulars	Amount (Rs in millions)
Fair value of the consideration transferred based on equity shares of 91Streets that would have been issuable	14,139.70
Adjustment for pre-existing relationships*	1,384.30
Portion of market based measure of Ascent's share-based payments scheme attributable to pre-combination service	268.70
<b>Total fair value of the consideration transferred for purpose of computing goodwill</b>	<b>15,792.70</b>

\* 91Streets had given certain loans to Ascent and outstanding as at the acquisition date with a carrying amount of Rs 1538 millions measured at amortised cost, and 91 Streets had trade payable towards Ascent of Rs. 3.7 Millions. Further, the Company had taken certain loans from Ascent and outstanding as at the acquisition date with a carrying amount of Rs 149.96 millions measured at amortised cost. Pursuant to the amalgamation, these inter-company balances are cancelled. Thus, the business combination is treated as effectively settling these pre-existing relationships with the settlement amounts being the respective carrying amounts since the fair value approximates the carrying value.

The above consideration is allocated to the assets acquired and liabilities assumed of Ascent at the date of acquisition as tabulated below:

Particulars	Amount (Rs. In million)
<b>Fair value of assets acquired</b>	
Property, plant and equipment	29.20
Intangible assets	1.40
Investments	12,680.04
Non-current tax assets	25.00
Inventories	89.86
Trade receivables	115.35
Cash and Cash Equivalents	432.67
Bank balances other than cash and cash equivalent	229.84
Loans	2,198.53
Other Financial Assets	858.61
Other Current Assets	95.15
<b>Total assets acquired (i)</b>	<b>16,755.65</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
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Particulars	Amount (Rs. In million)
<b>Fair value of the liabilities assumed</b>	
Borrowings	700.61
Trade Payables	82.54
Other current Financial liabilities	187.91
Other Current Liabilities	8.29
Provisions	6.01
Deferred Tax Liability	0.92
<b>Total liabilities assumed (ii)</b>	<b>986.28</b>
<b>Net identifiable assets acquired (i-ii)</b>	<b>15,769.37</b>

The acquired business contributed revenues and profits to the Company for the period 31 March 2021 as follows:

Ascent Health and Wellness Solutions Private Limited: Revenue of Rs. Nil and profit of Rs. Nil .

If the acquisitions had occurred on 1 April 2020, consolidated pro-forma revenue and loss for the year ended 31 March 2021 would have been Rs. 499.12 million and Rs. 625.57 million respectively. These amounts have been calculated using the subsidiary's results.

**Computation of goodwill on acquisition of Ascent Group**

The excess of consideration transferred over the fair value of the net assets acquired is allocated to goodwill as computed below. Goodwill is primarily attributed to supplier relationships, huge customer database, workforce acquired and other intangibles as a part of the business combination which do not meet the specific separability criteria.

Particulars	Amount (Rs. In millions)
Total fair value of the Consideration transferred for the purpose of computing goodwill	15,792.70
Less: Net Identifiable assets acquired	15,769.37
<b>Goodwill on acquisition</b>	<b>23.33</b>

(ii) **Business Transfer along with investment in subsidiary to Ascent Wellness and Pharma Solutions Private Limited through AHWSPL and Aycon Graph Connect Private Limited (Aycon)**

During the year ended March 31, 2021, the Company has transferred the following net asset to the subsidiaries:

Particulars	Amount (Rs in millions)
Net Fair value of assets acquired from business combination {Refer Note 40B(i)}	15,769.37
Less: Net fair value of assets transferred to Ascent Wellness and Pharma Solutions Private Limited	6,337.02
Less: Net fair value of assets transferred to Aycon	8,749.98
<b>Net Assets retained</b>	<b>682.36</b>

Subsequent to the above amalgamation, the company has executed Business Transfer agreement between the Company and Ascent Wellness and Pharma Solutions Private Limited. The Company transferred business through Slump Sale for a purchase consideration of Rs 1,649.38 millions. Further, subsequent to amalgamation, the Company has transferred the investment in certain subsidiaries to Ascent Wellness and Pharma Solutions Private Limited for a purchase consideration of Rs 2,154.52 millions.

Particulars	Amount (Rs in millions)
Consideration (A)	3,803.90
<b>Less: Details of the net assets transferred:-</b>	
a) Net Fair value of assets transferred to Ascent wellness and Pharma Solutions Pvt Ltd	6,337.02
b) Goodwill transferred to Ascent Wellness and Pharma Solutions Private Limited	21.19
Deemed Investment in AHWSPL Private Limited	<b>2,554.31</b>

(iii) **Acquisition of Lokprakash Vidhya Private Limited (LVPL) & Aahaan Commercials Private Limited (ACPL):**

As per the above Scheme of Amalgamation, LVPL and ACPL have been amalgamated with the Company and the Company has issued 204,295 shares of Rs 10 each for every 8,514 equity shares of face value of 100 each of LVPL and 20,267 shares of Rs 10 each for every 800 equity shares of face value of 10 each of ACPL. Details of purchase consideration and fair value of net assets for both the business acquired are given below:

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a) Details of fair value of purchase consideration transferred:

Particulars	Amount (Rs in millions)	
	LVPL	ACPL
Total number of shares issued to shareholders of LVPL and ACPL by the Company (As per scheme)	20,429.50	50,667.50
Equivalent Shares of 91Streets (Based on swap ratio of 1:56 between API & 91Streets)	364.81	904.78
Fair value per share of 91Streets	24,714.90	24,714.90
<b>Fair Value of Shares received on Merger (i)</b>	<b>90.16</b>	<b>223.61</b>
Number of shares held by LVPL in Ascent as on the acquisition date	314.30	779.50
Equivalent shares of the Company (Based on swap ratio of 1:65 between API & Ascent)	20,429.50	50,667.50
Equivalent Shares of 91Streets (Based on swap ratio of 1:56 between API & 91Streets)	364.81	904.78
Fair value per share of 91Streets (Based on the fund raise near the acquisition date)	24,714.90	24,714.90
<b>Fair Value of Shares held in Ascent (ii)</b>	<b>90.16</b>	<b>223.61</b>
<b>Fair Value of Purchase Consideration (i-ii) (A)</b>	<b>-</b>	<b>-</b>

b) Details of fair value of identifiable net assets acquired

Fair value of assets	Amount (Rs in millions)	
	LVPL	ACPL
a) Cash and cash equivalent	0.03	0.18
b) Investments	0.00	-
c) Other current assets	0.01	0.06
<b>Total of Fair value of assets acquired (i)</b>	<b>0.04</b>	<b>0.24</b>
<b>Fair value of liabilities assumed</b>		
a) Borrowing	0.04	2.36
b) Other current liabilities & provisions	0.05	0.13
<b>Total of Fair value of liabilities assumed (ii)</b>	<b>0.09</b>	<b>2.48</b>
<b>Total of Fair value of net liabilities assumed (i)-(ii) (B)</b>	<b>(0.05)</b>	<b>(2.24)</b>
<b>Goodwill on acquisition (A)-(B)</b>	<b>0.05</b>	<b>2.24</b>

**40C Business Transfer Agreement**

Pursuant to Business Transfer Agreement (BTA) dated June 15 2021 between Threpsi Solutions Private Limited and Medlife International Private Limited (MIPL), the MIPL (merged with API Holdings Limited "The Company") sold the assets and liabilities of warehouse located at Bhiwandi by way of slump sale for a lumpsum cash consideration of Rs 110.06 million.

Details of Sale Consideration and Net Asset disposed on the date of sale are as follows :

<b>Sale Consideration</b>	<b>110.06</b>
<b>Net Assets transferred</b>	
Property, plant and equipment	14.16
Intangible asset	0.02
Non current financial asset	3.48
Other non current assets	78.81
Inventory	147.73
Trade receivables	38.18
Other current assets	9.24
<b>Total Assets</b>	<b>291.60</b>
Trade payables	181.55
<b>Total liabilities</b>	<b>181.55</b>
<b>Net Assets</b>	<b>110.06</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
 (All amounts in Rupees millions, unless otherwise stated)

**41 Discontinued operation**

(i) Pursuant to Business Transfer Agreement between Thea Technologies Private Limited ('Thea') and Threpsi Solutions Private Limited, during the year, Thea has sold the business of distribution of Pharmaceutical and other consumer goods for a cash consideration of Rs. 1,215.30 millions. Similarly, Business Transfer Agreement is entered to transfer business to Aarush Tirupati Enterprise Pvt Limited and D. C. Agencies Private Limited respectively for total consideration of Rs 409.90 millions.

a) Details of Sale Consideration and Net Asset disposed on the date of sale are as follows :

<b>Sale Consideration</b>	<b>1,625.20</b>
<b>Net Assets transferred</b>	
Trade receivables	386.22
Loans	41.75
Inventories	923.73
Cash and cash equivalents	7.43
Other current assets	163.88
Right to use assets	150.80
Property, plant and equipment	107.75
<b>Total Assets</b>	<b>1,781.56</b>
Trade payable	147.31
Other current liabilities	0.89
Provision	8.16
<b>Total liabilities</b>	<b>156.36</b>
<b>Net Assets</b>	<b>1,625.20</b>

b) **Loss from discontinued operation of business of Thea:**

Particulars	For period ended 26th August 2020	For the year ended 31 March 2020
Revenue from operation	2,993.89	6,324.50
Other income	40.86	30.70
<b>Total Income</b>	<b>3,034.75</b>	<b>6,355.20</b>
Expenses		
Purchase of traded goods	2,650.49	6,931.20
Change in inventory of traded goods	223.18	(530.10)
Employee benefit expenses	50.53	76.80
Depreciation and amortization expense	35.13	100.20
Finance cost	124.68	267.80
Net Impairment loss financial and contract assets	-	20.70
Other expenses	220.70	502.20
<b>Total expenses</b>	<b>3,304.71</b>	<b>7,368.80</b>
<b>Loss before tax</b>	<b>(269.96)</b>	<b>(1,013.60)</b>
Deferred tax charge / (credit)	37.31	(19.70)
<b>Loss for the year</b>	<b>(307.27)</b>	<b>(993.90)</b>
Total Other comprehensive income	-	-
<b>Total comprehensive loss from discontinued operation</b>	<b>(307.27)</b>	<b>(993.90)</b>

ii) Pursuant to Business Transfer Agreement dated 29th September 2020 between Threpsi Solutions Private Limited and API Holdings Private Limited ('API'), during the year API has sold the business of licensing of internet portals or mobile applications related to sales and distribution of pharmaceutical and cosmetic goods, teleconsulting etc. for a cash consideration of Rs. 1449.20 millions.

**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**

(All amounts in Rupees millions, unless otherwise stated)

a) Details of Sale Consideration and Net Asset disposed on the date of sale are as follows :

<b>Sale Consideration</b>	<b>1,449.20</b>
<b>Net Assets transferred</b>	
Trade receivables	48.23
Loans	403.33
Other current assets	247.87
Property, plant and equipment	48.02
Right to use assets	171.41
Business transfer receivables	1,256.14
Other current financial assets	1.20
Current investments	7.77
<b>Total Assets</b>	<b>2,183.97</b>
Trade payable	335.59
Other current liabilities	0.06
Other current financial liabilities	5.00
Provision	53.81
Lease liabilities	186.83
Current borrowings	153.48
<b>Total liabilities</b>	<b>734.77</b>
<b>Net Assets</b>	<b>1,449.20</b>

b) **Loss from discontinued operation of business of 91 Street:**

Particulars	For period ended 29th September 2020)	For the year ended 31 March 2020
Revenue from operation	81.57	151.63
Other income	13.53	937.70
<b>Total Income</b>	<b>95.10</b>	<b>1,089.33</b>
Employee benefit expenses	515.86	1,068.40
Depreciation and amortisation expense	35.39	65.70
Finance cost	38.17	65.80
Other expenses	721.28	2,170.60
<b>Total expenses</b>	<b>1,310.70</b>	<b>3,370.50</b>
<b>Loss before tax</b>	<b>(1,215.60)</b>	<b>(2,281.17)</b>
Deferred tax charge / (credit)	143.34	(95.40)
<b>Loss for the year</b>	<b>(1,358.94)</b>	<b>(2,185.77)</b>
Total Other comprehensive income	2.63	1.40
<b>Total comprehensive loss from discontinued operation</b>	<b>(1,356.31)</b>	<b>(2,184.37)</b>

#### 42 Share Based Payment

##### A Employee Share Option Scheme (ESOP) of the parent Company

- (i) During the financial year ended March 31, 2021, the Company had modified the earlier Employee Stock Option plans which were issued to employees of 91Streets Media Technologies Private Limited ("91Streets / Acquirer") as per the Scheme of Amalgamation approved by National Company Law Board with effective date of merger of 91 Streets with the Company i.e. August 27, 2020.

The Scheme was accounted for as a business combination using the acquisition method of accounting under the provisions of Ind AS 103, Business Combinations with the Effective Date being the acquisition date. 91Streets has been determined to be the acquirer for accounting purposes and hence the replacement of Employee Stock Option Plans issued by the 91Streets with API Holdings Private Limited, has been considered as at the modification date. There is no incremental fair value on account of replacement of employee stock option plans as at modification date i.e. August 27, 2020.

The Company has below share based payment arrangement under ESOP 2020 for the year ended March 31, 2022 and March 31, 2021 :

	March 31, 2022		March 31, 2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	2,140	299,046	99,055	13,943
Reorganisation of 91Streets Media Technologies Private Limited (refer note 40B)	-	-	-	-
Granted during the period	-	-	112,249	280
Exercised during the period \$	3.21	(10,496)	-	-
Forfeited during the period \$	3.66	(2,616)	95,356	(8,412)
<b>Closing balance before modification</b>	<b>NA</b>	<b>NA</b>	<b>105,045</b>	<b>5,811</b>
Number of options after modification	NA	NA	2,060	325,428
No of options repurchased during the period \$	1.00	(58,275)	1,155	(26,382)
Impact of Bonus issued during the period	NA	8,101,002		
Impact of Shares split during the period	NA	74,957,948		
<b>No of option outstanding as at period end \$</b>	<b>2.35</b>	<b>83,286,609</b>	<b>2,140</b>	<b>299,046</b>
<b>Vested and Exercisable</b>	<b>1.87</b>	<b>55,309,211</b>	<b>1,890</b>	<b>149,570</b>

Share options outstanding at the end of the period March 31, 2022 have the following expiry date and exercise prices:

Grant Date	Expected term of options granted	Exercise price Revised (Post Modification) (INR) ##	Share options March 31, 2022 (refer note (a) below)
01-Oct-2015	2-4 years	1.00	110,880
01-Apr-2016		1.00	-
01-May-2017		1.00	10,747,440
01-Mar-2018		1.00	5,436,420
25-Jul-2018		1.00	609,840
01-Oct-2018		1.00	6,136,350
18-Feb-2019		1.00	9,420,180
01-Oct-2019		3.32	14,110,250
01-Jan-2020		4.01	32,078,199
01-Apr-2020		4.01	2,769,800
01-May-2020		4.01	1,531,530
01-Jun-2020		4.01	323,180
01-Jul-2020		4.01	12,540

##### Notes :

- (a) The number of options have been adjusted on account of bonus share issued and share split. For details refer note 17 (ii) (h) and 17 (ii) (i)  
(b) \$ The average exercise price has been revised on account of modification in option Exercised price, Bonus share issued and share split. Refer table below for revised exercised price details.  
(c) ^ The average share price on the date of exercise is Rs. 5,900 (31 March 2021: Nil)  
(d) No options expired during the periods covered in the above tables. Vested options are exercisable upon completion of vesting period

Share options outstanding at the end of the year March 2021 have the following expiry date and exercise prices:

Grant Date	Expected term of options granted	Grant date Exercise price (INR)	Revised Exercise price (INR) *	Share options March 31, 2021
01-Oct-2015	Upon occurrence of liquidity event \$\$	55,938	999	896
01-Apr-2016		55,938	999	-
01-May-2017		78,060	1,394	50,527
01-Mar-2018		120,125	2,145	20,160
25-Jul-2018		120,125	2,145	1,848
01-Oct-2018		120,125	2,145	21,448
18-Feb-2019		120,125	2,145	35,035
01-Oct-2019		112,249	2,004	8,904
01-Jan-2020		112,249	2,004	44,286
01-Jan-2020		224,504	4,009	100,525
01-Apr-2020		112,249	2,004	13,955
01-May-2020		112,249	2,004	24
01-Jun-2020		146,763	2,621	1,388
01-Jul-2020		152,683	2,726	50

##### Notes :

- (a) \* On account of scheme of amalgamation, exercise price of options granted to the employees of acquirer has been revised.  
(b) No options expired during the periods covered in the above tables, further there were no options which were exercisable as at March 31, 2021.  
(c) \$\$ ESOP Scheme 2020 defines "Liquidity Event" as the date of expiry of options. "Liquidity Event" for ESOP Scheme 2020 means any event or transaction as decided and approved by the Board as liquidity event for the purposes of ESOP plan, from time to time, which more particularly includes the following events:  
a. Strategic Sale event conferring a right of drag along to the Current Shareholders  
b. Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange; and  
c. Any other event, which the Board may designate as a liquidity event for the purpose of the ESOP  
The options granted under above scheme can only be exercised in the case of happening of a Liquidity Event. Further, prior to listing, in case none of the Liquidity Events happens, the Board, shall have the right (without any obligation) to settle any or all of the unexercised Vested Options, in one or more tranches, by way of cash payment. However, the management intends to settle the option by issue of equity shares.  
However, during the year ended March 31, 2021 the Board decided to settle certain options through cash, to that extent a present obligation has been recognized.

42. Share Based Payment

The model inputs for options granted:

Grant Date	Model Input on a grant date			Model Input on a Post-Modification date ##			Model Input on a Pre-Modification date ##			Incremental Fair value on account of modification #			
	Share price at grant date	Expected price volatility of the company's shares	Risk-free interest rate	Fair value of stock options (INR)	Share price Post Modification date	Expected price volatility of the company's shares	Risk-free interest rate	Share price Pre Modification date	Expected price volatility of the company's shares		Risk-free interest rate	Time to Maturity	Fair value of stock options (INR)
01-Oct-2015	49,695	21.67%	7.56%	11,293 to 18,800	5,900	28.81%	4.08%	5,900	28.91%	4.03%	0.50 years	5,573.67	0.50 years
01-Apr-2016	49,695	22.21%	7.46%	11,383 to 18,832	5,900	28.81%	4.08%	5,900	28.91%	4.03%	0.52 years	5,573.67	0.50 years
01-May-2017	77,488	21.12%	6.96%	20,866 to 31,591	5,900	28.81%	4.08%	5,900	28.91%	4.03%	0.52 years	5,573.67	0.50 years
01-Mar-2018	119,324	22.49%	7.61%	47,453	5,900	28.81%	4.08%	5,900	28.91%	4.03%	0.52 years	5,573.67	0.50 years
25-Jul-2018	120,125	23.61%	7.97%	47,687	5,900	28.81%	4.08%	5,900	28.91%	4.03%	0.52 years	5,573.67	0.50 years
01-Oct-2018	119,808	23.73%	8.09%	46,530	5,900	28.81%	4.08%	5,900	28.91%	4.03%	0.52 years	5,573.67	0.50 years
18-Feb-2019	224,105	24.73%	7.12%	139,211	5,900	28.81%	4.08%	5,900	28.91%	4.03%	0.52 years	5,573.67	0.50 years
01-Oct-2019	224,131	24.16%	6.60%	138,267	5,900	28.81%	4.08%	5,900	28.91%	4.03%	0.52 years	5,573.67	0.50 years
01-Jan-2020	208,764	24.20%	6.50%	121,408	5,900	32.33%	4.08%	5,900	30.33%	4.03%	0.86 years	5,254.55	0.86 years
01-Jun-2020	208,764	24.20%	6.50%	121,408	5,900	32.94%	4.08%	5,900	30.33%	4.03%	0.86 years	5,254.55	0.86 years
01-Aug-2020	208,764	24.20%	6.50%	121,408	5,900	35.33%	4.08%	5,900	30.33%	4.03%	0.86 years	5,254.55	0.86 years
01-Mar-2020	247,272	40.23%	4.48%	146,763	5,900	35.33%	4.08%	5,900	30.33%	4.03%	0.86 years	5,254.55	0.86 years
01-Jul-2020	247,272	40.23%	4.48%	146,763	5,900	35.33%	4.08%	5,900	30.33%	4.03%	0.86 years	5,254.55	0.86 years

Note: The dividend yield considered valuation of above stock option is Nil

The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

## During the year ended March 31, 2022, the Company has vide its Board resolution dated September 28, 2021, has modified the vesting schedule of all the existing employee stock options, to allow quarterly vesting post one year cliff period for all employee stock options, keeping the total vesting period same and modified exercise price as well of existing as mentioned in the above table, w.e.f. from October 01, 2021.

Weighted average remaining contractual life of options outstanding at end of year	March 31, 2022	March 31, 2021
	0.79 years	2.75 years

(ii) During the financial year ended March 31, 2021, the Company has modified the earlier Employee Stock Option plans which were issued by Assent Health and Wellness Solutions Private Limited (Acquiree) as per the Scheme of Amalgamation approved by National Company Law Board with effective date of amalgamation of 27th August 2020. The Scheme was accounted for as a business combination using the acquisition method of accounting under the provisions of Ind AS 103, Business Combinations with the Effective Date being the acquisition date.

The Company has below share based payment arrangement under ESOP 2020 which are issued to the employees of Acquiree for the period ended March 31, 2022 :

	March 31, 2022		March 31, 2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	-	102,569	1,636	131,650
Number of replacement options issued as part of business acquisition	1,727	-	-	-
Granted during the period	-	-	-	-
Exercised during the period	-	-	(2,132)	-
Forfeited during the period	4.01	(5,500)	-	-
No. of options expiring during the period	1.00	(69,601)	1,319	(29,081)
Number of options cancelled during the period	NA	2,536,928	-	-
Number of shares split during the period	NA	23,545,863	-	-
Number of options outstanding at period end	2,98	26,133,077	1,727	102,569
Vested and Exercisable	2.34	16,125,120	1,502	56,822

Share options outstanding at the end of the year March 31, 2022 have the following expiry date and exercise prices:

Replacement date	Expected term of options granted	Exercise price Revised (Post Modification) (INR) #	Share options March 31, 2022 (refer note (a) below)
27-Aug-2020	2-4 years	1.00	6,881,820
27-Aug-2020		4.01	19,280,250

Note :

- (a) The number of options have been adjusted on account of bonus share issued and share split. For details refer note 17 (ii) (b) and 17 (ii) (i)
- (b) \$ The average exercise price has been revised on account of modification in option. Exercised price, Bonus share issued and share split. Refer table below for revised exercised price details.
- (c) No options expired during the periods covered in the above tables. Vested options are exercisable upon completion of vesting period

Share options outstanding at the end of the year March 31, 2021 have the following expiry date and exercise prices:

Replacement date	Expected term of options granted	Exercise price (INR)	Share options March 31, 2021
27-Aug-2020	Upon occurrence of liquidity event \$	1,319	41,639
27-Aug-2020		2,005	60,930

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022  
(All amounts in Rupees millions, unless otherwise stated)

**42 Share Based Payment**

**Notes :**

- (a) No options expired during the periods covered in the above tables, further there were no options which were exercisable as at March 31, 2021.  
 (b) \$E ESOP Scheme 2020 defines "Liquidity Event" as the date of expiry of options. "Liquidity Event" for ESOP Scheme 2020 means any event or transaction as decided and approved by the Board as liquidity event for the purposes of ESOP plan, from time to time, which more particularly includes the following events:  
 a. Strategic Sale event conferring a right of drag along to the Current Shareholders  
 b. Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange; and  
 c. Any other event, which the Board may designate as a liquidity event for the purpose of the ESOP  
 The options granted under above scheme can only be exercised in the case of happening of a Liquidity Event. Further, prior to listing, in case none of the Liquidity Events happens, the Board, shall have the right (without any obligation) to settle any or all of the unexercised Vested Options, in one or more tranches, by way of cash payment. However, the management intends to settle the option by issue of equity shares.  
 However, during the year ended March 31, 2021 the Board decided to settle certain options through cash, to that extent a present obligation has been recognized.

Replacement date	The model inputs for options modified during the year ended March 31, 2022 and March 31, 2021:						Model Input on a Post- Modification date #						Model Input on a Pre- Modification date #								
	Share price at grant date (Replacement date)	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Fair value of stock options (INR)	Share price	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Fair value of stock options (INR)	Share price	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Fair value of stock options (INR)	Share price	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Fair value of stock options (INR)	Incremental Fair value on account of modification #
27-Aug-2020	4,415.58	40.23%	4.48%	1.4 years	3,195	5,900	28.81%	4.08%	0.53 years	5,890.31	5,900	38.91%	4.03%	0.50 years	5,469.10	5,900	38.91%	4.03%	0.50 years	5,469.10	421.11
27-Aug-2020	4,415.58	41.61%	5.06%	1.4 years	2,728	5,900	33.33%	4.08%	1.39 years	5,483.28	5,900	35.65%	4.03%	1.16 years	5,262.30	5,900	35.65%	4.03%	1.16 years	5,262.30	220.96

Note: The dividend yield considered for valuation of above stock option is Nil.

The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

# During the period ended March 31, 2022, the Company has vide its Board resolution dated September 28, 2021, has modified the vesting schedule of all the existing employee stock options, to allow quarterly vesting post one year cliff period for all employee stock options, keeping the total vesting period same and modified exercise price as well of existing as mentioned in the above table, w.e.f. from October 01, 2021.

	March 31, 2022	March 31, 2021
Weighted average remaining contractual life of options outstanding at end of year	0.88 years	2.75 years

(iii) The Company has established Employee Stock Option Scheme 2020 (ESOP 2020) with effect from 27th August 2020 to enable the employees of the Company to participate in the future growth and success of the Company. ESOP 2020 is operated at the discretion of the Board. These options confer a right but not an obligation on the employee to apply for equity shares of the Company once the terms and conditions set forth in the ESOP 2020 and the option agreement have been met. Vesting conditions would be subject to continued employment with the Company.

	March 31, 2022		March 31, 2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance as on 1 April	2,699.13	115,464	-	-
Granted during the period \$	5.56	1,263,240	2,699	115,464
Exercised during the period \$	1.00	(137,780)	-	-
Forfeited during the period \$	1.00	(14,484)	-	-
No. of options repurchased during the period \$	4.01	(202)	-	-
Add: Impact on account of merger (Refer note below) ^	N/A	162,274	-	-
Impact of Bonus shares issued during the period /year	N/A	44,437,338	-	-
Impact of Shares split during the period /year	N/A	412,432,563	-	-
New grants post bonus and split	5.60	458,258,403	-	-
No. of option outstanding as at period end	5.54	464,670,171	2,699	115,464
Vested and Exercisable	5.14	22,912,577	-	-

Share options outstanding at the end of the period March 31, 2022 have the following expiry date and exercise prices:

Grant Date	Expected term of options granted	Exercise price Revised (Post Modification) 31 March 2022		Share options (refer note (b) below)
		(INR) #	#	
01-Sep-2020	2-5 years	1	1	823,020
01-Sep-2020		4.01	4.01	1,037,300
01-Sep-2020		12.15	12.15	12,836,670
01-Oct-2020		4.01	4.01	9,856,440
01-Nov-2020		4.01	4.01	247,170
01-Jan-2021		4.01	4.01	10,204,920
02-Mar-2021		4.01	4.01	617,430
01-Apr-2021		4.01	4.01	264,330
01-May-2021		4.01	4.01	99,000
01-Jun-2021		4.01	4.01	1,902,230
01-Jul-2021		1.00	1.00	94,380
01-Aug-2021		1.00	1.00	147,407,695
15-Sep-2021		1.00	1.00	137,496,000
01-Oct-2021		4.01	4.01	14,878,820
01-Nov-2021		4.01	4.01	1,037,300
01-Dec-2021		18.18	18.18	43,993,840
07-Oct-2021		1.00	1.00	66,235,040
30-Sep-2021	N/A	N/A	9,579,020	
02-Dec-2021	1.00	1.00	3,789,786	
01-Jan-2022	1.00	1.00	1,258,873	
01-Feb-2022	1.00	1.00	623,856	
01-Mar-2022	1.00	1.00	607,201	

42. Share Based Payment

Note :

- (a) The number of options have been adjusted on account of bonus share issued and share split. For details refer note 17 (ii) (b) and 17 (ii) (i).
- (b) \$ The average exercise price has been revised on account of modification in option Exercise price, Bonus share issued and share split. Refer table below for revised exercised price details.
- (c) ^ The average share price on the date of exercise is Rs. 3900 (31 March 2021: Nil)
- (d) # The average exercise price for new grants has been derived after availing effect of bonus and split
- (e) No options exercised during the periods covered in the above tables. Vested options are exercisable upon completion of vesting period.

Share options outstanding at the end of the year March 31, 2021 have the following expiry date and exercise price:

Grant Date	Expected term of options granted	Exercise price (INR)	No of share options 31 March 2021
01-Sep-2020		100.00	3,551
01-Sep-2020		2,004.50	2,494
01-Sep-2020	Upon occurrence of liquidity event of \$5	4,009.00	43,382
01-Oct-2020		2,004.50	32,505
01-Nov-2020		2,004.50	749
01-Dec-2021		2,004.50	31,912
02-Mar-2021		2,004.50	1,871

(a) No options expired during the periods covered in the above tables, further there were no options which were exercisable as at 31 March 2021

(b) \$ ESOP Scheme 2020 defines "Liquidity Event" as the date of expiry of options. "Liquidity Event" for ESOP Scheme 2020 means any event or transaction as decided and approved by the Board as liquidity event for the purposes of ESOP plan, from time to time, which more particularly includes the following events:

- i. Strategic Sale event conferring a right of drag along to the Current Shareholders
- ii. Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange; and
- iii. Any other event, which the Board may designate as a liquidity event for the purpose of the ESOP

The options granted under above scheme can only be exercised in the case of happening of a Liquidity Event. Further, prior to listing, in case none of the Liquidity Events happens, the Board, shall have the right (without any obligation) to settle any or all of the unexercised Vested Options, in one or more tranches, by way of cash payment. However, the management intends to settle the option by issue of equity shares.

Weighted average remaining contractual life of options outstanding at end of year	March 31, 2022	March 31, 2021
	1.68 years	2.75 years

The Model inputs for options granted includes :

Grant Date	Model Input on a Pre-Modification date #		Model Input on a Post-Modification date #		Share price at grant date	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Weighted average of fair value of stock option (INR)	Model Input on a Pre-Modification date #		Model Input on a Post-Modification date #		Incremental Fair value on account of modification #	
	Share price	Expected price volatility of the company's shares	Share price	Expected price volatility of the company's shares						Share price	Expected price volatility of the company's shares	Share price	Expected price volatility of the company's shares		
01-Sep-2020	4,415.58	37.64%	5,900	35.33%	5,900	35.33%	4.79%	4 years	1,776.00	5,900	35.33%	5,900	30.33%	5,254.55	228.71
01-Oct-2020	4,415.58	37.95%	5,900	35.33%	5,900	35.33%	4.91%	4 years	2,774.66	5,900	35.33%	5,900	30.33%	5,254.55	228.71
01-Nov-2020	5,601.00	38.19%	5,900	35.33%	5,900	35.33%	4.63%	4 years	3,881.10	5,900	35.33%	5,900	30.33%	5,254.55	228.71
01-Jun-2021	5,601.00	38.72%	5,900	35.33%	5,900	35.33%	4.40%	4 years	3,866.63	5,900	35.33%	5,900	30.33%	5,254.55	228.71
02-Mar-2021	5,601.00	37.62%	5,900	35.33%	5,900	35.33%	5.02%	4 years	3,886.63	5,900	35.33%	5,900	30.33%	5,254.55	228.71
01-Apr-2021	5,601.00	37.62%	5,900	35.33%	5,900	35.33%	5.02%	4 years	3,886.63	5,900	35.33%	5,900	30.33%	5,254.55	228.71
01-May-2021	5,601.00	37.62%	5,900	35.33%	5,900	35.33%	5.02%	4 years	3,886.63	5,900	35.33%	5,900	30.33%	5,254.55	228.71
01-Jul-2021	5,107.20	36.30%	5,107.20	36.30%	5,107.20	36.30%	4.07%	1.10 years	5,097.65	5,107.20	36.30%	5,107.20	32.16%	5,758.09	132.12
01-Aug-2021	5,107.20	39.31%	5,107.20	39.31%	5,107.20	39.31%	4.23%	2.24 years	4,685.94	5,107.20	39.31%	5,107.20	32.16%	5,758.09	132.12
01-Aug-2021	5,107.20	40.18%	5,107.20	40.18%	5,107.20	40.18%	4.23%	2.01 years	5,098.01	5,107.20	40.18%	5,107.20	32.16%	5,758.09	132.12
01-Sep-2021	5,900.00	40.06%	5,900.00	40.06%	5,900.00	40.06%	4.69%	2.28 years	5,891.02	5,900.00	40.06%	5,900.00	30.33%	5,254.55	228.71
15-Sep-2021	5,900.00	39.34%	5,900.00	39.34%	5,900.00	39.34%	4.84%	2.50 years	4,846.80	5,900.00	39.34%	5,900.00	30.33%	5,254.55	228.71
30-Sep-2021 ^	NA	NA	5,900.00	NA	5,900.00	NA	NA	NA	NA	5,900.00	NA	5,900.00	30.33%	5,254.55	228.71
01-Oct-2021	5,900.00	39.34%	5,900.00	39.34%	5,900.00	39.34%	4.84%	3 years	4,846.80	5,900.00	39.34%	5,900.00	30.33%	5,254.55	228.71
01-Oct-2021	5,900.00	33.72%	5,900.00	33.72%	5,900.00	33.72%	4.08%	3 years	3,979.99	5,900.00	33.72%	5,900.00	30.33%	5,254.55	228.71
01-Oct-2021	5,900.00	40.06%	5,900.00	40.06%	5,900.00	40.06%	4.69%	2.28 years	5,891.02	5,900.00	40.06%	5,900.00	30.33%	5,254.55	228.71
01-Oct-2021	5,900.00	40.39%	5,900.00	40.39%	5,900.00	40.39%	4.69%	2.28 years	5,891.02	5,900.00	40.39%	5,900.00	30.33%	5,254.55	228.71
07-Oct-2021	5,900.00	40.06%	5,900.00	40.06%	5,900.00	40.06%	4.69%	2.28 years	5,891.02	5,900.00	40.06%	5,900.00	30.33%	5,254.55	228.71
01-Dec-2021	53.71	41.91%	53.71	41.91%	53.71	41.91%	4.71%	2.22 years	52.81	53.71	41.91%	53.71	30.33%	5,254.55	228.71
01-Jan-2022	53.71	41.91%	53.71	41.91%	53.71	41.91%	4.71%	2.22 years	52.81	53.71	41.91%	53.71	30.33%	5,254.55	228.71
01-Feb-2022	53.71	41.91%	53.71	41.91%	53.71	41.91%	4.71%	2.22 years	52.81	53.71	41.91%	53.71	30.33%	5,254.55	228.71
01-Mar-2022	53.71	41.91%	53.71	41.91%	53.71	41.91%	4.71%	2.22 years	52.81	53.71	41.91%	53.71	30.33%	5,254.55	228.71

Note: The dividend yield considered for valuation of above stock option is Nil.

The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

**43 Segment reporting**

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") of the company to make decisions for performance assessment and resource allocation. The Board of Directors of the Company are identified as the Chief Operating Decision Makers. The CODM primarily uses a measure of growth in revenue within India to access the performance of the operating segment, however they receive information about expenses, salaries, receivables, payables and cashflows of the segments on monthly basis. Since there is only one reportable segment, segment information is not different then carrying amount presented in the standalone financial statements.

**44 Contingent liabilities, Contingent Assets and Commitments**

**Contingent liabilities**

Particulars	As at	As at
	31 March 2022	31 March 2021 (Restated)
Claims not acknowledged as debt (refer note (i)) below	518.50	-
Provident Fund (refer note (ii) below)	*	*
Indirect tax	4.27	4.27

**Notes:**

- (i) A. Sundararaju HUF (the "Complainant"), an erstwhile shareholder and member of the promoter group of Thyrocare Technologies Limited ("Thyrocare") has claimed a compensation of Rs 268.50 million together with interest at 18% alleging that the Company and its subsidiary, Docon Technologies Private Limited ("Docon") colluded to facilitate the sale of shares of Thyrocare by the Complainant to Docon through an off-market transaction, rather than as an on-market sale. Also, claimed an additional sum of Rs 250 million for mental agony and reputational loss. Further, Mr. A. Sundararaju (the "Complainant") in his personal capacity, has filed a commercial suit before Bombay High Court while claiming a sum of Rs. 29 million along with an interest at 18% p.a. alleging that the Company and its subsidiary, Docon Technologies Private Limited ("Docon") colluded with the legal advisors of the Complainant to facilitate the sale of shares of Thyrocare by the Complainant to Docon through an off-market transaction, rather than as an on-market sale. Also, a sum of Rs. 10 million has been claimed towards damages and compensation by the Complainant.
- (ii) The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No C-1/1(33)2019/Vivekananda VidyaMandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Based on the assessment made by the management, the said judgment does not have any significant impact on these financial statements. The Company will continue to monitor and evaluate its position based on future events and developments.

**Contingent Assets**

Interest receivable from Subsidiary Companies amounting to Rs. 76.45 million has not been recognised as a receivable at March 31, 2022 as its receipt is dependent on the approval of merger scheme. The Company believes that a favourable outcome is probable.

**Other Commitments**

The Company from time to time provides need based support to Subsidiaries and Associate entity towards capital and other capital requirements. As at 31 March 2022, the Company has provided financial support letters to Threpsi Solutions Private Limited, Medlife Wellness Retail Private Limited, Metarain Distributors Private Limited, Aycon Graph Connect Private Limited, ARZT and Health Private Limited, AHWSPL India Private Limited and Care Easy Health Tech Private Limited.

**45 Disclosure of loans given, guarantee issued and securities provided under section 186(4) of the Companies Act 2013.**

Name of the party	Nature of transaction	Purpose for which the loan or guarantee or security is proposed to be utilised by the recipient	As at March 31, 2022	As at March 31, 2021 (Restated)
Threpsi Solutions Private Limited	Loan Given	General Corporate Purpose	15,505.85	5,744.60
Medlife Wellness Retail Private Limited			1,958.01	3,795.66
Ascent Wellness and Pharma Solutions Private Limited			9,187.31	1,127.14
Metarain Distributors Private Limited			141.70	838.38
Aycon Graph Connect Private Limited			1,286.87	313.54
ARZT and Health Private Limited			57.60	204.00
Care Easy Health Tech Private Limited			236.57	-
Docon Technologies Private Limited			3,307.27	159.31
AHWSPL India Private Limited			12.90	5.00
Ascent Wellness and Pharma Solutions Private Limited			6,840.00	2,000
Aycon Graph Connect Pvt. Ltd.	Financial Guarantee	Business Purpose, as a collateral.	560.00	-
Threpsi Solutions Pvt. Ltd.			9,190.00	-
Akna Medical Private Limited			650.00	-

Refer note 7 (i) for security details, further refer note 7 and 36 for additional details

- 46 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and postemployment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholder's suggestions. However, the date on which the code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

#### 42 Share Based Payment

##### B Employee Share Option Scheme (ESOP) of Medlife International Private Limited including its subsidiaries ("Medlife Company")

###### Accounting of Employee Stock Option of Medlife International Private Limited at acquisition date

During the financial year ended March 31, 2021, the Company acquired Medlife Company w.e.f. January 22, 2021. The Company measured employee stock options of Medlife International Private Limited which were vested, at their market based measure. For the unvested options the Company allocated the market based measure to Non Controlling Interest in the ratio of portion of the vesting period completed to the total vesting period. Remaining portion is allocated to post combinations services. Accordingly, the Company recognized Rs 1,093.93 million as part of non-controlling interest in the acquiree as per Ind AS 103 - "Business Combination". Further, in the case of un-vested stock options, these are measured at market-based measure as if the acquisition date were the grant date. Further, the Company has not replaced employee stock options of Medlife International at acquisition date.

###### Brief about Medlife Employee Stock Option Plan 2017:

On January 14, 2017, the shareholders of Medlife International Private Limited approved the "Medlife Employee Stock Option Plan 2017" (ESOP 2017) for issue of stock options to its key employees. According to the ESOP 2017, the employee selected will be entitled to eligible options, subject to satisfaction of the prescribed vesting conditions as per ESOP 2017. The other relevant terms of the grant are as below:

For every option granted under ESOP 2017, the holder is entitled thereof with an option to apply for and be issued one equity share of the Medlife International Private Limited. The equity shares covered under these options vest over a period ranging from twelve to sixty months from the date of grant. The exercise can be made only in the event of occurrence of a liquidation event, or at such other time and in such manner as determined by the Board.

###### 2019 CEO ESOP Scheme:

On 30 July 2019, the board of directors of Medlife International Private Limited approved the Equity Settled "2019 CEO ESOP SCHEME" for issue of stock options to CEO of the company Mr. Ananth Sankaranarayanan. According to the scheme, the CEO will be entitled to options, subject to satisfaction of the prescribed vesting conditions.

###### Key features of these plans are provided in the below table:

Key Terms	ESOP 2017	CEO ESOP Scheme
Vesting Pattern	One to five years	One year
Exercise Price	Rs. 100 per option	

###### Movement in stock options during the period April 1, 2021 to March 31, 2022

The following table illustrates the number and weighted average exercise price of share options during the period

	ESOP Plan 2017		2019 CEO ESOP Scheme	
	No. of options	Weighted Average Exercise Price	No. of options	Weighted Average Exercise Price
Outstanding as at the date of acquisition	80,817	100	221,442	100
Granted during the period	225	100	-	-
Exercised during the period	-	-	-	-
Forfeited during the period	(5,113)	100	-	-
Surrendered during the period	-	-	(92,546)	4,545
Outstanding options before replacement	75,929	100	128,896	100
Replacement options with API options pursuant to merger ^	(75,929)	-	(128,896)	-
Weighted average remaining contractual life	2.75 years			

The weighted average share price during the period is Rs 3,993.70

The weighted average fair value of the options granted during the period is Rs 3,909.70

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2022
Expected dividend yield	0.00%
Expected Annual Volatility of Shares	34.14%
Risk-free interest rate (%)	5.66%
Exercise price (Rs)	100.00
Expected life of the options granted (in years)	2.75 years

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

^ On September 30, 2021 (the "Effective Date"), the Scheme of Amalgamation of Medlife International Private Limited ("MIPL") and Evriksh Healthcare Private Limited ("EHPL") with API Holdings Limited (formerly known as API Holdings Private Limited) ("the Company") and their respective shareholders (the "Scheme") became effective from January 25, 2021 (the "Appointed Date") pursuant to filing of the order of Regional Director, Ministry of Corporate Affairs, Western Region ("RD") with the Registrar of Companies, Mumbai. Pursuant to the Scheme becoming effective, the erstwhile Medlife International Private Limited and Evriksh Healthcare Private Limited stand dissolved without winding up and the entire business, assets, liabilities, undertaking, etc. of these companies stand transferred to and vest with the Company. As MIPL was an wholly owned subsidiary of the Company and as EHPL was a wholly owned subsidiary of MIPL, no shares were allotted in lieu or exchange of the holdings in these companies or no consideration was paid pursuant to the Merger.

The above Scheme has been approved by the RD vide its order dated September 24, 2021 and the same has been filed with the Registrar of Companies on September 30, 2021 which is the "Effective Date" as per the Scheme. Pursuant to the scheme, the options holders of MIPL has been provided options of API Holdings Limited in the swap ratio as on January 25, 2021. Since the scheme is effective from September 30, 2021 the replacement of share options to erstwhile MIPL employees is accounted as modification in the books of API Holdings Limited as per the requirements of Ind AS 102 - Share Based Payments. The weighted average fair value of the options replaced during the period is Rs 5,859.59 and the incremental charge recognised over remaining vesting period on accounting of modification and replacement with Employee Stock Option Scheme 2020 (ESOP 2020) is Rs. 1,314.56

Share-based payment expenses	For the period ended March 31, 2022	For the year ended March 31, 2021
Total expense recognised in 'employee benefit expense	3,000.40	239.15

Disclosures related to repurchase of options	For the period ended March 31, 2022	For the year ended March 31, 2021
Amounts paid for repurchase of options	858.76	222.37
Additional share based payments expenses recognised on repurchase and included above.	56.76	-

**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**

(All amounts in Rupees Million, unless otherwise stated)

**47 COVID 19 Impact on the financial statements**

The spread of COVID-19 has severely impacted businesses around the globe. In many countries, there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets at the balance sheet date, and has concluded that there are no material adjustments required in the financial statements. Management is of the view that considering the nature of its business operations, existing customer and supplier relationships and its market position, impact on its business operations, if any, arising from COVID19 pandemic is not expected to be significant. The impact of COVID19 pandemic may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

**48 Additional regulatory information required by Schedule III**

**a) Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**b) Wilful defaulter**

The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**c) Transactions with struck off companies**

The Company does not have any transactions with companies struck-off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

**d) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

**e) Compliance with approved scheme of arrangements**

The Scheme of Arrangement has been approved by the Hon'ble Regional Director in terms of sections 233 of the Companies Act, 2013. Effect of such Scheme of Arrangement has been accounted for in the books of account of the Company 'in accordance with the aforesaid Scheme' and 'in accordance with accounting standards. The appointed date as per scheme is different from the common control accounting date, refer note 40A for details.

**f) Utilisation of borrowed funds and share premium**

The Company has received securities premium through issue of equity and preference shares during the year ended March 31, 2022, and year ended March 31, 2021. There is no understanding with investors, in writing or otherwise, to lend or invest in other person or entities, directly or indirectly or provide any guarantee, security or the like to or on behalf of the said investors. The management has absolute discretion on use of such funds. Further, the Company has provided funds to its subsidiaries for their business purposes. The management of subsidiary companies do not consult with the Holding Company on the manner of utilisation of such funds nor the Holding Company has understanding in writing or otherwise on the manner of use of such funds by subsidiary companies. Hence, the additional regulatory disclosure with respect to the utilisation of borrowed funds and share premium are not included in these financial statements.

**g) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**h) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**i) Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**j) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**k) Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

*(This space is intentionally left blank)*

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Standalone Financial Statements as at and for the year ended March 31, 2022**  
(All amounts in Rupees Million, unless otherwise stated)

49 Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April, 2021.

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date  
**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration No : 012754N/N500016

For and on behalf of the Board of Directors  
**API Holdings Limited**  
**(formerly known as API Holdings Private Limited)**  
CIN :U60100MH2019PLC323444.

Sd/-

Sd/-

Sd/-

**Nitin Khatri**  
Partner  
Membership No.: 110282

**Siddharth Shah**  
Managing Director and  
Chief Executive Officer  
DIN: 05186193

**Dharmil Sheth**  
Whole time Director  
DIN: 06999772

Sd/-

Sd/-

**Chebolu V Ram**  
Chief Financial Officer

**Drashti Shah**  
Company Secretary and  
Chief Compliance Officer  
Membership number: ACS22968

Place: Mumbai  
Date: September 13, 2022

Place: Mumbai  
Date: September 13, 2022

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of API Holdings Limited (formerly known as API Holdings Private Limited)**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

1. We have audited the accompanying consolidated financial statements of API Holdings Limited (formerly known as API Holdings Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate companies (refer Note 54(f) to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. 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 the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its associate companies as at March 31, 2022, of consolidated total comprehensive loss (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

#### **Basis for Opinion**

3. 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 Consolidated Financial Statements" section of our report. We are independent of the Group and its associate companies in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 12 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

#### **Other Information**

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report 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.

INDEPENDENT AUDITOR'S REPORT

To the Members of API Holdings Limited (formerly known as API Holdings Private Limited)

Report on the Consolidated Financial Statements

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 and the reports of the other auditors as furnished to us (Refer paragraph 12 below), 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.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate companies are responsible for assessing the ability of the Group and of its associate companies 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.
7. The respective Board of Directors of the companies included in the Group and of its associate companies are responsible for overseeing the financial reporting process of the Group and of its associate companies.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

8. 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

INDEPENDENT AUDITOR'S REPORT

To the Members of API Holdings Limited (formerly known as API Holdings Private Limited)

Report on the Consolidated Financial Statements

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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.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the 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 control 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 Holding company has adequate internal financial controls with reference to consolidated financial statements 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 and its associate companies 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 and its associate companies 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 and its associate companies 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 of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

To the Members of API Holdings Limited (formerly known as API Holdings Private Limited)

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10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.
11. 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.

**Other Matters**

12. We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of Rs. 15,830.02 million and net assets of Rs. 8,282.31 million as at March 31, 2022, total revenue of Rs. 8,433.34 million, total comprehensive loss (comprising of loss and other comprehensive income) of Rs. 919.83 million and net cash out flows amounting to Rs. 266.83 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 1.66 million for the year ended March 31, 2022 as considered in the consolidated financial statements, in respect of one associate company respectively, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate company and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, joint ventures and associate companies, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

13. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
14. 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the

INDEPENDENT AUDITOR'S REPORT

To the Members of API Holdings Limited (formerly known as API Holdings Private Limited)

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aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on March 31, 2022 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 with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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, if any, of pending litigations on the consolidated financial position of the Group and its associate companies– Refer Note 55 to the consolidated financial statements.
  - ii. The Group and its associate companies were not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group and its associate companies did not have any derivative contracts as at March 31, 2022.
  - iii. During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and its associate companies incorporated in India.
    - (a) The respective Managements of the Company, its subsidiaries and its associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates, respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries or its associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner

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whatsoever by or on behalf of the Company or any of such subsidiaries or its associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 60(f) to the consolidated financial statements);

- (b) The respective Managements of the Company, its subsidiaries and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates, respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries or associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries or associates shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 60(f) to the consolidated financial statements).
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- ii. The dividend declared during the year by the Holding Company, its subsidiary companies and its associate companies, is in compliance with Section 123 of the Act.

15. The Group and its associate companies have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number:012754N/N500016

Sd/-

Nitin Khatri  
Partner  
Membership Number: 110282

UDIN: 22110282ASBZEJ1160

Place: Mumbai

Date: September 13, 2022

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of API Holdings Limited (formerly known as API Holdings Private Limited) on the consolidated financial statements for the year ended March 31, 2022

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### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of API Holdings Limited (formerly known as API Holdings Private Limited) (hereinafter referred to as "the Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on, 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 ("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**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of API Holdings Limited (formerly known as API Holdings Private Limited) on the consolidated financial statements for the year ended March 31, 2022

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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.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

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

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

### **Opinion**

8. In our opinion, the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of API Holdings Limited (formerly known as API Holdings Private Limited) on the consolidated financial statements for the year ended March 31, 2022

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### **Other Matters**

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to three subsidiary companies and one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number:012754N/N500016

Sd/-  
Nitin Khatri  
Partner  
Membership Number: 110282

UDIN: 22110282ASBZEJ1160  
Place: Mumbai  
Date: September 13, 2022

API Holdings Limited (formerly known as API Holdings Private Limited)  
**Consolidated Balance Sheet as at March 31, 2022**  
(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	3,613.83	613.68
Capital work-in-progress	3(i)	69.59	2.50
Right-of-use assets	4	1,994.89	948.48
Goodwill	5	70,955.45	31,921.56
Other intangible assets	6	6,635.14	668.55
Intangible assets under development	6A	9.97	-
Investments in equity-accounted investees	7	2,965.22	-
<b>Financial assets</b>			
Investments	8	152.79	1.08
Other financial assets	9	380.11	114.02
Deferred tax assets (net)	10	168.16	16.75
Current tax assets (net) - Non-current	11	558.46	186.14
Other non-current assets	12	1,457.61	1,399.54
		<b>88,961.22</b>	<b>35,872.30</b>
<b>Current assets</b>			
Inventories	13	7,612.40	4,056.16
<b>Financial assets</b>			
Investments	14	1,261.53	8.06
Trade receivables	15	8,608.50	3,582.86
Cash and cash equivalents	16	1,543.97	2,295.45
Other bank balances	17	1,748.18	936.36
Loans	18	555.36	9.00
Other financial assets	19	757.24	421.34
Current tax assets (net)	20	-	2.35
Other current assets	21	2,934.87	1,869.56
		<b>25,022.05</b>	<b>13,181.14</b>
<b>Total assets</b>		<b>113,983.27</b>	<b>49,053.44</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	22	6,142.04	256.20
<b>Other equity</b>			
Instruments entirely in the nature of equity	23	-	115.47
Equity component of compound financial instruments	24	78.90	828.90
Reserves and surplus	24	60,751.91	33,193.24
<b>Equity attributable to owners</b>		<b>66,972.85</b>	<b>34,393.81</b>
Non-controlling interests		3,251.96	1,417.95
<b>Total equity</b>		<b>70,224.81</b>	<b>35,811.76</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	25	1,000.69	2,321.53
Lease liabilities	49	1,505.61	795.68
Other financial liabilities	26	1,528.19	7.80
Provisions	27	129.45	146.80
Deferred tax liabilities (net)	10	1,977.56	207.69
Contract liabilities	28	0.90	0.08
		<b>6,142.40</b>	<b>3,479.58</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	29	24,853.54	3,532.35
Lease liabilities	49	382.52	191.36
Trade payables			
-total outstanding dues of micro enterprises and small enterprises	30	185.67	115.77
-total outstanding dues of creditors other than micro enterprises and small enterprises	30	4,403.14	3,539.76
Other financial liabilities	31	5,965.89	1,351.05
Provisions	32	438.12	245.39
Current tax liabilities (net)	33	47.19	2.89
Other current liabilities	34	1,150.26	707.09
Contract liabilities	35	189.73	76.44
		<b>37,616.06</b>	<b>9,762.10</b>
<b>Total liabilities</b>		<b>43,758.46</b>	<b>13,241.68</b>
<b>Total equity and liabilities</b>		<b>113,983.27</b>	<b>49,053.44</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Consolidated Balance Sheet as at March 31, 2022**  
(All amounts in Rupees millions, unless otherwise stated)

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

**For Price Waterhouse Chartered Accountants LLP**  
**Firm's Registration No: 012754N/N500016**

**For and on behalf of the Board of Directors of**  
**API Holdings Limited**  
**(formerly known as API Holdings Private Limited)**  
CIN :U60100MH2019PTC323444

Sd/-

**Nitin Khatri**  
*Partner*  
Membership number: 110282

Sd/-

**Siddharth Shah**  
*Managing Director and Chief*  
*Executive Officer*  
DIN: 05186193

Sd/-

**Dharmil Sheth**  
*Whole time Director*  
DIN: 06999772

Sd/-

**Chebolu V Ram**  
*Chief Financial Officer*

Sd/-

**Drashti Shah**  
*Company Secretary and*  
*Chief Compliance Officer*  
Membership number: ACS22968

Place: Mumbai  
Date: **September 13, 2022**

Place: Mumbai  
Date: **September 13, 2022**

API Holdings Limited (formerly known as API Holdings Private Limited)  
Consolidated Statement of Profit and Loss for the year ended March 31, 2022  
(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Income</b>			
Revenue from operations	36	57,288.21	23,352.69
Other income	37	521.81	253.93
<b>Total income</b>		<b>57,810.02</b>	<b>23,606.62</b>
<b>Expenses</b>			
Cost of materials consumed	38	854.60	-
Purchase of stock-in-trade	39	52,566.12	22,668.17
Changes in inventories of stock-in-trade	40	(2,290.53)	(1,143.95)
Employee benefits expense	41	14,589.71	2,702.94
Finance costs	42	2,582.64	434.31
Depreciation and amortisation expense	43	1,587.85	329.01
Other expenses	44	15,025.51	4,818.80
<b>Total expenses</b>		<b>84,915.90</b>	<b>29,809.28</b>
<b>Loss before share of profit of associates, exceptional items and tax</b>		<b>(27,105.88)</b>	<b>(6,202.66)</b>
Share of profit of associates, net of tax		6.61	-
<b>Loss before exceptional items and tax</b>		<b>(27,099.27)</b>	<b>(6,202.66)</b>
<b>Exceptional items</b>	45		
- Impairment of goodwill (refer note 5A)		(12,671.00)	-
- Gain in fair value of contingent consideration		62.57	-
<b>Loss before tax</b>		<b>(39,707.70)</b>	<b>(6,202.66)</b>
<b>Tax expense</b>			
Current tax	46	342.74	46.68
Deferred tax charge/(credit)	46	(125.48)	164.02
<b>Total tax credit</b>		<b>217.26</b>	<b>210.70</b>
<b>Loss after tax</b>		<b>(39,924.96)</b>	<b>(6,413.36)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement gains / (losses) on defined benefit plans		105.98	(34.50)
Income-tax relating to above items		0.07	(0.41)
<b>Total other comprehensive income/ (loss) for the year</b>		<b>106.05</b>	<b>(34.91)</b>
<b>Total comprehensive loss for the year</b>		<b>(39,818.91)</b>	<b>(6,448.27)</b>
<b>Profit / Loss for the periods attributable to:</b>			
- Owners of the group		(40,276.98)	(6,361.89)
- Non controlling interest		352.02	(51.47)
		<b>(39,924.96)</b>	<b>(6,413.36)</b>
<b>Other comprehensive income / (loss) attributable to:</b>			
- Owners of the group		106.28	(34.27)
- Non controlling interest		(0.23)	(0.64)
		<b>106.05</b>	<b>(34.91)</b>
<b>Total comprehensive income / (loss) for the year attributable to:</b>			
- Owners of the group		(40,170.70)	(6,396.16)
- Non controlling interest		351.79	(52.11)
		<b>(39,818.91)</b>	<b>(6,448.27)</b>
<b>Loss per share (face value of Rs. 10 each) attributable to owners of the group</b>			
Basic	47	(7.28)	(2.67)
Diluted		(7.28)	(2.67)

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Consolidated Statement of Profit and Loss for the year ended March 31, 2022**  
(All amounts in Rupees millions, unless otherwise stated)

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

**For Price Waterhouse Chartered Accountants LLP**  
Firm's Registration No: 012754N/N500016

Sd/-

**Nitin Khatri**  
*Partner*  
Membership number: 110282

**For and on behalf of the Board of Directors of**  
**API Holdings Limited**  
**(formerly known as API Holdings Private Limited)**  
CIN :U60100MH2019PTC323444

Sd/-

**Siddharth Shah**  
*Managing Director and Chief*  
*Executive Officer*  
DIN: 05186193

Sd/-

**Dharmil Sheth**  
*Whole time Director*  
DIN: 06999772

Sd/-

**Chebolu V Ram**  
*Chief Financial Officer*

Sd/-

**Drashti Shah**  
*Company Secretary and*  
*Chief Compliance Officer*  
Membership number:  
ACS22968

Place: Mumbai  
Date: **September 13, 2022**

Place: Mumbai  
Date: **September 13, 2022**

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Consolidated Statement of Changes in Equity for the year ended March 31, 2022**  
 (All amounts in Rupees millions, unless otherwise stated)

**A. Equity Share Capital**

Particulars	Amount
Balance as at April 1, 2020	0.10
Reduction pursuant to scheme of amalgamation (refer note 22 (ii) (a))	(0.10)
Changes during the year	256.20
<b>Balance as at March 31, 2021</b>	<b>256.20</b>
Balance as at April 1, 2021	256.20
Changes during the year	5,885.84
<b>Balance as at March 31, 2022</b>	<b>6,142.04</b>

**B. Instrument entirely in the nature of equity**

Particulars	Amount
Balance as at April 1, 2020	-
Changes during the year	115.47
<b>Balance as at March 31, 2021</b>	<b>115.47</b>
Balance as at April 1, 2021	115.47
Changes during the year	(115.47)
<b>As at March 31, 2022</b>	<b>-</b>

**C. Other equity**

Particulars	Reserve and Surplus					Equity component of compound financial instruments	Money received against share warrants	Total Other equity	Non controlling interest	Total
	Securities premium reserve	Retained earnings	Capital reserve	Amalgamation deficit balance	Employee stock option outstanding					
<b>Balance as at April 1, 2020</b>	<b>9,367.50</b>	<b>(7,394.59)</b>	<b>1.30</b>	<b>6.96</b>	<b>386.00</b>	<b>78.90</b>	<b>16.25</b>	<b>2,462.32</b>	<b>0.01</b>	<b>2,462.33</b>
Profit / (loss) for the year	-	(6,361.89)	-	-	-	-	-	(6,361.89)	(51.47)	(6,413.36)
Other comprehensive income / (loss) (net of tax)	-	(34.27)	-	-	-	-	-	(34.27)	(0.64)	(34.91)
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>(6,396.16)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,396.16)</b>	<b>(52.11)</b>	<b>(6,448.27)</b>
<b>Transaction with owners in their capacity as owners</b>										
Equity component of instruments issued during the year	-	-	-	-	-	750.00	-	750.00	-	750.00
Issue of equity shares and instruments in the nature of equity	13,134.18	-	-	-	-	-	-	13,134.18	-	13,134.18
Issue of equity instruments as consideration for business combination	24,906.07	-	-	-	-	-	-	24,906.07	-	24,906.07
Bonus shares issued	(228.15)	-	-	-	-	-	-	(228.15)	-	(228.15)
Transaction cost on issue of equity instruments	(21.91)	-	-	-	-	-	-	(21.91)	-	(21.91)
Employee share based payment issued in business combination	-	-	-	-	268.70	-	-	268.70	-	268.70
Employee share based payment expense	-	-	-	-	568.08	-	-	568.08	-	568.08
Employee share options repurchased during the year	-	(86.18)	-	-	(136.19)	-	-	(222.37)	-	(222.37)
Adjustment on conversion of share warrants	-	(35.20)	-	-	-	-	(16.25)	(51.45)	-	(51.45)
Put liability recognised	-	(1,112.93)	-	-	-	-	-	(1,112.93)	-	(1,112.93)
Non-controlling interests on acquisition of businesses	-	-	-	-	-	-	-	-	1,470.06	1,470.06
Adjustment on account of amalgamation of Acquirer	-	-	-	(34.24)	-	-	-	(34.24)	-	(34.24)
<b>Balance as at March 31, 2021</b>	<b>47,157.69</b>	<b>(15,025.06)</b>	<b>1.30</b>	<b>(27.28)</b>	<b>1,086.59</b>	<b>828.90</b>	<b>-</b>	<b>34,022.14</b>	<b>1,417.96</b>	<b>35,440.10</b>
<b>Balance as at April 1, 2021</b>	<b>47,157.69</b>	<b>(15,025.06)</b>	<b>1.30</b>	<b>(27.28)</b>	<b>1,086.59</b>	<b>828.90</b>	<b>-</b>	<b>34,022.14</b>	<b>1,417.96</b>	<b>35,440.10</b>
Profit / (loss) for the year	-	(40,276.98)	-	-	-	-	-	(40,276.98)	352.02	(39,924.96)
Other comprehensive income / (loss) (net of tax)	-	106.28	-	-	-	-	-	106.28	(0.23)	106.05
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>(40,170.70)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40,170.70)</b>	<b>351.79</b>	<b>(39,818.91)</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Consolidated Statement of Changes in Equity for the year ended March 31, 2022**  
(All amounts in Rupees millions, unless otherwise stated)

<b>Transactions with owners in their capacity as owners</b>										
Reclassification of Non Controlling Interest to Employee Stock Option Outstanding*	-	-	-	-	1,093.93	-	-	1,093.93	(1,093.93)	-
Issue of equity shares and instruments in the nature of equity	67,314.51	-	-	-	-	-	-	67,314.51	-	67,314.51
Bonus shares issued	(5,583.67)	-	-	-	-	-	-	(5,583.67)	-	(5,583.67)
Transaction cost on issue of equity instruments	(131.57)	-	-	-	-	-	-	(131.57)	-	(131.57)
Transfer on exercise of stock option	935.70	-	-	-	(923.33)	-	-	12.37	18.00	30.37
Employee share based payment expense	-	-	-	-	6,300.45	-	-	6,300.45	-	6,300.45
Employee share options repurchased during the year	-	(352.59)	-	-	(506.17)	-	-	(858.76)	-	(858.76)
Adjustment on conversion during the year	-	-	-	-	-	(750.00)	-	(750.00)	-	(750.00)
Change in value of put liability	-	(417.89)	-	-	-	-	-	(417.89)	-	(417.89)
Non-controlling interests on acquisition of business	-	-	-	-	-	-	-	-	2,558.14	2,558.14
<b>Balance as at March 31, 2022</b>	<b>109,692.66</b>	<b>(55,966.24)</b>	<b>1.30</b>	<b>(27.28)</b>	<b>7,051.47</b>	<b>78.90</b>	<b>-</b>	<b>60,830.81</b>	<b>3,251.96</b>	<b>64,082.77</b>

\* Reclassification of Non Controlling Interest to Employee stock option outstanding pursuant to replacement of employee stock options of the subsidiary company with employee stock option of the holding company pursuant to the merger of subsidiary with the holding company. Refer note 52.

Significant accounting policies

2

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

**For Price Waterhouse Chartered Accountants LLP**  
Firm's Registration No: 012754N/N500016

Sd/-

**Nitin Khatri**

Partner

Membership number: 110282

**For and on behalf of the Board of Directors of**

**API Holdings Limited (formerly known as API Holdings Private Limited)**

CIN :U60100MH2019PTC323444

Sd/-

**Siddharth Shah**

Managing Director and Chief

Executive Officer

DIN: 05186193

Sd/-

**Dharmil Sheth**

Whole time Director

DIN: 06999772

Sd/-

**Chebolu V Ram**

Chief Financial Officer

Sd/-

**Drashti Shah**

Company Secretary and

Chief Compliance Officer

Membership number: ACS22968

Place: Mumbai

Date: September 13, 2022

Place: Mumbai

Date: September 13, 2022

API Holdings Limited (formerly known as API Holdings Private Limited)  
**Consolidated Statement of Cash Flows for the year ended March 31, 2022**  
(All amounts in Rupees millions, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A.Cash flow from operating activities</b>		
Loss before tax	(39,707.70)	(6,202.66)
<b>Adjustments for :</b>		
Depreciation and amortisation expenses	1,587.85	329.01
Finance costs	2,582.64	434.31
Net loss on sale of property, plant and equipment	6.19	1.32
Bad debts written off	3.61	16.26
(Gain)/loss on fair valuation of financial assets measured at fair value through profit and loss (net)	(91.51)	596.49
(Gain)/loss on sale of financial assets measured at fair value through profit and loss (net)	(27.70)	64.45
Gain in fair value of contingent consideration	(62.57)	-
Impairment of goodwill	12,671.00	-
Gain on termination of lease	(18.69)	(19.43)
Gain on modification of lease	(0.23)	-
Liabilities no longer required written back	(30.09)	(26.69)
Share based payment expense	6,300.45	568.08
Unwinding of interest on security deposits	(17.06)	(14.66)
Impairment allowance for doubtful advances and statutory dues	1,931.12	93.22
Expected credit loss provision on financial assets	347.60	54.22
Share of profit of equity accounted investees	(6.61)	-
Amortisation of financial guarantee liability	(9.28)	-
Sundry balance written off	71.06	-
Profit on sale of business undertaking	(21.30)	-
Interest income	(247.21)	(162.41)
<b>Operating loss before working capital changes</b>	<b>(14,738.43)</b>	<b>(4,268.49)</b>
<b>Changes in working capital:</b>		
(Increase)/decrease in other current and non-current financial assets	(2,409.99)	171.89
(Increase)/decrease in other current and non-current assets	(512.04)	(703.21)
(Increase)/decrease in trade receivables	(2,256.63)	(990.68)
(Increase)/decrease in inventories	(1,954.94)	(1,124.38)
Increase/(decrease) in other current and non-current financial liabilities	(3,530.67)	(269.67)
Increase/(decrease) in other current and non-current liabilities	283.58	(1,793.79)
Increase/(decrease) in trade payables	(183.36)	741.45
Increase/(decrease) in provisions	139.09	145.13
Increase/(decrease) in contract liabilities	114.11	71.74
<b>Cash generated from operations</b>	<b>(25,049.28)</b>	<b>(8,020.01)</b>
Income taxes paid (net)	(844.41)	(116.81)
<b>Net cash flow used in operating activities (A)</b>	<b>(25,893.69)</b>	<b>(8,136.82)</b>
<b>B.Cash flow from investing activities</b>		
Purchase of property, plant and equipment and Intangible assets	(1,430.99)	(308.83)
Proceeds from sale of property, plant and equipment and intangible assets	50.86	11.74
Investment made in equity instruments	(20.90)	(1.08)
Investment in equity-accounted investees	(2,548.00)	-
Investment in compulsorily convertible preference shares	(123.76)	-
Investment in mutual funds	(980.00)	(0.39)
Sale of mutual funds	803.90	-
Loans to related parties	(551.22)	-
(Increase)/decrease in other bank balances	(777.71)	(308.06)
Interest received	236.11	156.82
Sale of business undertaking	42.50	-
Consideration paid for business acquisitions (net of cash and cash equivalents acquired)	(52,592.85)	494.74
<b>Net cash flow used in investing activities (B)</b>	<b>(57,892.06)</b>	<b>44.94</b>
<b>C.Cash flow from financing activities</b>		
Proceeds from issue of equity instruments	63,521.76	7,077.17
Payment of share issue costs	(131.57)	(21.91)
Proceed from issue of instruments entirely in the nature of equity	47.89	-
Proceed from issue of compulsory convertible debentures	3,209.33	-
Repayment of long term credit facility	-	(151.25)
Payment of extinguishment of financial instruments	-	(64.45)
Proceeds from issue of instruments entirely in nature of equity	-	3,992.51
Employee share options bought-back during the period	(858.76)	(222.37)
Proceeds/(repayments) from short term borrowings	22,257.78	1,584.05
Repayment of long term borrowings	(4,163.05)	(1,772.41)
Proceeds from long term borrowings	2,066.18	339.01
Finance costs paid	(2,649.74)	(410.90)
Transactions with non controlling interest	-	(5.00)
Principal element of lease payments	(246.14)	(154.21)
<b>Net cash flow from financing activities (C)</b>	<b>83,053.68</b>	<b>10,190.24</b>
<b>Net cash flows during the year (A+B+C)</b>	<b>(732.07)</b>	<b>2,098.36</b>
Cash and cash equivalents (opening balance)	2,300.83	202.47
Cash and cash equivalents (closing balance)	<b>1,568.76</b>	<b>2,300.83</b>



## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

#### Note 1. Background

API Holdings Limited [formerly known as API Holdings Private Limited] ("API" or "the Company") is a public Company limited by shares, incorporated on March 31, 2019 and domiciled in India. The Company, its subsidiaries (collectively the "Group") and its associates, are engaged in diversified businesses primarily trading of pharmaceutical and cosmetic goods, licensing of internet portals or mobile applications related to sales and distribution of pharmaceutical and cosmetic goods, diagnostic services, teleconsulting etc. The registered address of the Company is 902, 9th Floor, Raheja Plaza 1, B-Wing, Opposite R-City Mall, L.B.S Marg, Ghatkopar (W) Mumbai 400086.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the annual general meeting of the shareholders of the Company held on October 1, 2021 and consequently the name of the Company has changed to API Holdings Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on October 28, 2021.

On August 27, 2020 (the "Effective Date"), the Scheme of Amalgamation of Thea Technologies Private Limited ("TTPL"), Swifto Services Private Limited ("SSPL") with 91Streets Media Technologies Private Limited ("91Streets") and 91Streets, Ascent Health and Wellness Solutions Private Limited ("Ascent"), Aahaan Commercials Private Limited ("ACPL") and Lokprakash Vidhya Private Limited ("LVPL") with API Holdings Limited ("API" or "the Company") and their respective shareholders (the "Scheme") became effective, pursuant to filing of the order of National Company Law Tribunal, Bench, Mumbai sanctioning the Scheme, with the Registrar of Companies, Mumbai.

Pursuant to the Scheme becoming effective, the erstwhile TTPL, SSPL (being subsidiaries of 91Streets) amalgamated into 91Streets, and 91Streets, Ascent, ACPL and LVPL amalgamated into the Company. Accordingly, these companies were dissolved without winding up and the entire business, assets, liabilities, undertaking, etc. of these companies were transferred to and now vests with the Company.

The Scheme has been accounted for as a business combination using the acquisition method of accounting under the provisions of Ind AS 103 Business Combinations with the Effective Date being the acquisition date. 91Streets has been determined to be the acquirer for accounting purposes. As a result, upon consummation of the Scheme, the historical consolidated financial statements of 91Streets have been included in the consolidated financial statements from the earliest period presented. The share capital as appearing in the consolidated financial statements is that of API Holdings Limited (the surviving entity in the amalgamation). Refer note 52 for details.

#### Note 2: Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated. These financial statements are for the group consisting of API Holdings Limited, its subsidiaries (collectively referred to as "Group") and its associates.

##### A. Basis of preparation

As at March 31, 2022, the current liabilities of the Group exceeds its current assets and the Group has incurred losses during the financial years ended March 31, 2022 and March 31, 2021. These consolidated financial statements have been prepared on a going concern basis, considering the business plan for 12 months from the reporting period as approved by Board of Directors of Holding Company and that of its subsidiaries and associates, which includes planned reduction in certain recurring costs (e.g. employee benefits, marketing and legal and professional fees, etc.), the results of operations subsequent to the financial year end being in line with the budget, funds raised subsequent to year end by issue of long term non-convertible debentures, cash credit facilities, equity commitment letters issued by certain existing shareholders and long term debt commitment by a debt fund.

##### (i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

## API Holdings Limited (formerly known as API Holdings Private Limited)

### Notes to consolidated financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 13 September 2022.

#### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) and contingent consideration (if any) is measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value; and
- share-based payments

#### (iii) New and amended standards adopted by the Group

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period ended March 31, 2022:

- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

The Group has applied the following amendments to the Schedule III Division II of the Companies Act 2013 while preparing the consolidated financial statements:

- Additional disclosures related to ageing of trade receivables, trade payables, unbilled revenue, capital work in progress, intangibles under developments etc.
- Additional disclosures related to title deeds of immovable properties, ratios, corporate social responsibility, loans given, utilisation borrowed funds and securities premium, reconciliation of returns submitted to banks with books of accounts, delay in registration of charges outstanding, promoter's shareholding, relationship with struck off companies, surrendered income, revaluation of Property, plant and equipment and valuation of investment properties, etc.
- Presentation of lease liabilities and current maturities of long-term borrowings in the financial statements. The Group has applied the above amendments to the extent applicable to these consolidated financial statements.

#### (iv) Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified. The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(v) **Use of estimates and judgements**

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements 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 revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

**Significant judgements:**

a) **Recognition of deferred tax assets:**

The Group recognises deferred tax assets only to the extent that it is probable that future taxable profits will be available against which the tax losses can be utilized. Estimation of the level of future taxable profits is therefore required to determine the appropriate carrying value of the deferred tax assets. Considering past losses, uncertainty of its ability to generate future taxable profit in the parent and certain subsidiaries, the Group has recognised deferred tax assets in the parent entity and certain subsidiaries only to the extent of deferred tax liabilities.

b) **Business combination:**

In accounting for business combinations, judgment is required in identifying the acquirer and acquiree for the purpose of business combination and whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and liabilities acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

c) **Investments**

A judgement is involved in determining whether the investor has a significant influence over the investee. It is dependent on various factors such as the quantum of investments, representation on board of directors or other governing bodies, participation in policy making processes, including decisions on dividend distributions, material transactions between investor and investee, interchange of managerial personnel or provision of essential technical information. The Group has determined that it has a significant influence over its investee, Marg ERP Limited, with 49% equity interest along with a call option on remaining equity interest which is exercisable at a future date. The Group does not have a significant influence over Aarman Solutions Private Limited considering, 19.99% equity interest in the investee with a written call on its entire interest in investee exercisable at fair value at any time, absence of board representation and absence of voting rights on policy making decisions.

d) **Going concern assessment**

The business plan for 12 months from reporting period end is based on management estimates of future revenue, planned reduction of recurring costs, equity and debt commitments which are based on information available upto the date of issue of these consolidated financial statements and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these

## API Holdings Limited (formerly known as API Holdings Private Limited)

### Notes to consolidated financial statements

judgments, estimates, and assumptions can materially affect the management assessment of the going concern.

Critical estimates:

a) Fair value of employee share options

The fair valuation of the employee share options is based on the Black-Scholes Model used for valuation of options. Key assumptions include expected volatility, share price, expected dividends, term and discount rate, under this pricing model.

b) Impairment of goodwill

The Company tests whether goodwill has suffered any impairment loss on an annual basis. The recoverable amount of the cash generating units (CGUs) is determined based on higher of value-in-use calculations or fair value less cost to sell which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management. Cash flows beyond the initial period are extrapolated using the estimated growth rates. The revenue or earnings multiples used in the fair value less cost to sale estimates are based on that of the comparable companies. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

(vi) Current/non-current classification

The Group classifies an asset as current when:

- it expects to realise the asset or intends to sell or consume it in normal operating cycle
- it holds the asset primarily for the purpose of trading
- it expects to realise the assets within twelve months after the reporting period, or
- the asset is Cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

The Group classifies a liability as current when:

- it expects to settle the liability in normal operating cycle
- it holds the liability primarily for the purpose of trading
- the liability is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

#### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

#### B. Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income, and expenses. Intercompany transactions, balances, and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet, respectively.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2(I) below.

When the Group ceases to consolidate or equity account an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

#### C. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director and Chief Executive Officer of the Company, which assesses the financial performance and position of the Group as a whole and makes strategic decisions, has been identified as the chief operating decision maker.

#### D. Foreign currency translation

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (Rupees), which is the functional and presentation currency of the Group.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

All the foreign exchange gains and losses are presented in the statement of profit and loss on a net basis with other income/other expenses as applicable.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as at FVOCI are recognised in other comprehensive income.

#### E. Revenue recognition

(i) Sale of goods

The Group sells a range of pharmaceutical and cosmetic goods. Sales are recognised when control of the products is transferred, which occurs when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts and goods and service tax. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) and a right to recover the returned goods (included in other current assets) are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level.

No significant element of financing is deemed present as the sales are made with a credit term consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sale of services

The Group provides services of delivery person, software, diagnostic services such as testing and imaging, and technology platform services. Revenue is recognised in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. Revenue from testing and imaging services is recognized at a point in time once the testing samples are processed for requisitioned diagnostic tests.

Some contracts include multiple performance obligations, such as the sale of hardware and sale of software. The hardware can be procured from any other party and does not include an integration service. It is therefore accounted for as a separate performance obligation. If contracts include the sale of hardware, revenue for the

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

hardware is recognised at a point in time when the hardware is delivered, the legal title has passed, and the customer has accepted the hardware. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices.

The customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. If the contract includes an hourly fee, revenue is recognised in the amount to which the Group has a right to invoice. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, goods and service tax.

Customers are invoiced on a periodic basis and consideration is payable when invoiced in accordance with the credit period.

#### (iii) Customer loyalty programme

The Group operates a loyalty programme where customers accumulate points for purchases made. A contract liability for the award points is recognised at the time of the sale. Revenue is recognised when the points are redeemed or when they expire. A contract liability is recognised until the points are redeemed or expire.

#### (iv) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money. No significant element of financing is deemed present as the sales are made with a credit term consistent with market practice.

### F. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### G. Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received

## API Holdings Limited (formerly known as API Holdings Private Limited)

### Notes to consolidated financial statements

- any initial direct costs, and
- restoration costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

#### H. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any noncontrolling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity,
- amount of pre-existing relationships with the acquiree, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

#### (I) Impairment of assets

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### (J) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### (K) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

#### (L) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

#### (M) Investments and other financial assets

##### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

##### (ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset.

##### (iii) Measurement

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### Notes to consolidated financial statements

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income/ other expenses.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income / other expenses. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other income/ other expenses in the period in which it arises. Interest income from these financial assets is included in other income.

#### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ other expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### (iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### (v) Derecognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

## API Holdings Limited (formerly known as API Holdings Private Limited)

### Notes to consolidated financial statements

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### (vi) Income recognition

**Interest income :** Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**Dividends :** Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

#### (N) Derivatives and hedging activities

Derivatives are only used for economic hedging purposes and not as speculative activities. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Group does not designate derivatives contracts as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/other expenses.

**Embedded derivatives :** Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109, Financial Instruments are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

#### (O) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

#### (P) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

- Computer hardware - 3 years
- Office equipment – 5 years
- Vehicles – 10 years
- Plant and machinery – 15 years
- Electric fittings/installation – 10 years

Leasehold improvements are depreciated, using the straight-line method, over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The useful lives have been determined by the management which is in accordance with those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.

The useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses.

#### (Q) Intangible assets

##### (i) Goodwill

Goodwill on acquisitions of subsidiaries and businesses is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity/business include the carrying amount of goodwill relating to the entity/business sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or group of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

##### (ii) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

#### (iii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (ii) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

#### (iv) Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following period:

- Customer relationship – 5 to 20 years
- Brand name – 20 years
- Technology platforms – 4 years
- Computer software – 3 years
- Non-compete arrangements – 5 years
- Other intangibles – 3 years

#### (R) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### (S) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of optionally convertible debentures is determined using a market interest rate for an equivalent non-convertible debenture. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income/ expenses.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### (T) Borrowing costs

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General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

#### (U) Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

#### (V) Employee benefits

##### (i) Short-term obligations

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

##### (ii) Other long-term employee benefit obligations

The Group has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### (iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Defined benefit plans

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### Notes to consolidated financial statements

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity and in the consolidated statement of assets and liabilities.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

#### (iv) Share-based payments

Share-based compensation benefits are provided to employees via Employee Stock Option Plans.

#### Employee options

The fair value of options granted under the Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The equity instruments generally vest in a graded manner over the vesting period. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Cancellation or settlements are accounted as an acceleration of vesting, and therefore recognised immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period.

If new equity instruments are granted to the employee and, on the date when those new equity instruments are granted, Group identifies the new equity instruments granted as replacement equity instruments for the cancelled equity instruments, the Group accounts for granting of replacement equity instruments in the same way as a modification of the original grant of equity instruments. When the terms of an equity-settled award are modified, the Group recognises as a minimum, the services received measured at the grant date fair value

## API Holdings Limited (formerly known as API Holdings Private Limited)

### Notes to consolidated financial statements

of the equity instruments granted, unless those equity instruments do not vest because of failure to satisfy a vesting condition (other than a market condition) that was specified at grant date. An additional expense is recognised for any modification that increases the total fair value of the share based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Payments made to the employee on the settlement of the options is accounted for as the repurchase of an equity interest, i.e. as a deduction from equity, except to the extent that the payment exceeds the fair value of the equity instruments granted, measured at the repurchase date. Any such excess is recognised as an expense and presented as cash flow from operating activities in the statement of cash flows. Any excess or shortfall between the repurchase date fair value and grant date fair value and excess in repurchase date fair value over the payments made is transferred to retained earnings. Amounts paid to the extent of the repurchase date fair value are presented as cash flow from financing activities in the statement of cash flows.

#### (W) Earnings per share

##### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

##### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### (X) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Consolidated Balance Sheet. The liabilities classified as held for sale are presented separately from other liabilities in the Consolidated Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Consolidated Statement of Profit and Loss.

## **API Holdings Limited (formerly known as API Holdings Private Limited)**

### Notes to consolidated financial statements

#### (Y) Put liability

The Group enters into business combination arrangements which may include terms where the Group has written put options or a purchased call option along with the written put, over the equity of a subsidiary which permit the holder to put their shares in the subsidiary back to the Group at the exercise price specified in the arrangement. The Group analyses the terms of such arrangements to assess whether they provide the Group or the non-controlling interest with access to the risks and rewards associated with the actual ownership of the shares.

The non-controlling interest is recognised only if risks and rewards associated with ownership have been retained by the non-controlling interest. In such case, the amount that may become payable under the option on its exercise is initially recognised at the present value of the redemption amount within other financial liabilities (presented as "Put Liability") with a corresponding charge directly to equity. Subsequent changes in put liability are recognised within equity.

If the risks and rewards associated with ownership are transferred to the Group, a non-controlling interest is not recognised. In such case, the put liability is recognised as part of the purchase consideration for the business combination with a corresponding effect on goodwill. The put liability is subsequently accreted through finance charges up to the redemption amount that is payable at the date at which the option first becomes exercisable. In the event that the option lapses unexercised, a non-controlling interest is then recognised at an amount equal to its share of the carrying values of the subsidiary's net assets at the date of lapse. Any difference between the put liability and the non-controlling interest is recognised within equity.

#### (Z) Contributed equity

Equity shares are classified as equity. Compulsory convertible instruments such as preference shares and/or debentures that will be or are expected to be settled in the Company's own equity instruments are classified as equity if they are expected to be settled into a fixed number of equity shares. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### (AA) Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in the financial statements.

#### (AB) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million Rupees as per the requirement of Schedule III, unless otherwise stated.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the consolidated financial statements (continued)  
(All amounts in Rupees millions, unless otherwise stated)

3 Property, plant and equipment

Particulars	Office equipments	Computer and hardware	Furniture and fixtures	Vehicles	Leasehold improvement	Plant and machinery	Electrical fittings / Installation	Building	Freehold Land	Total
<i>Gross Carrying amount</i>										
Balance as at April 1, 2020	80.05	140.93	80.53	3.12	71.37	-	-	-	-	376.00
Additions	98.11	56.53	70.40	0.95	55.66	5.71	6.70	-	-	294.06
Acquisition through business combination (refer note 52)	60.38	44.24	35.34	15.05	73.15	31.01	10.46	-	-	269.63
Disposals / adjustments	(36.01)	(21.33)	(10.15)	(0.66)	(0.59)	-	-	-	-	(68.74)
Balance as at March 31, 2021	202.53	220.37	176.12	18.46	199.59	36.72	17.16	-	-	870.95
Balance as at April 1, 2021	202.53	220.37	176.12	18.46	199.59	36.72	17.16	-	-	870.95
Additions	314.82	335.01	202.08	14.13	260.60	208.37	2.10	-	-	1,337.11
Acquisition through business combination (refer note 52)	62.52	23.61	163.04	17.66	9.52	766.06	-	1,048.76	154.00	2,245.17
Reclassification from assets held for sale	-	-	-	-	-	-	-	-	101.00	101.00
Disposals / adjustments	(13.49)	(19.89)	(5.04)	(1.29)	(15.68)	(58.17)	-	(3.20)	-	(116.76)
Balance as at March 31, 2022	566.38	559.10	536.20	48.96	454.03	952.98	19.26	1,045.56	255.00	4,437.47
<i>Accumulated depreciation</i>										
Balance as at April 1, 2020	34.68	74.25	25.20	1.18	32.06	-	-	-	-	167.37
Depreciation	44.45	47.73	18.43	1.64	17.19	0.37	2.79	-	-	132.60
Disposals / adjustments	(21.51)	(17.25)	(3.49)	(0.20)	(0.25)	-	-	-	-	(42.70)
Balance as at March 31, 2021	57.62	104.73	40.14	2.62	49.00	0.37	2.79	-	-	257.27
Balance as at April 1, 2021	57.62	104.73	40.14	2.62	49.00	0.37	2.79	-	-	257.27
Depreciation	130.79	163.98	94.03	9.87	69.58	122.61	4.18	32.13	-	627.17
Disposals / adjustments	(7.74)	(6.90)	(1.07)	(1.11)	(12.09)	(31.19)	-	(0.70)	-	(60.80)
Balance as at March 31, 2022	180.67	261.81	133.10	11.38	106.49	91.79	6.97	31.43	-	823.64
Net carrying value as on March 31, 2021	144.92	115.64	135.98	15.84	150.59	36.35	14.37	-	-	613.68
Net carrying value as on March 31, 2022	385.71	297.29	403.10	37.58	347.54	861.19	12.29	1,014.13	255.00	3,613.83

Refer Note 29 for details of assets pledged as security towards secured loan from banks and financial institutions.

3(i) Capital work-in-progress \*

Particulars	Amount
Balance as at April 1, 2020	-
Addition during the year	2.50
Capitalised during the year	-
Balance as at March 31, 2021	2.50
Balance as at April 1, 2021	2.50
Addition during the year	272.69
Acquisition through business combination (refer note 52)	18.60
Capitalised during the year	(224.20)
Balance as at March 31, 2022	69.59

\* Capital work-in-progress consists projects which are for periods less than one year.  
Capital work-in-progress includes various capital expenditure carried out at new warehouses taken on lease.  
All the projects are in progress as of the respective balance sheet dates.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the consolidated financial statements (continued)  
(All amounts in Rupees millions, unless otherwise stated)

3(ii) Assets held for sale	Freehold land	Amount
<b>Particulars</b>		
<b>Balance as at April 1, 2020</b>	-	-
Addition during the year	-	-
Disposals during the year	-	-
<b>Balance as at March 31, 2021</b>	-	-
<b>Balance as at April 1, 2021</b>	-	-
Addition during the year	-	-
Acquisition through business combination (refer note 52)	101.00	101.00
Disposals during the year	-	-
Reclassification to property, plant and equipment #	(101.00)	(101.00)
<b>Balance as at March 31, 2022</b>	-	-

# Freehold land previously classified as held for sale has been reclassified to property, plant and equipment since management has decided to derive the economic benefits from continuing use of such asset rather than its sale.

**4 Right of use asset (refer note 49)**

This note provides information for leases where the Group is a lessee. The Group leases various offices and warehouses. Rental contracts are typically made for the fixed periods of 3 to 9 years, but may have extension options.

**(i) Amount recognised in consolidated balance sheet**

The balance sheet shows the following amount relating to leases:

Particulars	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Right of use assets</b>				
Buildings	1,669.21	948.48		
Leasehold land	194.68	-		
Plant and Machinery	131.00	-		
	<b>1,994.89</b>	<b>948.48</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Lease Liabilities</b>				
Current	382.52	191.36		
Non-current	1,505.61	795.68		

**(ii) Note : Details pertaining to right-of-use assets**

Particulars	For the year ended			For the year ended		
	March 31, 2022			March 31, 2021		
	Buildings	Leasehold land	Plant and Machinery	Buildings	Leasehold land	Plant and Machinery
Additions to the right of use assets	1,136.59	-	-	289.28	-	-
Additions through business combination (refer note 52)	107.55	196.86	144.30	684.27	-	-
Depreciation of Right-of-use assets	356.45	2.18	11.14	140.41	-	-

**(iii) Extension and termination options:**

Extension and termination options are included in certain leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in Group's operations. In certain cases, extension and termination options held are exercisable only by the Group.

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the consolidated financial statements (continued)**  
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**5 Goodwill**

Particulars	Amount
<i>Gross Carrying amount</i>	
Balance as at April 1, 2020	6.75
Addition during the year	31,914.81
<b>Balance as at March 31, 2021</b>	<b>31,921.56</b>
<hr/>	
Balance as at April 1, 2021	31,921.56
Addition during the year	51,704.89
<b>Balance as at March 31, 2022</b>	<b>83,626.45</b>
<i>Accumulated Impairment</i>	
Balance as at April 1, 2020	-
Impairment during the year	-
<b>Balance as at March 31, 2021</b>	<b>-</b>
<hr/>	
Balance as at April 1, 2021	-
Impairment during the year	12,671.00
<b>Balance as at March 31, 2022</b>	<b>12,671.00</b>
<hr/>	
Net carrying value as on March 31, 2021	31,921.56
Net carrying value as on March 31, 2022	70,955.45

**5A Impairment of non financial assets**

For impairment testing, goodwill acquired through business combinations has been allocated to the Distribution to Chemist/ institutions, Distribution to Retailers, IT operations and Diagnostics CGUs.

Following are the details with respect to carrying amount of goodwill allocated to various CGUs:

Particulars	For the year ended 31 March 2022		
	Gross carrying value	Impairment	Net carrying value
Distribution to Chemist/ institutions	14,464.22	1,858.87	12,605.35
Distribution to Retailers	10,448.46	-	10,448.46
IT operations	9,158.67	6,575.09	2,583.58
Diagnostics	49,555.10	4,237.04	45,318.06
<b>Total</b>	<b>83,626.45</b>	<b>12,671.00</b>	<b>70,955.45</b>

Particulars	For the year ended 31 March 2021		
	Gross carrying value	Impairment	Net carrying value
Distribution to Chemist/ institutions	5,657.34	-	5,657.34
Distribution to Retailers	17,105.55	-	17,105.55
IT operations	9,158.67	-	9,158.67
Diagnostics	-	-	-
<b>Total</b>	<b>31,921.56</b>	<b>-</b>	<b>31,921.56</b>

The Group performed its annual impairment test as of the reporting date for year ended 31 March 2022 and 31 March 2021. Basis the said testing it has been determined that goodwill has been impaired in case of Distribution to Chemist/ institutions, IT operations and Diagnostics CGUs as of 31 March 2022. Considering the outlook of the current economic environment and other macro economic factors, management has drawn an operating plan in light of the latest available information. Basis the operating plan, a downward revision to projections was necessitated and accordingly, it has been determined that an impairment would be required to be considered in the financial statements.

**Distribution to Retailers CGU**

Distribution to retailers typically includes selling goods to the registered sellers on the PharmEasy marketplace. The recoverable amount of the Distribution to Retailers CGU as at 31 March 2022 has been determined using the fair value less cost to sell ('FVLCTS') approach. FVLCTS (level 3) is determined by an independent valuer using revenue based multiples derived from comparable listed companies in the world. Basis the valuation carried out, the Group has determined that no impairment is required to be recognised since the recoverable amount of the CGU is greater than its carrying amount. Sensitivity analysis performed around the base assumptions do not indicate any reasonable possible change in key assumptions that would cause the recoverable amount of the this CGU to be less than their respective carrying value.

**IT operations CGU**

IT operations includes operations related to technology platform and sale of software. The recoverable amount of the IT operations CGU, Rs 2,864.82 millions as at 31 March 2022, has been determined using the fair value less cost to sell ('FVLCTS') approach. FVLCTS (level 3) is determined by an independent valuer using venture capital ('VC') method. VC method is most common approach to value young / pre-revenue companies. It is valuation based on expectation of venture capital investor. Investors will seek a return equal to some multiple of their initial investment or will seek to achieve a specific internal rate of return based upon the level of risk they perceive in the venture. VC method incorporates this understanding and uses the relevant time frame in discounting a future value attributable to the firm. As a result, management has recognised an impairment charge of Rs 6,575.09 millions in the current year against goodwill, previously carried at Rs 9,158.67 millions. The impairment charge is recorded in the statement of profit and loss and presented as an exceptional item.

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
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**Distribution to Chemist/ institutions CGU**

Distribution to Chemist/ institutions typically includes selling goods to the pharmacies and hospitals, both directly as well as using technology provided by Retailio. The recoverable amount of the Distribution to Chemist/ institutions CGU, Rs 23,944.12 millions as at 31 March 2022, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by the management covering a five-year period. The projected cash flows have been updated to reflect the current market situation. These projected cash flows are discounted to the present value using a weighted average cost of capital (discount rate). The discount rate is commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic conditions. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 17.62% (31 March 2021: 18.14%) and cash flows beyond the five-year period are extrapolated using a 4.00% growth rate (31 March 2021: 3.00%) that is the same as the long-term average growth rate for similar companies in the industry. As a result of this analysis, management has recognised an impairment charge of Rs 1,858.87 millions in the current year against goodwill, previously carried at Rs 14,464.22 millions. The impairment charge is recorded in the statement of profit and loss and presented as an exceptional item.

**Diagnostics CGU**

Diagnostic services are provided to hospitals, diagnostic companies, independent phlebotomists and consumers including on PharmEasy marketplace. The recoverable amount of the Diagnostics CGU, Rs 46,067.00 millions as at 31 March 2022, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by the management covering a five-year period. The projected cash flows have been updated to reflect the current market situation. These projected cash flows are discounted to the present value using a weighted average cost of capital (discount rate). The discount rate is commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic conditions. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 14.53% (31 March 2021: NA) and cash flows beyond the five-year period are extrapolated using a 5.00% growth rate (31 March 2021: NA) that is the same as the long-term average growth rate for similar companies in the industry. As a result of this analysis, management has recognised an impairment charge of Rs 4,237.04 millions in the current year against goodwill, previously carried at Rs 49,555.10 millions. The impairment charge is recorded in the statement of profit and loss and presented as an exceptional item.

Following key assumptions were considered while performing impairment testing :-

Particulars	As at March 31, 2022		As at March 31, 2021	
	Distribution to Chemist/ institutions	Diagnostics	Distribution to Chemist/ institutions	Diagnostics
Terminal growth rate	4%	5%	3%	-
Revenue growth rate	15% to 35%	15% to 25%	10% to 20%	-
Weighted Average Cost of Capital % (WACC) (Discount rate)	17.62%	14.53%	18.14%	-

**Sensitivity Analysis:**

The table below provides the revised value of recoverable amount for any reasonable possible change in key assumptions:

Particulars	Carrying value of CGU	Decrease in revenue by 1%	Increase in discount rate by 0.25%	Decrease in terminal growth rate by 0.25%	Decrease in revenue multiple by 1%
Distribution to Chemist/ institutions CGU	25,802.99	21,466.21	23,166.11	23,587.12	-
Diagnostics CGU	53,697.75	47,557.01	47,732.43	48,083.96	-
IT operations CGU	9,439.91	-	2,841.07	-	2,836.18

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API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the consolidated financial statements (continued)  
(All amounts in Rupees millions, unless otherwise stated)

6 Other intangible assets

Particulars	Computer software	Brand Name	Technology platform	Other intangibles	Customer Contract Relationship	Non Compete agreement	Total intangible assets
<i>Gross Carrying amount</i>							
Balance as at April 1, 2020	32.36	-	-	12.71	-	-	45.07
Additions	6.54	0.16	7.00	0.78	-	-	14.48
Acquisition through business combination (refer note 52)	20.53	312.98	304.20	50.80	-	-	688.51
Disposals / adjustments	(1.07)	-	-	-	-	-	(1.07)
<b>Balance as at March 31, 2021</b>	<b>58.36</b>	<b>313.14</b>	<b>311.20</b>	<b>64.29</b>	-	-	<b>746.99</b>
Balance as at April 1, 2021	58.36	313.14	311.20	64.29	-	-	746.99
Additions	53.15	-	-	-	-	-	53.15
Acquisition through business combination (refer note 52)	20.14	1,584.87	353.63	-	4,488.19	58.60	6,505.43
Disposals / adjustments	(1.32)	-	-	-	-	-	(1.32)
<b>Balance as at March 31, 2022</b>	<b>130.33</b>	<b>1,898.01</b>	<b>664.83</b>	<b>64.29</b>	<b>4,488.19</b>	<b>58.60</b>	<b>7,304.25</b>
<i>Accumulated amortisation</i>							
Balance as at April 1, 2020	17.91	-	-	5.59	-	-	23.50
Amortisation expenses	8.84	18.49	14.48	14.19	-	-	56.00
Disposals / adjustments	(1.07)	-	-	-	-	-	(1.07)
<b>Balance as at March 31, 2021</b>	<b>25.68</b>	<b>18.49</b>	<b>14.48</b>	<b>19.78</b>	-	-	<b>78.43</b>
Balance as at April 1, 2021	25.68	18.49	14.48	19.78	-	-	78.43
Amortisation expenses	31.54	141.24	113.28	5.16	284.05	15.64	590.91
Disposals / adjustments	(0.23)	-	-	-	-	-	(0.23)
<b>Balance as at March 31, 2022</b>	<b>56.99</b>	<b>159.73</b>	<b>127.76</b>	<b>24.94</b>	<b>284.05</b>	<b>15.64</b>	<b>669.11</b>
<b>Net carrying value as on March 31, 2021</b>	<b>32.68</b>	<b>294.65</b>	<b>296.72</b>	<b>44.51</b>	-	-	<b>668.55</b>
<b>Net carrying value as on March 31, 2022</b>	<b>73.34</b>	<b>1,738.28</b>	<b>537.07</b>	<b>39.35</b>	<b>4,204.14</b>	<b>42.96</b>	<b>6,635.14</b>

Refer Note 29 for details of assets pledged as security towards secured loan from banks and financial institutions.

6A Intangible assets under development

Particulars	Amount
Balance as at April 1, 2020	3.50
Addition during the year	-
Capitalised during the year	(3.50)
<b>Balance as at March 31, 2021</b>	<b>-</b>
Balance as at April 1, 2021	-
Addition during the year	27.50
Acquisition through business combination (refer note 52)	17.73
Capitalised during the year	(35.26)
<b>Balance as at March 31, 2022 (refer note (ii) below)</b>	<b>9.97</b>

Note:

- (i) Capitalised development costs are recorded as intangible assets and are amortised from the point at which the asset is available for use.  
(ii) This represents cost towards development of the Company's inhouse software called OMS Software for Inventory Management including tracking of inventory and stock report.  
(iii) During the year, the Group has capitalised Rs 25.36 million (31 March 2021: Nil) relating to various module of the OMS software available for use in the live environment.  
Also, during the year, the Group has capitalised Rs 9.90 million (31 March 2021: Nil) towards SAP Integration.

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**API Holdings Limited (formerly known as API Holdings Private Limited)**

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(All amounts in Rupees millions, unless otherwise stated)

**7 Investments in Equity accounted investees**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investments in equity instruments (unquoted) - measured at equity method</b>		
429,185 (31 March 2021: Nil) equity shares of Rs 10 each fully paid up of Equinox Labs Private Limited	209.20	-
650,000 (31 March 2021: Nil) equity shares of ₹ 10 each fully paid up in Impex Healthcare Private Limited	206.36	-
49,17,499 (31 March 2021: Nil) Equity Shares of Rs 10 each, fully paid of Marg ERP Limited *	2,549.66	-
	<b>2,965.22</b>	<b>-</b>

\* This comprises Goodwill of Rs. 2,347.93 million (31 March 2021: Nil)

In addition to the investment in Marg ERP Limited, the Group entered into separate agreements with noncontrolling shareholders, whereby the Group holds a call option to purchase shares held by those shareholders (representing 50.64% equity interest) if specified EBITDA thresholds are not met by end of the specified period in the respective agreements. These shareholders, in turn, hold a put option to put the shares to the Group at any time by end of the specified period defined in these agreements.

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	2,965.22	-
Aggregate amount of impairment in value of investments	-	-

(i) The above Associates are unlisted entities, hence quoted price is not available.

(ii) Equinox Labs Private Limited is engaged in the business of testing and analysis of food, water and air samples. This business complements business of diagnostic services.

(iii) Impex Healthcare Private Limited is engaged in diagnostic imaging services. The services complements Group's diagnostic services.

(iv) Marg ERP Limited is engaged in providing ERP solutions to entities in healthcare sector. Its products complements Group's distribution of pharmaceutical goods business.

**8 Investments (Non-current)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investments in equity instruments (unquoted) - measured at fair value through profit and loss</b>		
Nil (31 March 2021: 20,080) equity shares of Thane Janta Sahakari Bank of Rs 50 each, fully paid-up**	-	1.08
10 Equity Shares (31 March 2021: Nil) of Health Arx Technologies Private Limited of Rs 10 each, fully paid-up	0.01	-
19,99,000 (31 March 2021: Nil) Equity Shares of Rs 10 each, fully paid of Aarman Solutions Private Limited (refer note 54(e))	20.89	-
<b>Other Investments (unquoted) - measured at fair value through profit and loss</b>		
79,96,000 (31 March 2021: Nil) Compulsory Convertible Preference Shares of Rs 10 each, fully paid of Aarman Solutions Private Limited (refer note 54 (e))	83.56	-
31,990 (31 March 2021: Nil) Compulsory Convertible Preference Shares of Health Arx Technologies Private Limited of Rs 10 each, fully paid-up	43.63	-
305 (31 March 2021: Nil) Compulsory Convertible Preference Shares of Rs 10 each, fully paid Prost Technologies Private Limited	4.70	-
	<b>152.79</b>	<b>1.08</b>

\*\* During the year ended 31 March 2022 the Group has classified investments in equity shares of Thane Janta Sahakari Bank from Non-current to Current Investments.

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	152.79	1.08
Aggregate amount of impairment in value of investments	-	-

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9 Other financial assets (Non-current)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposit	280.68	94.11
Margin money deposits *	-	1.06
Bank deposits with more than 12 months remaining maturity **	92.47	14.03
Interest accrued on bank deposit	1.96	0.48
Receivable on business transfer	5.00	4.34
	<b>380.11</b>	<b>114.02</b>

Details of bank deposits

Bank deposits due to mature after 12 months of the reporting date	92.47	15.09
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\* Margin money deposit is subject to first charge to secure the Group's overdraft facilities from bank. Outstanding balance on credit card from bank are secured by lien on fixed deposits of Rs. Nil (31 March 2021: Rs 1.06 million).

\*\* (i) Refer Note 29 for details of assets pledged as security towards secured loan from banks and financial institutions.

(ii) Bank Deposits of Rs. 34.60 million (31 March 2021: Rs. Nil) are with the Banks against the Bank Guarantees issued to customers for execution of tenders.

10 Deferred tax assets (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets (refer note 46)	168.16	16.75
Deferred tax liabilities (refer note 46)	(1,977.56)	(207.69)
Net deferred tax assets / (liabilities)	<b>(1,809.40)</b>	<b>(190.94)</b>

11 Non current tax assets (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income-tax (net of provision for taxes)	558.46	186.14
	<b>558.46</b>	<b>186.14</b>

12 Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	12.90	-
Balances with government authorities	1,255.94	1,368.88
Less : Provision for doubtful balances with government authorities	(19.34)	-
Capital advances	192.21	7.16
Trade advance	15.90	23.50
	<b>1,457.61</b>	<b>1,399.54</b>

13 Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Stock in trade	7,363.05	4,045.76
Stores and consumables	249.35	10.40
	<b>7,612.40</b>	<b>4,056.16</b>

Note:

- Inventories of traded goods include stock-in-transit of Rs. 258.12 million (31 March 2021: Rs. 330.33 million)
- Write-downs of expiry items amounted to Rs. 137.25 million (31 March 2021: Rs. 30.65 million)
- Write-down of inventories to its net realisable value amounted to Rs. 88.41 million (31 March 2021: Rs. Nil)
- The Group has provided exclusive charge over its inventories as a security against the secured borrowing of certain subsidiaries. Refer Note 29 for details of assets pledged as security towards secured loan from banks and financial institutions.

14 Current investments

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current investments at fair value through profit or loss (FVTPL)</b>		
<b>Investment in equity shares</b>		
20,080 (31 March 2021: Nil) equity shares of Thane Janta Sahakari Bank of Rs 50 each, fully paid-up.	1.00	-
<b>Investment in mutual funds</b>	1,260.53	8.06
	<b>1,261.53</b>	<b>8.06</b>

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Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investments	1,260.53	-
Aggregate market value of quoted investments	1,260.53	-
Aggregate amount of unquoted investments	1.00	8.06
Aggregate amount of impairment in value of investments	-	-

15 Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Billed</b>		
Trade receivable - Unsecured, considered good	8,814.04	3,632.99
Trade receivables - Secured, considered good	54.90	-
Trade receivable - Unsecured, considered doubtful	228.73	-
<b>Unbilled</b>		
Trade receivable - Unsecured, considered good	19.04	-
Less: Loss allowance	(508.21)	(50.13)
	<b>8,608.50</b>	<b>3,582.86</b>
<b>Break-up of security details</b>		
(a) Trade receivables considered good - secured	54.90	-
(b) Trade receivables considered good - unsecured	8,833.08	3,632.99
(c) Trade receivables which have significant increase in credit risk	-	-
(d) Trade receivables - credit impaired	228.73	-
	9,116.71	3,632.99
Less: Loss allowance	(508.21)	(50.13)
	<b>8,608.50</b>	<b>3,582.86</b>

Note:

- (i) Refer Note 29 for details of assets pledged as security towards secured loan from banks and financial institutions.  
(ii) Refer note 51 for balances with related parties  
(iii) Refer note 56 for ageing of trade receivables

16 Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Cash and cash equivalents</b>		
Cash on hand	28.75	18.05
Cheques in hand	3.03	83.04
Balances with banks		
in current accounts	1,512.09	694.36
in deposit accounts	0.10	1,500.00
	<b>1,543.97</b>	<b>2,295.45</b>
<b>Details of bank balances / deposits</b>		
Bank deposits with original maturity of 3 months or less included under 'Cash and cash equivalents' *	0.10	1,500.00

\* There are no repatriation restrictions with regard to cash and cash equivalents as at the end of each balance sheet date.

Refer Note 29 for details of assets pledged as security towards secured loan from banks and financial institutions.

17 Other bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
in deposit accounts with remaining maturity of less than 12 months	1,705.77	928.06
Earmarked funds with banks #	42.41	8.30
<b>Total other bank balances</b>	<b>1,748.18</b>	<b>936.36</b>

Details of bank balances / deposits

Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances' \*\*

\*\* Includes deposits marked as security for the facilities mentioned below:

- (i) Bank deposits of Rs. 2.80 million are with the banks against the bank guarantees issued to customers for execution of tenders (31 March 2021: Nil).  
(ii) Refer Note 29 for details of assets pledged as security towards secured loan from banks and financial institutions.  
(iii) One of the subsidiary has availed corporate credit card facility from bank against the fixed deposit of Rs. 0.30 million (31 March 2021: Nil)

# Earmarked funds with banks represent Bank Account which is held by the Group for the purpose of pooling the monies collected from all the customers and facilitating the subsequent payouts to the Service provider.

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18 Loans (Current)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<i>Unsecured, considered good</i>		
Loan to associates*	551.22	-
Loan to employees	4.14	-
Loan to others**	-	9.00
	<b>555.36</b>	<b>9.00</b>
<b>Break-up of security details</b>		
(a) Loan receivables considered good - secured	-	-
(b) Loans receivables considered good - unsecured	555.36	9.00
(c) Loans receivables which have significant increase in credit risk	-	-
(d) Loans receivable - credit impaired	-	-
Less: Allowance for doubtful loans	-	-
	<b>555.36</b>	<b>9.00</b>

\* Loan to associates have been given to meet their working capital requirements

\*\* One of the subsidiary has given loan to body corporate of Rs. Nil (31 March 2021: Rs 9 million) (repayable on demand) @ 9% p.a. for the purpose of meeting its working capital requirements.

19 Other financial assets (Current)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<i>Unsecured, considered good</i>		
Security deposits	116.13	47.71
Interest accrued but not due	17.33	6.23
User receivables	-	8.04
Wallet balance	9.64	2.96
Claims receivable from supplier	551.68	257.69
Other receivables*	24.69	97.95
Unbilled receivables	-	0.76
Margin money deposits**	10.00	-
Business advance recoverable in cash	14.92	-
<i>Unsecured, considered doubtful</i>		
Claims receivable from supplier	169.04	-
Less: Provision for claims receivable from supplier	(169.04)	-
Other receivables	2.74	-
Less: Allowance for doubtful receivables	(2.74)	-
Security Deposit	13.43	4.09
Less: Allowance for doubtful deposits	(13.36)	(4.09)
	<b>757.24</b>	<b>421.34</b>

\*Other receivables mainly comprises reimbursement of expenses recoverable from certain shareholders and amount collected by delivery persons on behalf of Retailers for its subsequent payments to the Retailers. Corresponding liability is included in other current financial liabilities (refer note 31).

\*\* Pertains to margin money deposit of Rs 10 million given as security for debentures issued to Stride Ventures.

20 Current tax assets (net)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Advance income-tax (net of provision for taxes)	-	2.35
	<b>-</b>	<b>2.35</b>

21 Other current assets

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balances with government authorities	2,641.56	926.66
Less: Provision for balance with government authorities	(1,734.76)	(26.68)
Advances to suppliers	1,006.50	394.75
Less: Provision for advance to suppliers	(171.02)	(35.45)
Advances to employees	24.80	21.13
Other advances	16.64	30.28
Right to recover returned goods	833.63	440.19
Prepaid expenses	189.02	118.68
Indemnification asset	128.50	-
	<b>2,934.87</b>	<b>1,869.56</b>

Note:

(i) Refer Note 29 for details of assets pledged as security towards secured loan from banks and financial institutions.

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22 Share capital

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised</b>		
<b>Equity shares</b>		
10,04,81,89,000 equity shares of Re. 1/- each (31 March 2021 - 4,70,00,000 equity shares of Rs.10 each)	10,048.19	470.00
	<b>10,048.19</b>	<b>470.00</b>
<b>Issued, subscribed and fully paid up</b>		
<b>Equity shares</b>		
6,14,20,41,070 equity shares of Re. 1/- each (31 March 2021 - 25,620,120 equity shares of Rs. 10 each)	6,142.04	256.20
	<b>6,142.04</b>	<b>256.20</b>

(i) Reconciliation of the number of shares outstanding at the beginning and at end of the reporting year

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
Shares outstanding at the beginning of the year	25,620,120	256.20	10,000	0.10
Share capital reduced pursuant to scheme of amalgamation (Refer note (ii) (a) below)	-	-	(10,000)	(0.10)
Issued during the year pursuant to Scheme of Amalgamation (Refer note (ii) (b) below)	-	-	868,337	8.68
Conversion of Compulsorily Convertible Debentures (CCD IV, V, VI, VII & VIII) into Equity {Refer note (ii) (c) below}	2,167,332	21.67	64,731	0.65
Conversion of share warrants (Refer note (ii) (d) below)	-	-	178,192	1.78
Bonus issued during the year (refer note (ii) (e)(i) below)	-	-	22,814,598	228.15
New issue during the year {refer note ii (g) below}	10,979,231	109.79	1,694,262	16.94
Conversion of Compulsorily Convertible Debentures (CCD IX) into Equity {Refer note (ii) (d) below}	401,712	4.02	-	-
Conversion of Compulsorily Convertible Preference Shares (CCPS) into Equity {Refer note (ii) (e)(ii) below}	16,264,768	162.65	-	-
Conversion of Optional Convertible Redeemable Debentures (OCRD) into Equity {Refer note (ii) (f) below}	4,200	0.04	-	-
Bonus shares issued {refer note ii (h) below}	554,373,630	5,543.74	-	-
<b>Pre sub division of equity shares</b>	<b>609,810,993</b>	<b>6,098.11</b>	<b>25,620,120</b>	<b>256.20</b>
Pursuant to sub-division of equity shares of Rs.10 each into equity share of Re 1 each {refer note ii (i) below}	6,098,109,930	6,098.11	-	-
New issue during the year {refer note ii (j) below}	43,931,140	43.93	-	-
<b>Shares outstanding at the end of the period</b>	<b>6,142,041,070</b>	<b>6,142.04</b>	<b>25,620,120</b>	<b>256.20</b>

(ii) Note :

- (a) Pursuant to the scheme of amalgamation (refer note 52), 10,000 equity shares held by existing shareholders stand cancelled without any payment. Accordingly, the share capital of the Company stand reduced to the extent of the face value of shares held by existing shareholders as on the Appointed date.
- (b) Pursuant to the scheme of amalgamation (refer note 52), 8,68,337 equity shares have been allotted to the shareholders of 91Streets Media Technologies Private Limited ("91Streets"), Aahaan Commercials Private Limited ("ACPL"), Lokprakash Vidhya Private Limited ("LVPL") and Ascent Health and Wellness Solutions Private Limited ("AHPL").
- (c) During the year ended 31 March, 2021, pursuant to its Board Resolution dated 25 March 2021 and 26 March 2021, the Company has converted 21,577 fully paid-up CCDs issued to founders into 64,731 equity shares, having face value of Rs. 10/- each, at a premium of approximately Rs. 1,471.10/- per equity share in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every 1 fully paid CCD for the year ended March 31, 2021. During the year ended 31 March 2022, pursuant to its Board Resolution dated 01 July 2021, 13 August 2021, 04 September 2021, 15 September 2021, and 30 September 2021, the Company has converted 722,444 of its fully paid Compulsory Convertible Debentures (CCD) into 21,67,332 Equity shares having face value of Rs 10 each, in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every 1 fully paid CCD.
- (d) (i) The Company has issued and allotted fully paid-up 89,096 CCPS VII and fully paid-up 1,78,192 equity shares for an aggregate consideration of Rs. 162.5 million on account of exercise of fully paid warrants for the year ended 31 March 2021.  
(ii) During the year ended 31 March 2022, pursuant to its Board Resolution dated 28 September 2021, the Company has converted 1,33,904 of its fully paid Compulsory Convertible Debenture (CCD) held by Ivy Icon Solutions LLP into 4,01,712 Equity shares having face value of Rs 10 each, in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every 1 fully paid CCD.
- (e) (i) During the year ended 31 March 2021, pursuant to its Board Resolution dated 12 February 2021, the Company has issued bonus equity shares to equity and preference shareholders in the proportion of 2 (Two) new fully paid-up equity shares of Rs. 10/- each for every 1 (One) fully paid-up equity or preference share held. Accordingly, the Company had allotted 2,28,14,598 equity shares having face value of Rs.10 each as bonus shares by capitalisation of securities premium account.  
(ii) During the year ended 31 March 2022, pursuant to its Board Resolution dated 06 September 2021 and 26 October 2021, the Company has converted 31,504 and 1,62,33,264 respectively of its fully paid Compulsory Convertible Preference Share (CCPS) into 1,62,64,768 Equity shares having face value of Rs 10 each, in the ratio of 1 fully paid Equity share of Rs 10 each for every 1 (One) fully paid-up CCPS of Rs.10 each.
- (f) During the year, pursuant to its Board Resolution dated 24 July 2021, the Company has converted its 30 fully paid Optional Convertible Redeemable Debenture (OCRD) into 4,200 Equity shares having face value of Rs 10 each.
- (g) Pursuant to Board resolution dated 01 March 2021, the Company had issued 12,87,072 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 1,867 per Equity Share (including premium of Rupees 1,857 per Equity Share).  
Pursuant to Board resolution dated 10 March 2021, the Company had issued 4,07,190 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 1,867 per Equity Share (including premium of Rupees 1,857 per Equity Share).  
Pursuant to Board resolution dated 05 April 2021, the Company had issued 37,34,878 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 2,000.33 per Equity Share (including premium of Rupees 1,990.33 per Equity Share).  
Pursuant to Board resolution dated 20 May 2021, the Company had issued 1,72,173 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 2,000.33 per Equity Share (including premium of Rupees 1,990.33 per Equity Share).  
Pursuant to Board resolution dated 02 June 2021, the Company had issued 1,59,018 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 2,515.77 per Equity Share (including premium of Rupees 2,505.77 per Equity Share).  
Pursuant to Board resolution dated 01 July 2021, the Company had issued 652,217 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 2,515.77 per Equity Share (including premium of Rupees 2,505.77 per Equity Share).

**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the consolidated financial statements (continued)**

(All amounts in Rupees millions, unless otherwise stated)

Pursuant to Board resolution dated 13 August 2021, the Company had issued 231,652 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,396 per Equity Share (including premium of Rupees 5,386 per Equity Share)

Pursuant to Board resolution dated 21 August 2021, the Company had issued 14,24,385 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,396 per Equity Share (including premium of Rupees 5,386 per Equity Share).

Pursuant to Board resolution dated 02 September 2021, the Company had issued 18,53,224 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,396 per Equity Share (including premium of Rupees 5,386 per Equity Share).

Pursuant to Board resolution dated 16 September 2021, the Company had issued 3,10,968 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,396 per Equity Share (including premium of Rupees 5,386 per Equity Share).

Pursuant to Board resolution dated 20 September 2021, the Company had issued 2,24,740 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,865 per Equity Share (including premium of Rupees 5,855 per Equity Share).

Pursuant to Board resolution dated 09 October 2021, the Company had issued 12,29,153 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,900 per Equity Share (including premium of Rupees 5,890 per Equity Share).

Pursuant to Board resolution dated 13 October 2021, the Company had issued 3,78,362 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,900 per Equity Share (including premium of Rupees 5,890 per Equity Share).

Pursuant to Board resolution dated 20 October 2021, the Company had issued 5,56,610 equity shares of face value of Rupees 10 each on preferential allotment basis at an issue price of Rupees 5,900 per Equity Share (including premium of Rupees 5,890 per Equity Share).

Pursuant to Board resolution dated 20 October 2021, the Company had issued 11,103 equity shares of face value of Rupees 10 each on exercise of Employee stock option vested under various ESOP plan at an issue price of Rupees 10 per Equity Share (including premium of Rupees nil per Equity Share). Further, the Company had issued 40,748 equity shares of face value of Rupees 10 each on exercise of Employee stock option vested under various ESOP plan at an issue price of approximately Rupees 440.99 per Equity Share (including premium of approximately Rupees 430.99 per Equity Share).

(h) During the year, pursuant to its Board Resolution dated 29 October 2021, the Company has allotted Bonus shares in the proportion of 10 (Ten) new fully paid-up equity shares of Rs.10 each for every 1 (One) fully paid-up equity share of Rs. 10 each held by Shareholders as on record date 28 October 2021. The Company has allotted 55,43,73,630 equity shares of the company having face value of Rs. 10 each as Bonus shares by capitalisation of securities premium account.

(i) During the year, pursuant to a resolution passed by the Board on 13 October 2021 and a resolution passed by our Shareholders in the EGM held on 13 October 2021, the Company has subdivided its share capital from face value of 10 each to face value of Re 1 each, held by shareholders of the Company, as on the record date i.e. 29 October 2021.

(j) During the year, pursuant to its Board resolution dated 29 November 2021 the Company has allotted of 4,39,31,140 equity Shares on exercise of 39,93,740 ESOPs under API Holdings Employee Stock Options Pool 15 which are fully vested at an exercise price of Rs. 4.207 per ESOP, and the remaining 3,99,37,400 ESOPs under API Holdings Employee Stock Options Pool 15 being held on account of adjustment made to ESOPs pursuant to bonus issuance of equity shares of the Company.

(k) Pursuant to the Scheme of Amalgamation, the authorised share capital of Thea Technologies Private Limited ("TTPL") and Swifto Services Private Limited ("SSPL") had merged with 91Streets on amalgamation of TTPL and SSPL with 91Streets. Subsequently, the authorized share capital of 91Streets, AHPL, Aahaan Commercials Private Limited ("ACPL") and Lokprakash Vidhya Private Limited ("LVPL") had merged with API Holdings Limited ("the Company or "API") on amalgamation of 91Streets, AHPL, ACPL and LVPL with API. The authorized share capital of API was enhanced to an amount of Rs. 710.60 million divided into 1,10,60,000 equity shares of Rs. 10 each and 6,00,00,000 preference shares of Rs. 10/- each. Subsequently, pursuant to the Shareholder's resolution passed in extra ordinary general meeting held on 27 January 2021 authorised Share Capital of Rs. 710.60 million- is reclassified into 4,70,00,000 equity shares of Rs. 10/- each and 2,40,60,000 preference shares of Rs. 10/- each.

Further, pursuant to ordinary resolution passed at extra ordinary general meeting held on 24 July 2021 the authorised share capital of the Company increased to Rs 10,000 million divided into 97,59,40,000 equity shares of Rs 10 each and 2,40,60,000 preference shares of Rs 10 each. Further, pursuant to scheme of amalgamation between Medlife International Private Limited and Evriksh Healthcare Private Limited with API Holdings Limited sanctioned by regional director, Ministry of Corporate Affairs vide its order pronounced on 24 September 2021 the authorised share capital further increased to Rs 10,048.19 million and preference share capital of Rs 262.61 million.

Further, the members of the Company vide an ordinary resolution passed at the Extra-Ordinary General Meeting held on 13 October 2021 approved the sub-division of the shares (equity and preference) from face value of Rs.10/- (Rupees Ten only) each to face value of Re. 1/- (Rupee One only) each, to be made effective as on record date as decided by the Board of Directors. The Board of Directors of the Company decided 29 October 2021 as the record date.

**(iii) Rights, preferences and restrictions attached to the shares:**

Equity shares have a par value of Re 1 each (31 March 2021: Rs 10 each). The shareholders of the Company are entitled to vote on poll for the fully paid-up shares held by them in proportion to the shareholders' share in the paid-up share capital of the Company. In the event of liquidation of the Company, the assets and available proceeds shall be discharged in accordance with the provisions of the Articles of Association of the Company. The partly paid up equity share holders shall be entitled to rights in relation to the partly paid up equity shares only to the extent the partly paid up equity shares are paid up.

**(iv) Details of shareholders holding more than 5% of a class of equity shares in the Company:**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
<b>Equity shares:</b>				
Naspers Ventures B. V.	813,316,570	13.24%	-	-
Evermed Holdings Pte. Ltd.	396,033,000	6.45%	3,752,800	14.65%
MacRitchie Investments Pte. Ltd.	732,516,290	11.93%	3,521,038	13.74%
Prasid Uno Family Trust through its trustee Surbhi Singh	374,780,680	6.10%	3,377,210	13.18%
TPG Growth V SF Markets Pte. Ltd	449,492,340	7.32%	2,235,986	8.73%
Lightrock Growth Fund I SA, SICAV-RAIF, for and on behalf of Lightrock Global Fund	238,229,320	3.88%	1,593,245	6.22%
Bessemer India Capital Holdings II Ltd.	210,363,670	3.42%	1,527,400	5.96%
CDPQ Private Equity Asia Pte. Ltd	280,092,780	4.56%	1,455,398	5.68%

**(v) Shares reserved for issue under options:**

The Company has reserved equity shares for issuance as follows :

a) ESOPs issued to employees pursuant to various ESOP Schemes of the company (refer note 53)

**(vi) Aggregate number of shares issued for consideration other than cash**

Particulars	No. of Shares	
	As at	As at
	March 31, 2022	March 31, 2021
Bonus shares issued (refer note 22(ii))	554,373,630	22,814,598
Issued during the year pursuant to Scheme of Amalgamation	-	868,337

(vii) The Company has not bought back any shares from incorporation till date.

API Holdings Limited (formerly known as API Holdings Private Limited)

Notes to the consolidated financial statements (continued)

(All amounts in Rupees millions, unless otherwise stated)

23 Instrument entirely in the nature of equity

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised</b>		
<b>Preference shares</b>		
26,26,11,000 Compulsory convertible preference shares of Re 1/- each (31 March 2021: 24,060,000 Compulsory convertible preference shares of Rs. 10 each)	262.61	240.60
	<b>262.61</b>	<b>240.60</b>
<b>Issued, subscribed and fully paid up</b>		
<b>Issued, subscribed and fully paid up shares</b>		
<b>Preference shares</b>		
Nil (31 March 2021: 1,14,75,189) compulsorily convertible preference shares (CCPS) of Rs. 10 each fully paid up (refer note (ii))	-	114.75
<b>Debentures</b>		
Nil (31 March 2021: 7,22,444) 0.0001% Compulsorily Convertible Debentures of face value Rs. 4443.31 each and Re. 1/- each paid up (refer note (v))	-	0.72
	-	<b>115.47</b>

(i) Reconciliation of the number of shares/ debentures outstanding at the beginning and at end of the reporting year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
<b>Preference shares:</b>				
Shares outstanding at the beginning of the year	11,475,189	114.75	-	-
Issued pursuant to Scheme of Amalgamation (refer note (iv)(b) below)	-	-	6,842,983	68.43
Conversion of Compulsorily Convertible Debentures ("CCDs") into CCPS (refer note (iv)(d) below)	-	-	1,358,952	13.59
Conversion of share warrants into CCPS (refer note 22 (ii) (d) )	-	-	89,096	0.89
New issue during the year	4,789,579	47.90	1,251,003	12.51
Issued pursuant to acquisition of Medlife International Private Limited (refer note (iv)(c) below)	-	-	1,933,155	19.33
Conversion of Compulsorily Convertible Preference Shares (CCPS) into Equity (refer note 22(e)(ii))	(16,264,768)	(162.65)	-	-
<b>Shares outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>11,475,189</b>	<b>114.75</b>
<b>Debentures:</b>				
Debentures outstanding at the beginning of the year	722,444	0.72	-	-
Issued pursuant to Scheme of Amalgamation (refer note (iv)(d) below)	-	-	24,267	0.24
Conversion of Compulsorily Convertible Debentures ("CCDs") into CCPS (refer note (iv)(d) below)	-	-	(24,267)	(0.24)
New issue during the year (refer note (v) below)	399,935	0.40	744,021	0.74
Conversion of Compulsorily Convertible Debentures ("CCDs") into Equity (refer note 22 (ii) (c))	(722,444)	(0.72)	(21,577)	(0.02)
Conversion of Compulsorily Convertible Debentures ("CCDs") into NCD and redemption thereafter (refer note (v) below)	(399,935)	(0.40)	-	-
<b>Debentures outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>722,444</b>	<b>0.72</b>

(ii) Terms and rights attached to preference shares:

Compulsorily Convertible Preference shares issued by the Company have a par value of Rupees 10 each. The Preference shareholders of the Company are entitled to vote on every resolution placed before the Company on a poll for the fully paid-up Preference shares held by them in proportion to the shareholders' share in the paid-up share capital of the Company. In the event of liquidation of the Company, the assets and available proceeds shall be discharged in accordance with the provisions of the Articles of Association of the Company.

The Company has issued Twenty Seven series of Compulsorily Convertible Preference shares ("CCPS") (CCPS I to CCPS XV, CCPS XVI, CCPS XVI -A, CCPS XVII to CCPS XXVII) having a face value of Rs. 10/- per share. These shares are compulsorily convertible into equity shares of equal numbers (subject to the provisions of the Articles of Association of the company) on or before the maturity date ("Maturity Date") ranging between 30 September 2029 (earliest) and 01 September 2041 (farthest). Further, the Preference shareholder has the right to convert the compulsorily convertible preference shares into equity shares at any time before maturity by providing a written notice to the holding company. The compulsorily convertible preference shares shall be automatically converted into equity shares on earlier of (i) Maturity Date or (ii) later of (a) the date immediately prior to the filing of the draft red herring prospectus with the Securities and Exchange Board of India or (ii) immediately upon expiry of the maximum period permitted under the law after filing of the draft red herring prospectus for holding such compulsorily convertible preference shares on the Company proposing to undertake an IPO for the issue of Equity Shares to the public.

The compulsorily convertible preference shares shall be entitled to receive a cumulative dividend at the rate of 0.0001% (zero point zero zero zero one per cent) per annum on the face value of each Preference share and the dividend shall accrue from year to year when not paid, and accrued dividends shall be paid in full.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend declared by the board. The Preference shares carry a dividend rate of 0.0001% per annum.

During the year ended 31 March 2022, the Company converted all its outstanding Compulsorily Convertible Preference shares into fully paid-up equity shares.

(iii) Details of shareholders holding more than 5% of a class of preference shares in the Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
<b>Preference shares:</b>				
Prasid Uno Family Trust through its trustee Surbhi Singh	-	-	1,688,605	14.72%
MacRitchie Investments Pte. Ltd.	-	-	1,673,408	14.58%
Evermed Holdings Pte. Ltd.	-	-	1,283,609	11.19%
CDPQ Private Equity Asia Pte. Ltd	-	-	1,090,900	9.51%
TPG Growth V SF Markets Pte. Ltd	-	-	1,110,157	9.67%
Lightstone Fund S.A., for and on behalf of Lightstone Global Fund	-	-	781,567	6.81%
Bessemer India Capital Holdings II Ltd.	-	-	703,640	6.13%

**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the consolidated financial statements (continued)**

(All amounts in Rupees millions, unless otherwise stated)

- (iv) The Group since inception:
- a) has not bought back any shares
  - b) has issued 68,42,983 number of preference shares pursuant to Scheme of Amalgamation without consideration being received in cash.
  - c) has issued 1,933,155 number of compulsorily convertible preference shares pursuant to acquisition of equity shares of Medlife International Private Limited on swap basis, without consideration being received in cash.
  - d) has issued 24,267 number of compulsory convertible debentures pursuant to Scheme of Amalgamation without consideration being received in cash, subsequently the same got converted into CCPS in the swap ratio of 1:56.
- (v) During the year ended March 31, 2022, the Company has issued Compulsory Convertible Debentures ("CCD") ranging from Series CCD X to Series CCD XIV of having face value of Rs 2,000.33 each and are paid up to the extent of Re 1/- each to the founders. Based on board resolution dated September 06, 2021 and shareholder resolution dated September 09, 2021, the Company has converted these Compulsory Convertible Debentures ("CCD") into Non-Convertible Debentures (NCDs) The NCDs of members amounting Rs. 159,974 considered as Deposit under Companies (Acceptance of Deposits) Rules, 2014. On September 27, 2021 the company has redeemed all these NCD's. The Company has complied with applicable compliance in relation to same.

During the year ended March 31, 2021, the Company has issued Five series of Compulsory Convertible Debentures ("CCDs") having a face value Rs. 4,443.31 each. These CCDs are paid-up to the extent of Re 1/- each and the holders of the CCDs shall be entitled to the rights in relation to the CCDs only to the extent the CCDs paid-up. Further the Company has received call money on 722,444 CCDs (March 31, 2021- 21,577 CCDs) to the extent of Rs 4,442.31 for each CCDs.

The holder of CCDs shall be entitled to remit/make payment towards the amount remaining unpaid on any CCDs before conversion of CCDs into equity shares. The holders of CCDs shall be required to pay the monies unpaid on CCDs immediately prior to the filing of red herring prospectus with the Securities Exchange Board of India for an initial public offering by the company on a recognized stock exchange in India, failing which CCDs will be forfeited.

These CCDs are compulsorily convertible into equity shares at the ratio of 1:1 (subject to the provisions of the Articles of Association of the Company) on or before the maturity date ("Maturity Date") being 31st October, 2030 for CCDs ranging from CCD I - CCD IX and 15th March 2031 for CCDs ranging from CCD X- CCDXIV. Further, the holders of CCDs have a right to convert the CCDs into equity shares at any time before Maturity Date by providing a written notice to the Company. The CCDs shall be automatically converted into equity shares on earlier of (i) Maturity Date or (ii) later of (a) the date immediately prior to the filing of the draft red herring prospectus with the Securities and Exchange Board of India or (b) immediately upon expiry of the maximum period permitted under the law after filing of the draft red herring prospectus for holding such compulsorily convertible preference shares on the Company proposing to undertake an IPO (iii) immediately prior to a Conversion Liquidation Event as specified in the shareholder's agreement.

During the year, pursuant to its Board Resolution dated July 01, 2021, August 13, 2021, September 04, 2021, September 15, 2021, and September 30, 2021, the Company has converted 722,444 of its fully paid Compulsory Convertible Debenture (CCD) into 2,167,332 Equity shares having face value of Rs 10 each, in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every one fully paid CCD. Further, vide special resolution passed at Extra ordinary general meeting held on September 09, 2021 399,935 CCDs have been converted into Non Convertible Debentures in the ratio of 1:1 and consequently redeemed during the year.

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API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the consolidated financial statements (continued)  
(All amounts in Rupees millions, unless otherwise stated)

24 Other equity

Particulars	Notes	As at	As at
		March 31, 2022	March 31, 2021
Securities premium reserve	(i)	109,692.66	47,157.69
Capital reserve	(ii)	1.30	1.30
Employee stock option outstanding	(iii)	7,051.47	1,086.59
Equity component of compound financial instruments	(iv)	78.90	828.90
Retained earnings / (Accumulated deficit)	(v)	(55,966.24)	(15,025.06)
Amalgamation (deficit) / reserve balance	(vi)	(27.28)	(27.28)
		<b>60,830.81</b>	<b>34,022.14</b>

(i) Securities premium reserve

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	47,157.69	9,367.50
Premium on issue of shares	67,314.51	13,134.18
Issue of equity instruments as consideration for business combination	-	24,906.07
Transaction cost on issue of equity instruments	(131.57)	(21.91)
Bonus shares issued	(5,583.67)	(228.15)
Transfer on exercise of stock option	935.70	-
<b>Balance at the end of the year</b>	<b>109,692.66</b>	<b>47,157.69</b>

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provision of the Act. Stamp duty is written off from Securities premium.

(ii) Capital reserve

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	1.30	1.30
Movement for the period	-	-
<b>Balance at the end of the year</b>	<b>1.30</b>	<b>1.30</b>

Capital Reserves represents bargain purchase in previous acquisitions.

(iii) Employee stock option outstanding

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	1,086.59	386.00
Options repurchased during the period	(506.17)	(136.19)
Replacement of stock options of subsidiary	1,093.93	-
On account of business combination	-	268.70
Compensation for the year	6,300.45	568.08
Options exercised during the period	(923.33)	-
<b>Balance at the end of the year</b>	<b>7,051.47</b>	<b>1,086.59</b>

The employee stock option account is used to recognize the grant date fair value of options issued to employees under stock option schemes.

Reclassification of Non Controlling Interest to Employee stock option outstanding pursuant to replacement of employee stock options of the subsidiary company with the employee stock options of the Holding company.

(iv) Equity component of compound financial instruments

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	828.90	78.90
15.50% Compulsory Convertible Debentures, fully paid (refer to note 25 (ii) below)	-	750.00
Converted during the period	(750.00)	-
<b>Balance at the end of the year</b>	<b>78.90</b>	<b>828.90</b>

The 91Streets Media Technologies Private Limited had issued share warrants to the supplier and availed facility to utilise the advertising services from the supplier. The transaction was accounted in accordance with the share based transaction wherein the present value of goods and services received was accounted as deferred payment liabilities and residual value is accounted as equity component of compound financial instrument within Other equity.

During the period, pursuant to its Board Resolution dated 28 September 2021, the company has converted 133,904 of its fully paid Compulsory Convertible Debenture (CCD) held by Ivy Icon Solutions LLP into 401,712 Equity shares having face value of Rs 10 each, in the ratio of 3 fully paid Equity share of Rs 10 each (post giving bonus effect) for every 1 fully paid CCD.

(v) Retained earnings / (Accumulated deficit)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	(15,025.06)	(7,394.59)
Loss for the year	(40,276.98)	(6,361.89)
Items of Other Comprehensive Income recognised directly in retained earnings	106.28	(34.27)
Employee stock options repurchased during the year	(352.59)	(86.18)
Recognition / changes in the value of put liability	(417.89)	(1,112.93)
Adjustment on conversion of share warrant	-	(35.20)
<b>Balance at the end of the year</b>	<b>(55,966.24)</b>	<b>(15,025.06)</b>

(vi) Amalgamation deficit balance

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	(27.28)	6.96
On account of amalgamation of Acquirer	-	(34.24)
<b>Balance at the end of the year</b>	<b>(27.28)</b>	<b>(27.28)</b>

Amalgamation deficit balance has arisen as a result of accounting for amalgamation between Swifto Services Private Limited and Thea Technologies Private Limited and 91Streets Media Technologies Private Limited with API Holdings Limited (formerly known as API Holdings Private Limited) and the respective shareholders.

25 Non-current borrowings

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Unsecured</b>		
30 (31 March, 2021: 30) 0.0001% Optionally convertible redeemable debentures of Rs.100,000 each (refer note (i) below)	-	2.60
15.50% Nil (31 March 2021: 133,904) Compulsorily Convertible Debenture of face value Rs 5601 each, fully paid up (refer note (ii) below)	-	157.01

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the consolidated financial statements (continued)**  
(All amounts in Rupees millions, unless otherwise stated)

Less: Current maturity of compound financial instruments	-	(108.74)
0.001% 2,000 (31 March 2021: 2,000) Compulsorily convertible cumulative participating debentures (CCDs) (refer note (iii) below)	141.90	153.86
<b>Secured</b>		
12.00% to 16.52% Non convertible debentures (refer note (iv) below)	831.02	1,436.88
Less: Current maturity of long term debt	(230.62)	(22.83)
Term loan from bank (refer note (v) below)	308.12	139.01
Less: Current maturity of long term debt	(74.43)	(13.11)
Term loan from others (refer note (vi) below)	679.05	1,947.83
Less: Current maturity of long term debt	(654.35)	(1,370.98)
	<b>1,000.69</b>	<b>2,321.53</b>

**Notes:**

- (i) 0.0001% Optionally convertible redeemable debentures of Rs.100,000 each (OCRD) had been issued in consideration for business acquisition of Beetle Ventures Private Limited. As per the terms of the agreement with debenture holders, the company may, at its option, at any time convert debentures or any portion thereof into Equity Shares at the Conversion Price as determined as per the terms of agreement. The conversion price as per terms of the agreement is the price of first equity shares issued after the issue of OCRD. Further, unless debentures are converted into equity shares, the company may at its option, at any time after expiry of 5 years from the date of issue of debentures but before maturity date (i.e. 10 years from date of issue), redeem debentures or part thereof at the prevailing fair market value of the Equity Shares that the holder would have been entitled on the redemption date if the debentures were converted into equity share at the conversion price. The change in fair value is accounted through statement of profit and loss.
- (ii) 15.50% 1,33,904 Compulsorily Convertible Debenture of face value Rs 5601 each, fully paid up ("CCD") has been issued to Ivy Icon Solutions LLP at a face value Rs 5601 each, fully paid up and at a coupon rate of 15.50% (Fifteen Decimal Point Five percent) per annum compounded monthly. The CCD holder have right to convert its CCD into equity shares of the Company, by providing a written notice to the Company. The CCD shall automatically convert into equity shares at the conversion ratio of 1:1 equity shares of the Company on October 31, 2022. Rs 108.74 million has been shown as current maturity of long term debt under other current financial liability
- (iii) 2,000 CCDs of face value Rs. 30,000 each are convertible into Equity Shares of the Company of a face value of Rs. 10 each upon earlier of (i) one day prior to the expiry of 10 (Ten) years from the date of allotment of the CCDs or (ii) before IPO or (iii) at any time at the option of the holder. The number of equity shares to be issued upon conversion of CCDs shall be determined at the time of conversion based upon the fair value of the Equity Shares of the Company as per discounted free cash flow method, subject to a minimum of 1 Equity Share per CCD.
- (iv) (a) Redeemable non-convertible fixed rate debentures of Rs. 90.45 million (31 March 2021: 122.93 million) are secured by pledge of shares of the Ascent Wellness and Pharma Solutions Private Limited and first ranking exclusive fixed charge over all its present and future rights, title and interest in and to account assets of Ascent Wellness and Pharma Solutions Private Limited, second raking fixed charge over all its present and future rights, title and interest over all movable fixed assets and second raking floating charge over all its present and future rights, title and interest over all current assets, stock in trade, accounts and receivable of Ascent Wellness and Pharma Solutions Private Limited in favor of the common security trustee and Corporate guarantee of holding company and in terms of the deed of Hypothecation and carries effective interest at 16.52% (31 March 2021: 16.52%) and is repayable in 18 equal quarterly installment commencing from October 01, 2020.
- (b) 1,000 Debentures of face value of Rs 100,000 were issued to Stride Ventures amounting to Rs. 100 million (31 March 2021: Nil) secured by pari passu charge on current assets and movable fixed assets and fixed deposits extended to the facility. The rate of interest is 14% p.a. (31 March 2021: Nil) and repayable at the end of 15 months.
- 650 Debentures of face value of Rs 1,000,000 were issued to Grand Anicut amounting to Rs. 650 million (31 March 2021: Nil) secured by pari passu charge on current and fixed assets of the Company along with limited recourse personal guarantee of promoters. The rate of interest is 15% p.a. (31 March 2021: Nil) with principal repayment commencing from Jan 2023 onwards.
- a) During the financial year ended 31 March 2020, Medlife International Private Limited (now amalgamated with API Holdings, refer note 52) had issued non convertible debenture to Wilson Global Opportunities Fund of Rs. 1063.95 millions at interest rate of 14% p.a, with a term of 4 years from 17 December 2019. The debenture is secured against the assets of the Subsidiary, personal guarantee given by erstwhile promoters namely Mr.Prashanth Singh and Mr.Tushar Kumar ("Promoters") and corporate guarantee from Medlife Wellness Retail Private Limited. Interest is payable on quarterly basis and the loan is repayable on quarterly equated instalments during the last year of term, i.e. beginning from March 2023. This has been paid during the year ended 31 March 2022.
- b) During the financial year ended 31 March 2021, Medlife International Private Limited (now amalgamated with API Holdings, refer note 52) has issued compulsorily convertible debenture to Prasad Uno Family trust of Rs. 250 millions at interest rate of 15.5% p.a, with a term of 36 months. The CCD was convertible at the end of the tenure to equity shares based on the fair market value of equity shares on the date of conversion. On 8 December 2020, the existing terms of CCDs were substituted with such terms, so as to render the CCDs as 25 unsecured redeemable Non convertible Debentures (NCDs); the tenure of NCDs remained 36 months from the allotment date. This has been repaid by Medlife International Private Limited on 29 September 2021.
- (v) (a) The working capital term loan is sanctioned under Government of India "Emergency Credit line Guaranteed Scheme (ECLGS) covered by 100% guarantee from NCGTC (National Credit Guarantee Trustee Company Ltd (Ministry of Finance, Government of India). Total loan is sanctioned for Rs. 139 million which is repayable in 36 EMI post 12 Months Moratorium period. The loan carries floating interest at the rate of 8% to 8.25% (31 March 2021: 8.25%) per annum. The loan is secured by extension of second ranking charge over existing primary and collateral securities of cash credit facility including mortgages created in favour of the Bank.
- (b) Term loan against hypothecation of vehicles and current assets:**  
Term loan represents car loan from HDFC Bank of Rs. 8.14 (31 March 2021: Nil) related to various vehicles purchased. The rate of interest ranges from 8.75% to 10% p.a.. The loan is secured by hypothecation of vehicles repayable monthly over a period of 3 to 5 years.  
Term loan represents car loan from ICICI Bank of Rs. 1.70 million (31 March 2021: Nil) related to various vehicles purchased. The rate of interest at 9.5 % p.a.. The loan is secured by hypothecation of vehicles repayable monthly over a period of 3 to 5 years.  
Term loan represents loan from HSBC Bank of Rs. 37.05 million (31 March 2021: Nil). The loan is secured by way of Second Pari Passu Charge of Current and Fixed Asset and corporate guarantee of Akna Medical Private Limited with annual interest rate of 8.66% for a tenure of 134 months.  
Term loan represents loan from HSBC Bank of Rs. 79.95 million (31 March 2021: Nil). The loan is secured by way of Second Pari Passu Charge of Current and Fixed Assets and corporate guarantee of Akna Medical Private Limited with annual interest rate of 7.9% for a tenure of 120 months.  
Term loan represents loan from Axis Bank of Rs. 50.00 million (31 March 2021: Nil). The loan is secured by way of Second Pari Passu Charge of Current and Fixed Assets and corporate guarantee of Akna Medical Private Limited with annual interest rate of 7% for a tenure of 132 months.
- (vi) (a) Term loan from others amounting Rs. 521.37 million (31 March 2021: 709.43 million) is secured by pledge shares of the Ascent Wellness and Pharma Solutions Private Limited and first ranking exclusive fixed charge over all its present and future rights, title and interest in and to account assets of Ascent Wellness and Pharma Solutions Private Limited, second raking fixed charge over all its present and future rights, title and interest over all movable fixed assets and second raking floating charge over all its present and future rights, title and interest over all current assets, stock in trade, accounts and receivable of Ascent Wellness and Pharma Solutions Private Limited in favor of the common security trustee and Corporate guarantee of holding company and in terms of the deed of Hypothecation and carries effective interest at 15.50% to 16.70% (31 March 2021: 15.50% to 16.70%) and is repayable in 17 to 18 equal quarterly installment commencing from October 01, 2020 and January 01, 2021.
- (b) Medlife International Private Limited (now amalgamated with API Holdings, refer note 52) has taken term loan of Rs.1250.00 million from Hero Fin Corporation which carries interest rate from 12.75% to 14.25% p.a for a period of three years. The gross term loan (without giving effect of transaction cost) is bifurcated between Facility 1 (Rs. 1100.00 million), Facility 2 (Rs.150.00 million) aggregating to Rs 1250.00 million. The loan is secured against hypothecation of assets of the subsidiary, personal guarantee given by erstwhile Promoters of the subsidiary and corporate guarantee given by Prasad Uno Family Trust. Interest is payable on quarterly basis and 30% of the loan is repayable on completion of 1.5 years and remaining 70% of the loan is repayable at the end of the term. This has been paid during the year ended 31 March 2022.
- Further Medlife International Private Limited (now amalgamated with API Holdings, refer note 52) has taken loan from Shri Pack Private Limited amounting Rs. 52.50 million and from Prashant Packaging Private limited amounting to Rs. 47.50 million carried interest @ 8.5% p.a. and is repayable on 31 December 2021. This has been paid during the year ended 31 March 2022.
- (c) Working capital term loan from Vivriti Capital of Rs. 157.69 million (31 March 2021: Nil) secured by lien on fixed deposits, hypothecation of current and moveable fixed assets and personal guarantee of promoters. The rate of interest ranges from 12.5% to 15% p.a. and repayable over 24 to 36 months.

**Net Debt Reconciliation**

Particulars	As at	
	March 31, 2022	March 31, 2021
Cash and Cash equivalents*	1,568.76	2,300.83
Current borrowings	(23,894.14)	(2,016.69)
Non - Current borrowings**	(1,968.30)	(3,861.75)
Put Liability	(6,174.67)	(1,112.93)
Other financial liabilities	(599.64)	(2.00)
Lease Liability	(1,888.13)	(987.04)
	<b>(32,956.12)</b>	<b>(5,679.58)</b>

\* Cash and Cash equivalents includes Bank Cash credit facility and Temporary book overdraft which is integral part of cash management function of the Company.

\*\* Non - Current borrowings includes current maturities included under other current borrowings

Particulars	Other Assets		Liabilities from financing activities			Total	
	Cash and cash equivalent	Lease Liabilities	Non-Current borrowings	Current Borrowings	Put Liability		Other financial liabilities
<b>Net debt as at 01 April 2020</b>	<b>202.47</b>	<b>(406.75)</b>	<b>(1,563.36)</b>	<b>(272.09)</b>		<b>(113.09)</b>	<b>(2,152.82)</b>
Cash flows (net)	2,098.36	154.21	-	(1,584.05)	-	151.25	819.78
Proceeds from long term borrowings	-	-	(4,331.52)	-	-	-	(4,331.51)
Repayment of borrowings	-	-	1,772.41	-	-	-	1,772.41
Interest expense	-	(85.62)	(160.01)	(170.96)	-	(16.16)	(432.75)
Interest paid	-	85.61	152.76	170.96	-	-	409.33
<b>Other non-cash movements</b>							
Acquisitions- Leases	-	(289.28)	-	-	-	-	(289.28)
Disposals of Right-of-use asset	-	303.81	-	-	-	-	303.81
Acquire through business acquisition	-	(749.02)	(5,223.74)	(263.75)	-	(2.00)	(6,238.51)
Put liability recognised	-	-	-	-	(1,112.93)	-	(1,112.93)
Adjusted with security deposit given	-	-	-	-	-	13.20	13.20
Adjustment on conversion of share warrants	-	-	-	-	-	(35.20)	(35.20)
Settled through business acquisition	-	-	-	103.20	-	-	103.20
Conversion into compulsorily convertible debentures	-	-	6,088.19	-	-	-	6,088.19
Fair value adjustments	-	-	(596.49)	-	-	-	(596.49)
<b>Net debt as at 31 March, 2021</b>	<b>2,300.83</b>	<b>(987.04)</b>	<b>(3,861.76)</b>	<b>(2,016.69)</b>	<b>(1,112.93)</b>	<b>(2.00)</b>	<b>(5,679.58)</b>
<b>Balance as at April 1, 2021</b>	<b>2,300.83</b>	<b>(987.04)</b>	<b>(3,861.76)</b>	<b>(2,016.69)</b>	<b>(1,112.93)</b>	<b>(2.00)</b>	<b>(5,679.58)</b>
Cash flows (net)	(732.07)	246.14	-	(19,517.90)	-	191.13	(19,812.70)
Proceeds from long term borrowings	-	-	(1,300.00)	-	-	-	(1,300.00)
Repayment of borrowings	-	-	4,163.05	-	-	-	4,163.05
Interest expense	-	(183.04)	(437.60)	(1,478.06)	-	(20.73)	(2,119.43)
Interest paid	-	185.36	541.29	1,465.30	-	-	2,191.95
<b>Other non-cash movements</b>							
Acquisition - Leases	-	(1,058.82)	-	-	-	-	(1,058.82)
Disposals of Right-of-use asset	-	177.73	-	-	-	-	177.73
Acquired through business combination	-	(268.46)	(766.18)	(2,739.88)	-	(796.61)	(4,571.13)
Change in put liability recognised	-	-	-	-	(417.89)	-	(417.89)
Gain/(loss) in fair value of contingent consideration	-	-	-	-	-	62.57	62.57
Conversion of Optional Convertible Redeemable Debentures ("OCRD") into Equity	-	-	3.00	-	-	-	3.00
Business acquisition payable (refer note 52)	-	-	-	-	(4,643.85)	(34.00)	(4,677.85)
Reclass of non current borrowings	-	-	(393.09)	393.09	-	-	-
Fair value adjustments	-	-	82.99	-	-	-	82.99
<b>Balance as at March 31, 2022</b>	<b>1,568.76</b>	<b>(1,888.13)</b>	<b>(1,968.30)</b>	<b>(23,894.14)</b>	<b>(6,174.67)</b>	<b>(599.64)</b>	<b>(32,956.12)</b>

**26 Other financial liabilities (Non-current)**

Particulars	As at	
	March 31, 2022	March 31, 2021
Security deposit	-	7.80
Put liability (refer note 7 and 52)	1,501.96	-
Contingent purchase consideration (refer business combination note 52)	26.23	-
	<b>1,528.19</b>	<b>7.80</b>

**27 Provisions (Non-current)**

Particulars	As at	
	March 31, 2022	March 31, 2021
Provision for employee benefits		
Gratuity (refer note no 50)	129.45	146.80
	<b>129.45</b>	<b>146.80</b>

**28 Contract liabilities (Non-current)**

Particulars	As at	
	March 31, 2022	March 31, 2021
Contract liabilities (refer note 36)	0.90	0.08
	<b>0.90</b>	<b>0.08</b>

**29 Current borrowings**

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Secured, considered good</b>		
From bank and other financial institutions (refer note (i) below)	23,763.14	1,752.94
Current maturity of long term debt (refer note 25)	959.40	1,406.92
<b>Unsecured, considered good</b>		
Current maturity of long term debt (refer note 25)	-	108.74
Loan from others (refer note (ii), (iii) and (iv) below)	131.00	263.75
	<b>24,853.54</b>	<b>3,532.35</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the consolidated financial statements (continued)**

(All amounts in Rupees millions, unless otherwise stated)

**Notes:**

- (i) (a) The term loan from bank and other financial institutions of Rs. 19,290.00 millions (31 March 2021: Nil) carry effective interest at 9.00% to 12.50% per annum and repayable within year. The loan is secured against First and exclusive charge on current asset and moveable fixed assets of Therpsi Solutions Private Limited and corporate guarantee of the Holding company, Docon Technologies Private Limited and Therpsi Solutions Private Limited and first ranking exclusive pledge of shares acquired from promoters of Thyrocare Technologies Limited ("Thyrocare") and pledge over 100% equity shares of Aycon Graph Connect Private Limited, 100% equity shares of Therpsi Solutions Private Limited, 100% equity shares of Docon Technologies Private Limited and 67% of the share capital of Akna Medical Private Limited.
- (b) The cash credit facility from bank of Rs 818.01 millions (31 March 2021: Rs 857.73 million) carries floating interest at 10.15% to 12.00% (31 March 2021: 11.00% to 12.00%) per annum, computed on a monthly basis on the actual amount utilised and is repayable on demand. Cash credit from bank is secured against pledge of 1,167 shares of Ascent Wellness and Pharma Solutions Private Limited and hypothecation of group current assets and moveable fixed asset, and corporate guarantee given by the Holding Company and lien on fixed deposit of Rs 150.00 million.
- (c) The cash credit facility from bank of Rs 277.61 million (31 March 2021 : Rs 283.98 million) carries floating interest at 7.35% to 7.85% (31 March 2021: 7.85% to 8.50%) per annum, computed on a monthly basis on the actual amount utilised and is repayable on demand. Cash credit from bank is secured by way of charge on stock and receivable, personal guarantee given by the director of one of the subsidiary company.
- (d) The cash credit facility from bank of Rs 610.96 million (31 March 2021 : Rs 611.23 million) carries floating interest at 10.45% to 10.65% (31 March 2021: 10.50 to 11.50%) per annum, computed on a monthly basis on the actual amount utilised and is repayable on demand. Cash credit from bank is secured by way of exclusive charge on group current assets and moveable fixed asset, exclusive charge by way of hypothecation of IPR / brand / intangibles of the technology and guarantee given by Key Managerial Personnel of the Holding company.
- (e) Cash credit facility from IndusInd Bank, HDFC Bank, CITI, HSBC, AXIS and IDFC of Rs. 1,146.55 million (31 March 2021: Nil) respectively. The facility is secured by pari passu charge on all current assets, lien on fixed deposits and corporate guarantee of the Company (Akna Medical). The rate of interest ranges from 8% to 10 % p.a. and repayable on demand.
- (f) Working capital demand loan from IDFC, HSBC Bank, HDFC Bank and Citibank of Rs 1,620.00 million (31 March 2021: Nil) is secured by an exclusive charge on all current assets, namely, stock of traded goods, books debts both present and future and is repayable on demand and corporate guarantee of Akna Medical Private Limited with an interest rate ranging between 6.82% to 9.20 % p.a.
- (ii) The loan from other parties of Rs. 131.00 million (31 March 2021: 163.75 million) carry interest at 11.00% to 12.00% (31 March 2021: 11.00% to 12.00%) per annum and is repayable on demand.
- (iii) Loan from Shri Pack Private Limited of Rs. Nil (31 March 2021: Rs. 52.50 million) carries interest @ 8.5% p.a. and is repayable on 31 December 2021.
- (iv) Loan from Prashant Packaging Private Limited of Rs. Nil (31 March 2021: Rs. 47.50 million) carries interest @ 8.5% p.a. and is repayable on 31 December 2021.

**Details of assets pledged as security for non-current and current borrowings:**

Particulars	March 31, 2022	March 31, 2021
<b>Current Assets</b>		
Investments	8.43	-
Loans	-	2,506.70
Trade receivables	7,384.53	-
Cash and cash equivalents	1,065.55	346.90
Other financial assets	391.90	547.17
Inventories	7,256.85	1,810.79
Bank balances other than cash and cash equivalents	603.09	-
Other current assets	2,552.84	561.07
<b>Total current assets hypothecated as security</b>	<b>19,263.19</b>	<b>5,772.63</b>
<b>Non current assets</b>		
Moveable fixed assets (net block)	928.78	120.34
Other financial assets	103.74	49.04
Other non-current assets	75.82	4.56
<b>Total non current assets hypothecated as security</b>	<b>1,108.34</b>	<b>173.94</b>
<b>Total assets pledged as security</b>	<b>20,371.53</b>	<b>5,946.57</b>

**30 Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	185.67	115.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,403.14	3,539.76
	<b>4,588.81</b>	<b>3,655.53</b>

Refer note 57 for ageing of trade payables

**31 Other financial liabilities (Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due	8.21	24.56
Creditors for capital goods	77.29	5.69
Temporary book overdraft	17.62	2.92
Employee benefits payable	341.99	195.69
Business acquisition payable (Refer note 52)	35.00	2.00
Security deposit	168.52	-
Unclaimed Dividend #	10.20	-
Contingent purchase consideration	538.41	-
Other payables**	90.52	7.26
Put liability *	4,672.71	1,112.93
	<b>5,965.89</b>	<b>1,351.05</b>

\* The Group has an obligation to purchase non controlling interest in subsidiaries as per the respective shareholder agreements at an agreed value ("Put Option"). Accordingly in accordance with policy followed by the Group, all put options have been recorded at fair value. Based on the evaluation of terms of contracts, wherever the risk and rewards of ownership remain with the non controlling shareholder, Non controlling interest has been recognised.

\*\* Other payables includes security deposit received from customers which are refundable upon termination/expiry of agreements. It also includes cash collected by delivery persons on behalf of Retailers for its subsequent payments to the Retailers. Corresponding asset is included in other Bank balance (refer note 17) and other receivables (refer note 19).

# Investor Education and Protection Fund ("IEPF") - As at 31 March 2022 there is no amount due and outstanding to be transferred to the IEPF by the Group. Unclaimed dividend, if any, shall be transferred to IEPF as and when the become due.

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32 Provisions (Current)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Provision for employee benefits		
Gratuity (refer note no 50)	59.12	8.65
Compensated absences (refer note no 50)	245.30	236.74
Other provisions*	133.70	-
	<b>438.12</b>	<b>245.39</b>

\* This includes provision for income-tax and employees provident fund matter on acquisition of Thyrocare amounting to Rs. 128.50 million and Rs. 5.20 million respectively

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Opening	-	-
Addition for the period	-	-
Addition on account of business combination	133.70	-
Utilisation	-	-
Closing	<b>133.70</b>	<b>-</b>

33 Current tax liabilities (net)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Provision for tax (net of advance tax)	47.19	2.89
	<b>47.19</b>	<b>2.89</b>

34 Other current liabilities

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Statutory liabilities*	236.75	231.88
Refund liabilities**	912.67	474.52
Other payables	0.84	0.69
	<b>1,150.26</b>	<b>707.09</b>

\* Statutory liabilities include Tax Deducted at Source, Profession Tax, Provident Fund, ESIC, Service Tax, Sales Tax / Goods and Services Tax.

\*\* Where a customer has a right to return a product within a given period, the Group recognises a refund liability for the amount of consideration received for which the entity does not expect to be entitled Rs. 912.67 million (31 March 2021: Rs. 474.52 million). The Group also recognises a right to recover the returned goods measured by reference to the former carrying amount of the goods Rs. 833.63 million (31 March 2021: Rs. 440.19 million). The costs to recover the products are not expected to be material. Rs. 17 million pertains to variable consideration related to discount provided to customers.

35 Contract liabilities (current)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Contract liabilities (refer note 36)	189.73	76.44
	<b>189.73</b>	<b>76.44</b>

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36 Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Revenue from contracts with customers</b>		
Sale of goods	52,299.16	22,816.32
Sale of services*	4,178.04	259.43
<b>Other operating revenue</b>		
Other operating revenue#	811.01	276.94
	<b>57,288.21</b>	<b>23,352.69</b>

\* Sale of services primarily relates to diagnostic services, licensing of internet portals or mobile applications related to sales and distribution of pharmaceutical and cosmetic goods, teleconsulting, sale of software, subscription of software services, etc.

# Other operating revenue pertains to rendering services of delivery persons, lease of software and hardware, warehousing and commission earned on facilitating pathological diagnostic tests between customers and pathological laboratories.

The entire revenue of the Group is restricted to one geographical region i.e. India, where risks do not vary. The majority of contracts with customer are short term in nature. Revenue from sale of services includes revenue from licensing of technology platforms.

Out of the total revenue Rs. 14,081.28 million (31 March 2021: 5,591.35 million) pertains to 4 customers (31 March 2021: 2 customers) contributes more than 10% of total revenue for the year ended 31 March 2022.

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Contract price</b>	58,800.85	24,017.99
Adjustments for:		
Refund liabilities	(873.85)	(474.52)
Discounts	(638.79)	(187.44)
Contract liabilities - customer loyalty programme/ deferred revenue	-	(3.34)
<b>Revenue from operations</b>	<b>57,288.21</b>	<b>23,352.69</b>

(i) Recognition of revenue over the period of time and at a point in time.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Over a period of time	1,184.20	536.37
At a point in time	56,104.01	22,816.32
	<b>57,288.21</b>	<b>23,352.69</b>

(ii) Movement in contract balances

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Contract Liabilities</b>		
Opening Balance	76.52	5.09
Add: Addition on account of business combination	102.47	-
Less: Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period.	(76.81)	(4.70)
Add: Deferred revenue and advance from customers	88.45	76.13
<b>Closing Balance</b>	<b>190.63</b>	<b>76.52</b>

(iii) The aggregate amount of transaction price allocated to remaining performance obligations is as follows:

Expected to be recognised revenue during	For the year ended March 31, 2022	For the year ended March 31, 2021
Year ended March 2022	-	76.44
Year ended March 2023	189.73	0.07
Year ended March 2024	0.74	0.01
Year ended March 2025	0.16	-
<b>Total</b>	<b>190.63</b>	<b>76.52</b>

37 Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income from financial assets measured at amortised cost		
On fixed deposits	212.76	54.78
On loan to others	30.69	48.44
On others	3.76	-
Interest on income tax refund	5.50	1.75
Unwinding of interest on security deposits	17.06	14.66
Gain on fair valuation of financial assets measured at fair value through profit and loss	119.19	0.29
Amortisation of financial guarantee liability	9.28	-
Rental income	-	12.00
Gain on termination of lease	18.69	19.43
Gain on modification of lease	0.23	-
Miscellaneous income	53.26	75.89
Profit on sale of business undertaking	21.30	-
Liabilities no longer required written back	30.09	26.69
	<b>521.81</b>	<b>253.93</b>

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38 Cost of materials consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	-	-
Add: On account of business combination (refer note 52)	216.70	-
Add: Purchase	871.00	-
Less: Closing stock	(233.10)	-
	<b>854.60</b>	-

39 Purchase of stock-in-trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of stock-in-trade	52,566.12	22,668.17
	<b>52,566.12</b>	<b>22,668.17</b>

40 Changes in inventories of stock-in-trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Opening stock</b>		
Traded goods	4,045.76	1,159.49
Right to recover returned goods	440.19	39.76
<b>Acquired in Business Combination (refer note 52)</b>		
Right to recover returned goods	35.60	381.35
Traded goods	1,384.60	1,772.29
	<b>5,906.15</b>	<b>3,352.89</b>
<b>Closing stock</b>		
Traded goods	(7,363.05)	(4,045.76)
Right to recover returned goods	(833.63)	(440.19)
Less: Inventory converted into Property, plant and equipment *	-	(10.89)
	<b>(8,196.68)</b>	<b>(4,496.84)</b>
	<b>(2,290.53)</b>	<b>(1,143.95)</b>

\* Includes Rs Nil (31 March 2021: Rs 0.50 millions) of assets (net of accumulated depreciation) transferred to inventories at their carrying amount when they ceased to be rented.

41 Employee benefits expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and allowances	7,811.59	1,863.00
Contribution to provident and other funds	174.55	67.59
Gratuity expense (refer note 50)	108.15	42.32
Compensated absences	53.24	114.99
Employee share based payment expense (Refer note 53)	6,300.45	568.08
Staff welfare expenses	141.73	46.96
	<b>14,589.71</b>	<b>2,702.94</b>

42 Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest and finance charges on financial liabilities at amortised cost	1,919.35	347.13
Interest on delayed payment of direct tax and statutory dues	1.64	1.56
Interest and finance charges on lease liability	183.04	85.62
Interest expenses on contingent purchase consideration	20.73	-
Other finance charges	457.88	-
	<b>2,582.64</b>	<b>434.31</b>

43 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of property, plant and equipment (refer note 3)	627.17	132.60
Depreciation of right of use asset (refer note 4)	369.77	140.41
Amortization of intangible assets (refer note 6)	590.91	56.00
	<b>1,587.85</b>	<b>329.01</b>

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44 Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Bank and other Payment Gateway Charges	41.19	14.41
Office and administration expenses	27.53	16.10
Bad debts written off	3.61	16.26
Manpower charges	916.23	360.03
Commission & Brokerage	250.41	97.29
Concierge Fees	-	33.35
Loss on fair value changes to financial instruments	(0.02)	660.94
Provision for doubtful advances and statutory dues	1,931.12	93.22
Sales promotion and marketing expense	4,943.48	1,347.26
Expected credit loss provision on financial assets	347.60	54.22
Contractual payment for delivery associates	1,062.98	342.14
Subcontracting charges	7.08	-
Consumption of packing materials and consumables*	526.36	109.10
Information Technology expenses	757.23	265.90
Insurance Expenses	48.02	8.86
Lease Expenses**	106.26	43.10
Legal and Professional Fees	2,382.03	865.94
Net loss on disposal of property, plant and equipment	6.19	1.32
Postage and Courier	63.22	-
Printing and Stationery	74.78	21.97
Rates and taxes	309.48	68.84
Repairs and Maintenance	144.14	78.48
Security services	66.08	24.39
Telephone and Communication Charges	118.53	62.69
Travelling Expenses	120.36	69.14
Water, Electricity and Fuel Expenses	184.04	58.78
Sundry balance written off	71.06	-
Corporate social responsibility	37.70	2.52
Outlab Processing	21.30	-
Transportation charges	49.91	-
Directors commission and sitting fees	12.26	-
Service Charges	223.10	-
Miscellaneous expenses	172.25	102.55
	<b>15,025.51</b>	<b>4,818.80</b>

\*It includes Closing stores and spares of Rs. 16.25 million (31 March 2021: Nil)

\*\* Lease payments not recognised as a lease liability and corresponding ROU asset

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short Term Lease	106.26	43.10
	<b>106.26</b>	<b>43.10</b>

45 Exceptional items

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Impairment of goodwill (refer note 5A)	(12,671.00)	-
Gain in fair value of contingent consideration	62.57	-
	<b>(12,608.43)</b>	<b>-</b>

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API Holdings Limited (formerly known as API Holdings Private Limited)  
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46 Tax expenses

Income tax expense in the statement of profit and loss consists of

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current income tax:</b>		
In respect of the current period	342.74	46.68
<b>Deferred tax:</b>		
In respect of the current period	(125.48)	164.02
<b>Income tax expense recognised in the statement of profit or loss</b>	<b>217.26</b>	<b>210.70</b>
<b>Income tax recognised in other comprehensive income</b>		
- Deferred tax arising on income and expense recognised in other comprehensive income		
Net loss / (gain) on remeasurement of defined benefit plan	(0.07)	(0.41)
<b>Total</b>	<b>217.19</b>	<b>210.29</b>

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss before tax	(39,707.70)	(6,202.66)
Statutory tax rate	25.17%	25.17%
<b>Tax expense / (benefit) at applicable rate</b>	<b>(9,993.63)</b>	<b>(1,561.21)</b>
<b>Tax impact on account of :</b>		
Tax effects of amounts which are non-deductible in calculating taxable income	3,789.43	-
Items for which deferred tax was not recognised	540.85	98.82
Expenses not considered in determining taxable profit	(10.53)	-
Tax on undistributed reserves of subsidiary	152.71	-
Income which is not liable for tax	2.27	-
Deferred tax asset on carry forward loss not recognised	5,597.14	1,538.70
Deferred tax asset reversed on account of amalgamation	-	181.46
Tax losses lapsed during the year due to change in shareholding pattern	192.32	-
Adjustments pertaining to prior years	(78.37)	-
Other items	25.00	(47.49)
<b>Tax expenses pertaining to current year</b>	<b>217.19</b>	<b>210.29</b>

Deferred taxes

Deferred tax assets/(liabilities) as at March 31, 2022 in relation to:

Particulars	As at April 1, 2021	Acquired through business combination	Recognised in statement of profit and loss	Recognised in Other Comprehensive Income	As at March 31, 2022
<b>Deferred tax assets</b>					
Provision for employee benefits	2.19	38.59	(32.52)	0.07	8.33
Provision for doubtful debts and advances	10.33	23.97	12.18	-	46.48
Property, plant and equipment and intangible assets	7.74	18.76	19.70	-	46.20
Lease Liabilities	238.26	-	115.54	-	353.80
Disallowance under section 40(a) of Income Tax Act, 1961	-	-	6.02	-	6.02
Unabsorbed depreciation and business losses	17.53	-	38.05	-	55.58
Fair valuation of security deposits	-	-	5.15	-	5.15
Impairment loss on financial assets	-	-	9.97	-	9.97
Others	0.75	22.30	84.40	-	107.45
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	(225.36)	(1,776.32)	142.67	-	(1,859.01)
Fair value of investment in associate	-	(18.20)	13.60	-	(4.60)
Investment in subsidiary	-	-	(28.97)	-	(28.97)
Fair value of current investments	-	(28.15)	(1.01)	-	(29.16)
Fair value of Inventories	-	(25.32)	25.32	-	0.00
Right-of-use Asset	(238.73)	-	(132.43)	-	(371.16)
Tax on undistributed reserves of subsidiary	-	-	(152.71)	-	(152.71)
Others	(3.65)	0.36	0.52	-	(2.77)
<b>Deferred tax assets/(liabilities) (net)</b>	<b>(190.94)</b>	<b>(1,744.01)</b>	<b>125.48</b>	<b>0.07</b>	<b>(1,809.40)</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
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**Deferred tax assets/(liabilities) as at March 31, 2021 in relation to:**

Particulars	As at April 1, 2020	Acquired through business combination	Recognised in statement of profit and loss	Recognised in Other Comprehensive Income	As at March 31, 2021
<b>Deferred tax assets</b>					
Provision for employee benefits	16.98	-	(14.38)	(0.41)	2.19
Share based payment expenses	95.86	-	(95.86)	-	-
Provision for doubtful debts and advances	16.56	-	(6.23)	-	10.33
Property, plant and equipment and intangible assets	24.45	-	(16.71)	-	7.74
Disallowance under section 40(a) of Income Tax Act, 1961	23.71	-	(23.71)	-	0.00
Lease Liabilities	102.38	-	135.88	-	238.26
Unabsorbed depreciation and business losses	17.53	-	-	-	17.53
Others	0.14	6.10	(5.49)	-	0.75
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	135.72	(163.96)	(197.12)	-	(225.36)
Right-of-use Asset	(100.61)	-	(138.12)	-	(238.73)
Fair value gain/loss on financial instruments	(148.82)	(29.17)	177.99	-	-
Others	(0.63)	(22.76)	19.74	-	(3.65)
<b>Deferred tax assets/(liabilities) (net)</b>	<b>183.27</b>	<b>(209.79)</b>	<b>(164.02)</b>	<b>(0.41)</b>	<b>(190.94)</b>

**Deferred tax assets/(liabilities) not recognised as at period end:**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax assets arising on:</b>		
Property, plant and equipment and intangible assets	99.75	84.21
Unabsorbed depreciation and business losses	7,380.28	1,783.52
Lease liabilities	77.61	46.99
Provision for doubtful debt and advances	510.16	64.30
Provision for employee benefits	86.65	96.60
Fair value gain/loss on financial instruments	0.58	-
Fair valuation of compound financial instruments	-	-
Fair valuation of security deposits	15.60	5.26
Provision for Inventories	7.38	-
Unamortised amounts under Sec 35D/35DD	45.47	9.02
Others	29.76	24.13
<b>Deferred tax assets / (liabilities) (net) *</b>	<b>8,253.24</b>	<b>2,114.03</b>

\* Deferred tax assets of Rs. 8,301.61 million (31 March 2021: 1,751.08 million) as at 31 March 2022 was not recognised by the Group in absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**Tax losses carried forward**

Description	As at March 31, 2022	As at March 31, 2021
Business Loss for assessment years:		
2020-21	30.70	30.72
2021-22	5,982.16	6,462.62
2022-23	22,495.23	-
Unabsorbed Depreciation	922.39	547.80
Capital Loss for assessment years:		
2021-22	138.43	138.43

Brought forward business losses pertaining to 91Streets Media Technologies and its subsidiaries and API Holdings Limited and its subsidiaries has lapsed, due to change in shareholding of API Holdings Limited consequent to scheme of amalgamation becoming effective on 27 August 2020.

The Group had cumulative earnings in respect of certain Group entities of approximately Rs. 1,023.29 million (31 March 2021: Rs. 64.71 million) for which the Group has not provided deferred tax liability as the Group believes that the reversal of such temporary difference is not probable in the foreseeable future.

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47 Loss per equity share

Particulars	<i>(Amount in millions, except no. of shares)</i>	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss attributable to owners	(40,276.98)	(6,361.89)
Weighted average number of shares used in basic/diluted earnings per share	5,530,566,129	2,387,103,950
Nominal value of equity shares	1	10
Basic and Diluted Earnings / (Loss) per share (in Rupees)	(7.28)	(2.67)

The following instruments issued by the Group have not been considered in calculation of diluted earnings per share, the same being anti-dilutive in nature

a) ESOPs issued to employees pursuant to various ESOP schemes of the group (Refer note 53)

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**API Holdings Limited (formerly known as API Holdings Private Limited)**  
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**48 Financial instruments**

The classification of each category of financial instruments and their carrying amounts are as below:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Financial assets</b>		
<b>At amortised cost</b>		
Loans ^	555.36	9.00
Other financial assets ^	1,137.35	535.36
Trade receivable ^	8,608.50	3,582.86
Cash and cash equivalents ^	1,543.97	2,295.45
Other bank balances ^	1,748.18	936.36
<b>At fair value through profit and loss</b>		
Non-current investments	152.79	1.08
Current investments	1,261.53	8.06
<b>Total assets</b>	<b>15,007.68</b>	<b>7,368.17</b>
<b>Financial liabilities</b>		
<b>At fair value through profit and loss</b>		
Borrowings	141.90	153.86
Contingent purchase consideration	564.64	-
<b>At amortised cost</b>		
Borrowings ^	25,712.33	5,700.02
Trade payables ^	4,588.81	3,655.53
Other financial liabilities ^	6,929.44	1,358.85
<b>Total liabilities</b>	<b>37,937.12</b>	<b>10,868.26</b>

There are no financial instruments that have been classified as Fair Value through Other Comprehensive Income (FVTOCI).

^ Fair values for these financial instruments have not been disclosed because their carrying amount are a reasonable approximation of their fair values.

**Fair value hierarchy**

(i) **Financial assets and liabilities measured at fair value - recurring fair value measurements**

As at March 31, 2022	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<b>Non current investments</b>				
Other investments **	-	-	152.79	<b>152.79</b>
<b>Current investments</b>				
Investment in equity shares*	-	-	1.00	<b>1.00</b>
Investment in mutual funds	1,260.53	-	-	<b>1,260.53</b>
<b>Financial liabilities</b>				
Non-current borrowings	-	-	141.90	<b>141.90</b>
Contingent purchase consideration	-	-	564.64	<b>564.64</b>

\* Investment in equity shares represent investment in unquoted equity shares. Since the amount is not material, the fair value disclosure have not been made.

\*\* Other investments includes an investment made in Compulsory Convertible Preference Shares of Rs. 4.70 million. Since the amount is not material, the fair value disclosure have not been made.

As at March 31, 2021	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<b>Non current investments</b>				
Investment in equity shares*	-	-	1.08	<b>1.08</b>
<b>Current investments</b>				
Investment in mutual funds	8.06	-	-	<b>8.06</b>
<b>Financial liabilities</b>				
Non Current borrowings	-	-	153.86	<b>153.86</b>

\* Investment in equity shares represent investment in unquoted equity shares. Since the amount is not material, the fair value disclosure have not been made.

**Level 1**

This includes the fair value of financial instruments traded in active markets which is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV.

**Level 2**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3**

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between the levels during the year.

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Inputs used in fair valuation of level 3 instruments

Particulars	Fair value as at 31 March 2022	Fair value as at 31 March 2021	Significant unobservable inputs	Inputs	Sensitivity												
<b>Non Current Borrowings</b> Compulsorily convertible cumulative participating debentures (CCD's)	141.90	153.86	Weighted Average Cost of Capital (WACC)  Growth rate	15.12% (31 March 2021: 14.25%)  4% (31 March 2021: 3%)	Increase in WACC by 1% would decrease the liability by Rs 22.46 million (31 March 2021: Rs 20.82 million) Decrease in WACC by 1% would increase the liability by Rs 27.08 million (31 March 2021: Rs. 25.02 million) Increase in growth rate by 1% would increase the liability by Rs 12.86 million (31 March 2021: Rs. 12.94 million) Decrease in growth rate by 1% would decrease the liability by Rs 10.74 million (31 March 2021: Rs. 10.83 million)												
<b>Contingent purchase consideration</b> - payable to erstwhile shareholders of Vardhman Health Specialities Private Limited	453.85	-	Discount rate  Expected payout	9.60% (31 March 2021: NA)  100% (31 March 2021: NA)	Increase or decrease in discount rate by 1% would result in decrease or increase in fair value by Rs. 1.50 million and Rs. 1.50 million respectively Decrease in the expected payout by 5% would result in decrease in fair value by Rs. 22.80 million.												
<b>Contingent purchase consideration</b> - payable to erstwhile owners of Akshaya Medical and Surgical Agencies	110.79	-	Discount rate  Expected payout	10.00% (31 March 2021: NA)  100% (31 March 2021: NA)	Increase or decrease in discount rate by 1% would result in decrease or increase in fair value by Rs. 0.40 million and Rs. 0.30 million respectively Decrease in the expected payout by 5% would result in decrease in fair value by Rs. 5.60 million.												
<b>Other investments</b> Investment in Aarman Solutions Private Limited	104.45	-	Weighted Average Cost of Capital (WACC)  Perpetuity growth	22.10% (31 March 2021: NA)  4% (31 March 2021: NA)	A sensitivity analysis has been done for the investment value for different levels of perpetuity growth and WACC. The estimated value for the scenarios is as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th colspan="2">Perpetuity Growth Rate %</th> </tr> <tr> <th>WACC</th> <th>3.00%</th> <th>5.00%</th> </tr> </thead> <tbody> <tr> <td>21.10%</td> <td>105.15</td> <td>108.95</td> </tr> <tr> <td>23.10%</td> <td>100.85</td> <td>103.75</td> </tr> </tbody> </table>		Perpetuity Growth Rate %		WACC	3.00%	5.00%	21.10%	105.15	108.95	23.10%	100.85	103.75
	Perpetuity Growth Rate %																
WACC	3.00%	5.00%															
21.10%	105.15	108.95															
23.10%	100.85	103.75															
<b>Other investments</b> Investment in Health Arx Technologies Private Limited	43.64	-	Weighted Average Cost of Capital (WACC)  Earnings growth rate	17% (31 March 2021: NA)  95% to 125% (31 March 2021: NA)	Increased earning growth factor by 5% and lower discount rate by 1% would increase fair value by 32.68 million (31 March 2021: Nil). Lower earning growth factor by 5% and higher discount rate by 1% would decrease fair value by 22.60 million (31 March 2021: Nil).												

Valuation processes

The finance department of the group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). The team takes assistance of external valuation experts, wherever required.

Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's overall risk management program focuses on robust liquidity management as well as monitoring of various relevant market variables, thereby consistently seeking to minimize potential adverse effects on the Group's financial performance. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in the financial statements.

Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The maximum credit risk comprises the carrying amounts of the financial assets. The Group's exposure to credit risk arises mainly from cash and cash equivalents, trade receivables, security deposits, investments, loans and other financial assets. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

Credit risk rating

The group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- A: Low credit risk
- B: Moderate credit risk
- C: High credit risk

Credit rating	Particulars	March 31, 2022	March 31, 2021
A: Low credit risk	Cash and cash equivalents, Other bank balances, security deposits, investments and other financial assets	15,007.68	7,368.17

b) Credit risk exposure

**Cash and cash equivalent and other bank balances**

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country. Management does not expect any losses from non-performance by these counterparties.

**Other financial assets measured at amortized cost**

Other financial assets measured at amortized cost includes bank deposits, loans, advances and other receivables. Credit risk related to these assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

**Trade and other 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 adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing.

**Reconciliation of loss allowance provision**

Particulars	31 March 2022	31 March 2021
Opening balance	54.22	63.43
Opening balance utilised	-	(63.43)
Change in loss allowance	453.99	54.22
<b>Closing balance</b>	<b>508.21</b>	<b>54.22</b>

**Ageing of trade receivables and credit risk arising therefrom is as below:**

Particulars	As at March 31, 2022			As at March 31, 2021		
	Gross Credit risk	Allowance for credit losses	Total	Gross Credit risk	Allowance for credit losses	Total
Not due	4,086.44	(34.84)	4,051.60	1,198.48	(1.52)	1,196.96
0-90 days past due	3,803.91	(51.55)	3,752.36	2,019.40	(23.97)	1,995.43
91-180 days past due	581.90	(62.41)	519.49	196.13	(3.41)	192.72
181-270 days past due	226.35	(81.41)	144.94	112.37	(3.15)	109.22
271-365 days past due	211.55	(101.93)	109.62	96.68	(15.46)	81.22
More than 365 days past due	206.56	(176.07)	30.49	9.93	(2.62)	7.31
<b>Total</b>	<b>9,116.71</b>	<b>(508.21)</b>	<b>8,608.50</b>	<b>3,632.99</b>	<b>(50.13)</b>	<b>3,582.86</b>

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the group operates. The Group manages its liquidity risk by ensuring that sufficient funds are available through a combination of equity and debt financing.

(i) Financial arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Floating rate</b>		
Expiring within one year (long term credit facilities)	427.41	346.49

(ii) Maturities of financial liabilities

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	As at March 31, 2022				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Borrowings	3,545.44	21,145.75	1,308.81	-	26,000.00
Lease liabilities	-	567.53	1,670.74	196.70	2,434.97
Trade payables	-	4,580.85	7.96	-	4,588.81
Other financial liabilities	1,273.33	4,692.53	1,551.49	-	7,517.35
<b>Total</b>	<b>4,818.77</b>	<b>30,986.66</b>	<b>4,539.00</b>	<b>196.70</b>	<b>40,541.13</b>

Particulars	As at March 31, 2021				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Borrowings	1,901.56	3,134.08	2,418.92	61.01	7,515.57
Lease liabilities	-	313.12	758.65	159.12	1,230.89
Trade payables	-	3,655.53	-	-	3,655.53
Other financial liabilities	11.55	1,347.30	-	-	1,358.85
<b>Total</b>	<b>1,913.11</b>	<b>8,450.03</b>	<b>3,177.57</b>	<b>220.13</b>	<b>13,760.84</b>

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the consolidated financial statements (continued)**  
(All amounts in Rupees million, unless otherwise stated)

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks – foreign currency risk, interest risk and price risk.

**Foreign currency risk**

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of Group. The functional currency for large number of transactions of the Group is INR and majority of the customers the Group dealt with operate from India only.

**Exposure to currency risk**

The summary quantitative data about the Group's exposure to currency risk as reported to the management is as follows.

Particulars	Amount in millions	
	INR	USD
Trade receivables	59.83	0.69
Trade payables	2.17	0.03
<b>Net exposure in respect of recognized assets and liabilities</b>	<b>57.66</b>	<b>0.66</b>

# Trade receivables are gross of provision for doubtful debts

**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the INR or US dollar at 31 March 2022 would have affected the measurement of financial instruments denominated in foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or loss	
	Strengthening	Weakening
<b>31 March 2022</b>		
INR (10% movement)	5.77	(5.77)
<b>31 March 2021</b>		
INR (10% movement)	-	-

**Price risk**

The Group's investment in certain equity shares is exposed to price risk, for detail refer note 48(i).

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Below is the overall exposure of the group to interest rate risk:

Particulars	31-Mar-22	31-Mar-21
Variable rate borrowing	2,985.34	3,839.78
Fixed rate borrowing	22,868.90	2,014.10
<b>Total borrowings</b>	<b>25,854.24</b>	<b>5,853.88</b>

**Sensitivity analysis**

Below is the sensitivity of profit or loss and equity changes in interest rates on variable rate borrowings:

Particulars	31-Mar-22	31-Mar-21
<b>Interest Sensitivity*</b>		
Interest rates – increase by 100 basis points	29.85	38.40
Interest rates – decrease by 100 basis points	(29.85)	(38.40)

\* Holding all other variables constant

**Capital management**

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by total equity (including non-controlling interest).

The capital structure is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	25,854.23	5,853.88
Lease Liability	-	-
Less: Cash and cash equivalents	1,543.97	2,295.45
<b>Net debt</b>	<b>24,310.26</b>	<b>3,558.43</b>
Equity	70,224.81	35,811.76
<b>Total Equity</b>	<b>70,224.81</b>	<b>35,811.76</b>
<b>Net debt equity ratio</b>	<b>34.62%</b>	<b>9.94%</b>

Ascent Wellness and Pharma Solutions Private Limited obtained the term loan which is included in non current borrowings in the balance sheet having a carrying value of Rs. 611.82 millions. As of 31 March 2022, the terms of loan requires the Company to net financial indebtedness of the company to EBIDT not exceeding 3 times, Debt service coverage ratio remaining more than 2 times and Total Outside liability to adjusted tangible net worth not exceeding 2.75 times for the financial year ending 31 March 2022. The company could not comply with the same terms. Subsequent to the balance sheet date, the Company has repaid the entire term loan and obtained no due certificate from the lender. The Company has reclassified the loan as current as at the balance sheet date.

Ascent Wellness and Pharma Solutions Private Limited obtained the term loan which is included in non current borrowings in the balance sheet having a carrying value of Rs. 676.94 millions. As of 31 March 2021, the terms of loan requires the Company to net financial indebtedness of the company to EBIDT not exceeding 2.5 times for the financial year ending 31 March 2021. The Company could not comply with the same terms. The Company obtained the waiver from the lender and consequently the company has not reclassified the loan as current.

API Holdings Limited (formerly known as API Holdings Private Limited)

Notes to the consolidated financial statements (continued)

(All amounts in Rupees million, unless otherwise stated)

49 The Company as a lessee

This note provides information for leases where the Group is a lessee. The Group leases various premises including leasehold land and plant and machinery. Rental contracts are typically made for the fixed periods between 1-5 years.

a. The following is the break-up of current and non-current lease liabilities

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Current	382.52	191.36
Non-current	1,505.61	795.68
<b>Total</b>	<b>1,888.13</b>	<b>987.04</b>

b. The amounts recognised in the statement of profit or loss are as follows:

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Interest on lease liabilities	183.04	85.62
Depreciation of Right-of-use assets	369.77	140.41
Expense relating to short-term leases	106.26	43.10
(Gain) / loss on lease termination	(18.69)	(19.43)
(Gain) / loss on lease modification	(0.23)	-
<b>Total amount recognised in profit or loss</b>	<b>640.15</b>	<b>249.70</b>

c. Total cash outflow (including short term and low value assets)

352.40

282.93

(This space is intentionally left blank)

50 Employee benefit obligation

a. Defined contribution plans

The Group contributions towards provident fund managed by the Central Government and towards employees state Insurance contribution scheme in pursuance of ESI Act, 1948 (as amended) which is debited to statement of profit and loss as incurred. The Group has no obligation other than making contribution to the fund.

During the year, the Group has recognised the following amounts in the statement of profit and loss, which are included in contribution to provident and other funds.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to provident and other funds	174.55	67.59

b. Leave obligation

The leave obligation cover Group's liability for compensated absences which are classified as other long term benefits.

The entire amount of the provision of Rs. 245.30 million (31 March 2021: 236.74 million) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, the Group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within next 12 month. Leave obligation not expected to be settled within next 12 month is Rs. 18.22 million (31 March 2021: Rs 10.07 million).

c. Post-employment obligations

Gratuity

The Group provides for gratuity to employees as per Payment of Gratuity Act, 1972. Every employee who has completed five years or more of continuous service gets a gratuity on death or resignation or retirement at 15 days basic salary (last drawn salary) for each completed years of services as per Group policy.

The provision for gratuity is actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the Other Comprehensive Income.

The following table sets out the status of the gratuity plan as required under Ind AS 19 'Employee benefits'.

A. Movement in present value of defined benefit obligation:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Obligations as at the beginning of the year</b>	188.06	22.22
Acquired in business combination	58.24	88.98
Current service cost	99.14	40.05
Past service cost / (credit)	(0.11)	1.54
Interest expense	10.95	1.40
Benefit payments	(9.34)	(0.63)
Remeasurements- Actuarial (gains) / losses	(107.22)	34.50
Others	(1.95)	-
<b>Obligations as at the end of the year</b>	<b>237.77</b>	<b>188.06</b>

B. Movement in fair value of plan assets

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Plan assets at the beginning of the year</b>	32.61	-
Investment income	1.83	0.67
Acquired in business combination	-	23.15
Contributions during the year	16.47	8.79
Benefits paid	(0.47)	-
Return on Plan Assets, excluding amount recognised in net interest expense	(1.24)	-
<b>Plan assets at the end of the year, at fair value</b>	<b>49.20</b>	<b>32.61</b>

C. Reconciliation of present value of defined benefit obligation and the fair value of plan assets

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation at the end of the year	237.77	188.06
Fair value of plan assets at the end of the year	49.20	32.61
<b>Liability recognised in the balance sheet</b>	<b>188.57</b>	<b>155.45</b>
<b>Current</b>	59.12	8.65
<b>Non Current</b>	129.45	146.80

D. Expenses recognized in the Statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	99.14	40.05
Past service cost	(0.11)	1.54
Interest expense	10.95	1.40
Investment income	(1.83)	(0.67)
<b>Total expense recognised in the Statement of profit and loss</b>	<b>108.15</b>	<b>42.32</b>

**E. Expense recognised in the Other comprehensive income**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss from change in financial assumptions	10.49	1.04
Loss/(gain) from change in demographic assumptions	(79.79)	2.67
Experience losses / (gain)	(37.92)	31.20
Return on plan asset excluding amounts included in interest income	1.24	(0.41)
<b>Total expenses / (gain) recognized in the other comprehensive income</b>	<b>(105.98)</b>	<b>34.50</b>

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

**F. Expense recognised in the Comprehensive income**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expense recognised in the Statement of profit and loss	108.15	42.32
Expense recognised in the Other comprehensive income	(105.98)	34.50
	<b>2.17</b>	<b>76.82</b>

**G. Economic Assumptions**

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	4.45% to 7.57%	4.50% to 6.55%
Expected rate of salary increase	7% to 15%	10% to 20%

**H. Demographic Assumptions**

Particulars	As at March 31, 2022	As at March 31, 2021
Retirement Age	58 to 60 years	58 to 60 years
Mortality Table	100% of Indian Assured Lives Mortality 2012-14	100% of Indian Assured Lives Mortality 2012-14
Attrition / Withdrawal Rates: (per annum)	5% to 59%	10% to 45%

**Sensitivity Analysis**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 1%	(19.74)	(3.87)
ii) Impact due to decrease of 1%	21.46	4.47
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 1%	21.44	(4.99)
ii) Impact due to decrease of 1%	(18.91)	3.39
<b>c) Impact of the change in attrition rate</b>		
i) Impact due to increase of 50%	(23.46)	10.45
ii) Impact due to decrease of 50%	35.63	(33.24)
<b>d) Impact of change in Mortality Rate</b>		
i) Impact due to increase of 10.00%	(0.37)	(2.65)
ii) Impact due to decrease of 10.00%	0.45	2.60

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**Risk Exposure**

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

**Interest rate risk:**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Demographic risk:**

The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the consolidated financial statements (continued)**  
(All amounts in Rupees million, unless otherwise stated)

**Salary Risk:**

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Defined Benefit Liability and Employer Contributions:**

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.  
Expected contributions to gratuity plans for the year ending 31 March 2023 : Rs.27.99 million (31 March 2022: Rs. 13.84 million)

The weighted average duration of the defined benefit obligation is 6 to 18 years (31 March 2021: 3 to 16 years)

**Maturity profile of defined benefit obligation**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Less than a year	16.87	5.85
Between 1 to 2 years	16.41	3.03
Between 2 to 5 years	81.43	43.94
More than 5 years	249.38	438.78
<b>Total expected cash flow</b>	<b>364.09</b>	<b>491.60</b>

*(This space is intentionally left blank)*



**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the consolidated financial statements (continued)**

(All amounts in Rupees millions, unless otherwise stated)

Evermed Holdings Pte. Ltd.(w.e.f. August 27, 2020,and upto September 27, 2021) Bessemer India Capital Holdings II Ltd. (w.e.f. August 27, 2020,and upto June 23, 2021) Eight Roads Ventures India III LP and F-Prime Capital Partners Healthcare Fund V LP (w.e.f. August 27, 2020, Lightstone Fund S.A. (w.e.f. August 27, 2020,and upto June 23, 2021) The Fundamentum Partnership Fund I (w.e.f. August 27, 2020,and upto January 25, 2021) CDPQ Private Equity Asia Pte. Ltd. (w.e.f. August 27, 2020,and upto July 24, 2021) TPG Growth V SF Markets Pte. Ltd. (w.e.f. March 01, 2021) MacRitchie Investments Pte. Ltd. (w.e.f. August 27, 2020) Naspers Ventures B. V. (w.e.f. April 05, 2021) Prasid Uno Family Trust (w.e.f. January 25, 2021,and upto September 27, 2021) TIMF Holdings (w.e.f. December 30, 2020,and upto January 25, 2021)	Entities having significant influence over the Company (having rights to appoint board member)
Manjula Dedhia (w.e.f September 09, 2021) Hemangi Desai	Relative of Key Managerial Personnel

**(ii) Related party transactions during the year**

Particulars	For the period ended March 31, 2022	For the year ended March 31, 2021
<b>Sale of Goods (net of return)</b>		
Ascent Health and Wellness Solutions Private Limited	-	1.88
D. C. Agencies Private Limited	-	0.19
Aarush Tirupati Enterprise Private limited	-	1.11
Impex Healthcare Private Limited	17.02	-
<b>Purchase (net of return)</b>		
Ascent Health and Wellness Solutions Private Limited	-	90.57
Desai Pharma Distributors Private Limited	-	18.51
Eastern Agencies Healthcare Private Limited	-	90.30
Muthu Pharma Private Limited	-	4.80
D. C. Agencies Private Limited	-	61.21
VPI Medisales Private Limited	-	16.89
Mahaveer Medi-Sales Private Limited	-	8.28
Aryan Wellness Private Limited	-	44.28
Pearl Medicals Private Limited	-	0.40
Shell Pharmaceuticals Private Limited	-	8.82
Aarush Tirupati Enterprise Private limited	-	7.26
Impex Healthcare Private Limited	56.42	-
<b>Sale of services</b>		
Ascent Health and Wellness Solutions Private Limited	-	2.65
Desai Pharma Distributors Private Limited	-	1.91
Eastern Agencies Healthcare Private Limited	-	4.19
D. C. Agencies Private Limited	-	4.84
Aryan Wellness Private Limited	-	2.63
Muthu Pharma Private Limited	-	0.65
Ayro Retail Solutions Private Limited	-	0.96
<b>Interest Income</b>		
Ascent Health and Wellness Solutions Private Limited	-	48.44
Impex Healthcare Private Limited	22.91	-
Marg ERP Limited	5.21	-
<b>Interest expense</b>		
Ascent Health and Wellness Solutions Private Limited	-	3.75
<b>Loan given to</b>		
Marg ERP Limited	200.00	-
Impex Healthcare Private Limited	681.58	-
<b>Loan repaid</b>		
Impex Healthcare Private Limited	354.44	-
<b>Loan taken from</b>		
Ascent Health and Wellness Solutions Private Limited	-	146.36
<b>Deemed Investment in associate - Corporate guarantee fee income</b>		
Impex Healthcare Private Limited	14.70	-
<b>Other Expenses</b>		
Deepak Vaidya	2.50	-
Ramakant Sharma	1.20	-
Jaydeep Tank	1.20	-
Subramaniam Somasundaram	4.50	-
Vineeta Rai	2.50	-
<b>Legal Professional Fees</b>		
Puri Advisors LLP	11.21	-

**API Holdings Limited (formerly known as API Holdings Private Limited)****Notes to the consolidated financial statements (continued)**

(All amounts in Rupees millions, unless otherwise stated)

**Director Sitting Fees**

Aditya Puri	0.02	-
Deepak Vaidya	0.08	-
Ramakant Sharma	0.04	-
Jaydeep Tank	0.06	-
Subramaniam Somasundaram	0.10	-
Vineeta Rai	0.06	-

**Reimbursement of Expenses**

Dhaval Shah	0.34	0.32
Dharmil Sheth	2.83	0.07
Siddharth Shah	0.04	0.25
Harsh Parekh	0.25	-
Chebolu V. Ram	0.06	-
Savita Sharma	0.01	-
Hardik Dedhia	0.21	-
Drashti Shriram Shah	-	0.10

**Conversion of Compulsory Convertible Debenture to Equity**

Siddharth Shah	583.58	20.13
Harsh Parekh	547.71	18.04
Dharmil Sheth	774.48	21.32
Dhaval Shah	756.56	18.34
Hardik Dedhia	547.71	18.04

**Call money received on Compulsory Convertible Debentures:**

Siddharth Shah	583.45	20.13
Harsh Parekh	547.58	18.04
Dharmil Sheth	774.30	21.32
Dhaval Shah	756.39	18.33
Hardik Dedhia	547.58	18.04

**Conversion of Compulsory Convertible Debenture to Non Convertible Debenture**

Siddharth Shah	0.08	-
Harsh Parekh	0.08	-
Dharmil Sheth	0.08	-
Dhaval Shah	0.08	-
Hardik Dedhia	0.08	-

**Redemption of Non Convertible Debenture**

Siddharth Shah	0.08	-
Harsh Parekh	0.08	-
Dharmil Sheth	0.08	-
Dhaval Shah	0.08	-
Hardik Dedhia	0.08	-

**Compulsory Convertible Debentures issued to :**

Siddharth Shah	0.08	0.14
Harsh Parekh	0.08	0.13
Dharmil Sheth	0.08	0.18
Dhaval Shah	0.08	0.17
Hardik Dedhia	0.08	0.13

**Equity Shares Allotment (For details of bonus equity shares refer note 22)**

Aditya Puri	300.00	-
Deepak Vaidya	250.00	-
Ramakant Sharma	6.67	-
Jaydeep Tank	6.00	-
Jaydeep Tank HUF	0.67	-
CDPQ Private Equity Asia Pte. Ltd.	-	760.22
Naspers Ventures B. V.	1,433.33	-
MacRitchie Investments Pte. Ltd.	1,249.99	-
TPG Growth V SF Markets Pte. Ltd.	1,133.33	-

**Compulsory Convertible Preference Shares issued to :**

Ramakant Sharma	3.33	-
Jaydeep Tank	2.99	-
Jaydeep Tank HUF	0.33	-
CDPQ Private Equity Asia Pte. Ltd.	-	380.11
Eight Roads Ventures India III LP and F-Prime Capital Partners	-	238.09
Healthcare Fund V LP	-	-
Lightstone Fund S.A.	-	643.74
MacRitchie Investments Pte. Ltd.	625.00	902.24
Naspers Ventures B. V.	716.66	-
The Fundamentum Partnership Fund I	-	25.88
TPG Growth V SF Markets Pte. Ltd.	566.67	-

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the consolidated financial statements (continued)**  
(All amounts in Rupees millions, unless otherwise stated)

**Conversion of Convertible Preference Shares in to Equity :**

Ramakant Sharma	8.31	-
Jaydeep Tank	2.99	-
Jaydeep Tank HUF	0.33	-
Siddharth Shah	76.86	-
Manjula Dedhia	8.64	-
Hemangi Desai	8.71	-
Naspers Ventures B. V.	6,517.23	-
MacRitchie Investments Pte. Ltd.	7,519.29	-
TPG Growth V SF Markets Pte. Ltd	5,306.84	-

**Investments during the period**

Marg ERP Limited	2,548.60	-
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**Compensation Paid to Key Managerial Personnel (KMP) and Directors**

Short-term employee benefits***	3,278.34	47.75
Share based payments	2,553.30	-

\*\*\* Excludes provision for gratuity and leave encashment recognised on the basis of actuarial valuation as separate figures are not available.

**(iii) Related party closing balances as at the Balance Sheet date**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Loans given</b>		
Marg ERP Limited	200.00	-
Impex Healthcare Private Limited	351.21	-
<b>Loans taken</b>		
Siddharth Bhaskar Shah (Liability acquired in business combination)	-	2.25
<b>Trade receivables</b>		
Impex Healthcare Private Limited	15.29	-
<b>Trade payables</b>		
Puri Advisors LLP	3.04	-
Deepak Vaidya	2.25	-
Ramakant Sharma	1.08	-
Jaydeep Tank	1.08	-
Subramaniam Somasundaram	4.05	-
Vineeta Rai	2.25	-
Impex Healthcare Private Limited	4.21	-
<b>Investment in associates</b>		
Marg ERP Limited	2,548.60	-
Equinox Labs Private Limited	200.00	-
<b>Interest accrued</b>		
Marg ERP Limited	5.21	-

(This space is intentionally left blank)

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Consolidated Financial statements (continued)**  
*(All amounts in Rupees million, unless otherwise stated)*

**52. Summary of business combination**

(i) a) Acquisition of Thyrocare Technologies Limited ("Thyrocare")  
Docon Technologies Private Limited (the "Acquirer"), a wholly owned subsidiary of API entered into a share purchase agreement (the "SPA") with the selling shareholders of Thyrocare Technologies Limited ("Thyrocare", "Acquiree").

Pursuant to the SPA, during the current financial year API acquired:  
(1) 3,49,72,999 equity shares aggregating to 66.14% shareholding in the Acquiree from the selling shareholders, against an aggregate consideration of Rs. 45,464.90 million; and  
(2) 2,683,093 shares for a purchase consideration of Rs.3,488.02 million representing 5.08% under open offer, for a total consideration of Rs.48,952.92 million.  
Thyrocare operates in the healthcare industry and is involved in providing quality diagnostic services at affordable costs to patients, laboratories and hospitals in India. The business combination has been effected to bring synergies and achieve economies of scale.

Consideration transferred:  
The total fair value of the consideration transferred is determined as follows:

Particulars	Amount (Rs in million)
Fair value of the consideration transferred	45,464.90
Shares acquired through open offer	3,488.02
<b>Total fair value of the consideration transferred for purpose of computing goodwill</b>	<b>48,952.92</b>

The transaction was consummated on 2 September 2021, which is the date when API acquired control of Thyrocare.  
The purchase consideration for acquisition of Thyrocare was discharged entirely in cash.

**Details of Purchase Consideration and Net Asset acquired during the Business Combinations on the date of acquisition are as follows:-**

Particulars	Amount (Rs in million)
<b>Fair value of assets acquired:</b>	
<b>Non-current assets</b>	
Property, plant and equipment	2,150.66
Capital work-in-progress	18.60
Intangible assets acquired*	5,840.99
Right-of-use assets	417.66
Equity accounted investees	207.50
Non-current financial assets	60.30
Deferred tax assets	73.30
Other tax assets (Advance tax)	104.60
Other non-current assets	57.20
<b>Current assets</b>	
Inventories	224.40
<b>Financial assets:</b>	
Investments	1,048.30
Trade receivables	945.50
Cash and cash equivalents	152.00
Other bank balances	3.70
Loans	0.40
Other financial assets	5.40
Indemnification Asset	35.70
Assets held for sale	128.50
<b>Total assets acquired (a)</b>	<b>11,570.91</b>
<b>Liabilities assumed:</b>	
Non Current Lease liabilities	177.40
Provisions	244.40
Deferred tax liabilities	1,692.67
Current Lease liabilities	55.20
Trade payables	201.00
Other financial liabilities	215.00
Current tax liabilities (net) - Provision for tax	252.20
Provisions	20.40
Other current liabilities	99.60
<b>Total liabilities assumed (b)</b>	<b>2,957.87</b>
<b>Net identifiable assets acquired (a-b)</b>	<b>8,613.04</b>

\*The Group has identified Intangible assets of brand name, technology platform and customer contracts. The Group has estimated the useful life in the range of 3-20 years.

**Computation of Goodwill on acquisition**  
The excess of the consideration transferred over the fair value of the net assets acquired is allocated to goodwill as computed below. Goodwill is primarily attributed to supplier relationships, huge customer database, workforce acquired and other intangibles as a part of the business combination which do not meet the separability criterion.

Particulars	Amount (Rs in million)
Total fair value of the consideration transferred for purpose of computing goodwill	48,952.92
Add: Fair value of vested employee share based payments considered as non-controlling interest	79.13
Add: Non-controlling interest in Thyrocare *	2,479.01
Less: Net identifiable assets acquired	(8,613.04)
<b>Goodwill on acquisition</b>	<b>42,898.02</b>

\* Non-controlling interest was valued at fair value on the date of acquisition.

The fair value of acquired trade receivable is Rs. 945.60. The gross contractual amount for trade receivable due is Rs. 1,005.60 million with a loss allowance of Rs. 60.10 million.

The acquired business contributed revenues and profits to the Group for the year 31 March 2022 as follows:

Thyrocare : Revenue of Rs. 3,014.10 million and total comprehensive income of Rs. 607.90 million.

If the acquisitions had occurred on 1 April 2021, consolidated revenue and profit for the year ended 31 March 2022 would have increased by Rs. 2,874.50 million and Rs. 1,154.70 million respectively. These amounts have been calculated using the subsidiary's results.

Acquisition related cost of Rs. 336.28 million that were not directly attributable to the issue of shares are included in the other expenses in the statement of profit and loss and in operating cashflows in the statement of cashflows.

**(ii) Acquisition of Akxa Medical Private Limited (Akxa or Acquiree)**

Pursuant to shareholder purchase agreements between API ("Acquirer"), Akxa and its investors, API agreed to acquire 2.27% of the equity share capital on fully diluted basis (76,075 equity shares) from Angel Investors for Rs. 240.00 million in cash and 35.92% of the equity share capital on fully diluted basis (1,204,133 equity shares) from Promoters and other sellers for Rs. 3,687.00 million in cash. API further subscribed to 975,953 shares (representing 29.11% equity interest) for a consideration of Rs. 3,080 million.

Akxa along with its subsidiaries and associates (collectively the group) are engaged in the business of wholesale trading of Medical supplies including pharmaceutical, surgical, healthcare consumables, vaccines and other allied health care products.

The purchase consideration for acquisition of Akxa was discharged in cash.

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Consolidated financial statements (continued)**  
(All amounts in Rupees million, unless otherwise stated)

In addition to the above and alongwith the shareholder purchase agreements mentioned above, API entered into separate agreements with non-controlling shareholders, respectively, whereby API holds a call option to purchase shares held by these shareholders (representing 32.70% equity interest) if specified EBITDA thresholds are not met by end of the specified period in the respective agreements. These shareholders, in turn, hold a put option to put the shares to API at any time by end of the specified period defined in these agreements.

These options are priced at a fixed price. Accordingly, on the date of acquisition the Group has recognised a liability amounting to Rs. 4,643.85 million in the consolidated financial statements with respect to this obligation.

The Group has determined that the risks and rewards with respect to the call and put options held by the Group and non-controlling shareholders, respectively, reside with API and therefore no non-controlling interest has been recognized in respect of this acquisition in the consolidated financial statements. Accordingly, though the Group holds 67.30% of voting interests in Akna, it holds 100% economic interest.

The liability has been measured at present value of the amount required to settle the obligation and the subsequent changes in the liability of Rs. 257.46 million (31 March 2021: Nil) has been recognised directly in equity for the year ended 31 March 2022.

**Consideration transferred:**

The total fair value of the consideration transferred is determined as follows.

Particulars	Amount (Rs in million)
Fair value of the consideration transferred	7,007.08
Put liability	4,643.85
<b>Total fair value of the consideration transferred for purpose of computing goodwill</b>	<b>11,650.93</b>

The transaction was consummated on 17 September 2021, which is the date when the Group acquired control of Akna Medical Private Limited.

**Details of Purchase Consideration and Net Liabilities assumed during the Business Combinations on the date of acquisition are as follows:-**

Particulars	Amount (Rs in million)
<b>Fair value of assets acquired:</b>	
Property, plant and equipment	86.77
Right-of-use assets	36.05
Intangible Assets*	511.34
Intangibles asset under development	17.73
Equity accounted investees	188.40
Other financial assets	70.66
Other non-current assets	6.00
Non current tax assets (net)	5.91
Deferred tax assets	31.02
Inventories	1,294.40
<b>Financial assets:</b>	
Loans	1.87
Trade receivables	2,174.74
Cash and cash equivalents	90.24
Other bank balances	313.48
Other financial assets	111.27
Other current assets	512.45
<b>Total assets acquired (a)</b>	<b>5,452.35</b>
<b>Liabilities assumed:</b>	
<b>Financial liabilities:</b>	
Borrowings	760.24
Lease liabilities	20.04
Other financial liabilities	435.71
Provisions	11.19
Deferred tax liabilities	155.65
<b>Financial liabilities</b>	
Borrowings	2,739.86
Lease liabilities	15.82
Trade payables	945.73
Other financial liabilities	340.07
Other current liabilities	59.99
Provisions	0.05
Current tax liabilities (net) - Provision for tax	32.60
<b>Total liabilities assumed (b)</b>	<b>5,516.95</b>
<b>Net identifiable assets acquired (a-b)</b>	<b>(64.61)</b>

\*The Group has fair valued intangible assets comprising of brand name, technology platform and customer contracts. The Group has estimated the useful life in the range of 3.5 - 20 years.

**Computation of goodwill on acquisition**

The excess of the consideration transferred over the fair value of the net assets acquired is allocated to goodwill as computed below. Goodwill is primarily attributed to supplier relationships, huge customer database, workforce acquired and other intangibles as a part of the business combination which do not meet the separability criterion.

Particulars	Amount (Rs in million)
Total fair value of the consideration transferred for purpose of computing goodwill	7,007.08
Add: Put liability	4,643.85
Add: Net identifiable liabilities assumed	64.61
Less: Cash infusion in the company through subscription of equity shares in Akna	(3,080.00)
<b>Goodwill on acquisition</b>	<b>8,635.54</b>

The fair value of acquired trade receivable is Rs. 2,174.74 million. The gross contractual amount for trade receivable due is Rs. 2,219.03 million with a loss allowance of Rs. 44.29 million.

The acquired business contributed revenues and profits to the Group for the period 31 March 2022 as follows:

Akna : Revenue of Rs. 5,346.78 million and total comprehensive loss of Rs. 1,400.62 million.

If the acquisitions had occurred on 1 April 2021, consolidated revenue and loss for the period ended 31 March 2022 would have increased by Rs. 3,201.75 million and Rs. 307.14 million respectively. These amounts have been calculated using the subsidiary's results.

Acquisition related cost of Rs. 18.26 million that were not directly attributable to the issue of shares are included in the other expenses in the statement of profit and loss and in operating cashflows in the statement of cashflows.

**Acquisition made in the financial year ended March 31, 2021**

- (iii) On 27th August 2020 (the "Effective Date"), the Scheme of Amalgamation of Thea Technologies Private Limited, Swifto Services Private Limited, 91Streets Media Technologies Private Limited, Ascent Health and Wellness Solutions Private Limited, Aahaan Commercials Private Limited and Lokprakash Vidhya Private Limited with API Holdings Limited and their respective shareholders the ("Scheme") became effective pursuant to filing of the order of National Company Law Tribunal, Bench (NCLT), Mumbai sanctioning the Scheme with the Registrar of Companies, Mumbai. Pursuant to the Scheme becoming effective, the erstwhile Thea Technologies Private Limited, Swifto Services Private Limited, 91Streets Media Technologies Private Limited ("91Streets"), Ascent Health and Wellness Solutions Private Limited ("Ascent"), Aahaan Commercials Private Limited and Lokprakash Vidhya Private Limited stand dissolved without winding up and the entire business, assets, liabilities, undertaking, etc. of these companies stand transferred to and vest in API Holdings Private Limited ("the Company"). As a result of the Scheme, the erstwhile shareholders (equity and Compulsory Convertible Preference Shares alongwith all the convertible securities) of 91Streets were issued 56 shares in the Company for every 1 share held in 91Streets whereas the erstwhile shareholders of Ascent were issued 65 shares in the Company for every 1 equity share held in Ascent and 176,085 shares in the Company for every 3,278 CCPS held in Ascent. Similarly, shareholder of Aahaan Commercials Private Limited ("ACPL") were issued 20,267 shares of the Company of the face value of Rs. 10 each fully paid up of the Company for every 800 equity shares of face value of Rs. 10 each fully paid up of ACPL and shareholder of Lokprakash Vidhya Private Limited ("LVPL") were issued 2,04,295 shares of the Company of the face value of Rs. 10 each fully paid up of the Company for every 8,514 equity shares of face value of Rs. 100 each fully paid up of LVPL.

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Consolidated financial statements (continued)**  
 (All amounts in Rupees million, unless otherwise stated)

The Scheme was accounted for as a business combination using the acquisition method of accounting under the provisions of Ind AS 103, Business Combinations with the Effective Date being the acquisition date. 91Streets has been determined to be the acquirer for accounting purposes based on an analysis of the criteria outlined in Ind AS 103 and the facts and circumstances specific to the Scheme, including the fact that on the Effective Date of the Scheme: (1) erstwhile 91Streets' shareholders owned the majority of the voting rights in the Company; (2) erstwhile 91Streets' shareholders have majority of the members on the board of directors of the Company; and (3) 91Streets' size mainly on account of net asset, operating cash flows, equity valuation of the Group is more as compared to Ascent. Ascent has been determined to be the acquiree. Under Ind AS 103, 91Streets as the accounting acquirer, recorded the assets acquired and liabilities assumed of Ascent at their fair values as of the acquisition date. As a result, upon consummation of the Scheme, the historical financial statements of 91Streets became the historical financial statements of the Company. The Company has been identified as the entity giving effect to the above scheme of amalgamation. The combination of 91Streets and the Company has been accounted for as a capital restructuring - reorganisation whereby the statement of profit and loss, including comparatives, reflect the pre-combination results of 91Streets and the Company. Similarly, the total equity, including comparatives, is the aggregate of equity of 91Streets and the Company. The share capital as appearing in the financial statements is that of the Company (surviving entity).

The above Scheme has been approved by the NCLT vide its order dated 8 June 2020. However, the Company has received the certified true copy of the Order on July 02, 2020 and the same has been filed with the Registrar of Companies on 27 August 2020 which is the "Effective Date" as well as "Appointed Date" as per the Scheme.

The fair value of the purchase consideration on the date of acquisition is based on the number of equity shares of 91Streets that would have been issuable to give the shareholders of Ascent the same percentage equity interest in the combined entity that results from the amalgamation (i.e. the Company).

**Purchase Consideration:**

The total fair value of the purchase consideration is determined as follows.

Particulars	Amount (Rs in million)
Fair value of the consideration transferred based on equity shares of 91Streets that would have been issuable	14,139.70
Adjustment for pre-existing relationships*	1,384.30
Portion of market based measure of Ascent's share-based payments scheme attributable to pre-combination service	268.70
<b>Total fair value of the consideration transferred for purpose of computing goodwill</b>	<b>15,792.70</b>

\* 91Streets had given certain loans to Ascent and outstanding as at the acquisition date with a carrying amount of Rs 1,537.96 million measured at amortised cost, and 91Streets had other payable towards Ascent of Rs. 3.7 million. Further, the Company had taken certain loans from Ascent and outstanding as at the acquisition date with a carrying amount of Rs 149.96 million measured at amortised cost. Pursuant to the amalgamation, these inter-company balances are cancelled. Thus, the business combination is treated as effectively settling these pre-existing relationships with the settlement amounts being the respective carrying amounts since the fair value approximates the carrying value.

The above consideration is allocated to the assets acquired and liabilities assumed at the date of acquisition as tabulated below:

Particulars	Amount (Rs in million)
<b>Fair value of assets acquired:</b>	
Property, plant and equipment	178.84
Right-of-use asset	291.64
Other intangible assets	31.65
Investments	1.00
Non current financial assets	
Non current tax assets (net)	27.77
Deferred tax assets	6.10
Other non-current assets	17.49
Inventories	1,358.34
Trade receivables	1,955.58
Cash and cash equivalents	545.44
Other bank balances	229.84
Loans	15.50
Other financial assets	126.30
Other current assets	779.38
<b>Total assets acquired (a)</b>	<b>5,564.86</b>
<b>Liabilities assumed:</b>	
Borrowings	2,379.04
Aryan CCD's held by Promoters	133.19
Lease liabilities	311.71
Deferred tax liabilities	52.11
Trade payables	545.86
Other current financial liabilities	265.46
Other current liabilities	408.86
Provisions	9.75
Current tax liabilities (net)	24.07
<b>Total liabilities assumed (b)</b>	<b>4,130.04</b>
<b>Net identifiable assets acquired (a-b)</b>	<b>1,434.82</b>

The fair value of acquired trade receivables is Rs. 1,955.58 million. The gross contractual amount for trade receivables due is Rs. 2,011.54 million with a loss allowance of Rs. 55.96 million.

The acquired business contributed revenues and profits to the Group for the period 31 March 2021 as follows:

Ascent Group: Revenue of Rs. 14,730.53 million and loss of Rs. 81.80 million.

If the acquisitions had occurred on 1 April 2020, consolidated revenue and loss for the year ended 31 March 2021 would have been increased by Rs. 7,135.66 million and Rs. 419.59 million respectively.

**Computation of goodwill on acquisition of Ascent Group**

The excess of the consideration transferred over the fair value of the net assets acquired is allocated to goodwill as computed below. The Group has acquired vendor relationships, customer relationships and trademarks as part of above business combinations, which do not meet the criteria for recognition as an intangible assets under Ind AS 38 and therefore, has not been separately recognised.

Particulars	Amount (Rs in million)
Total fair value of the consideration transferred for purpose of computing goodwill	15,792.70
Add: Non-controlling interest in certain subsidiaries of Ascent Group *	376.12
Less: Net identifiable assets acquired	1,434.82
<b>Goodwill on acquisition</b>	<b>14,734.01</b>

\* With regards to non-controlling interest in certain subsidiaries of Ascent Group, the Group has a choice to recognise these non-controlling interests either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. The Group has elected to recognise the non-controlling interests at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

**(iv) Acquisition of Medlife International Private Limited including subsidiaries ("Medlife Group"):-**

Pursuant to Securities Purchase Agreement (SPA) dated 16 December 2020 between the Company and shareholders of Medlife International Private Limited (Medlife), the Company has acquired 100% voting rights of Medlife from its erstwhile shareholders for total consideration of Rs 10,828 million and the Company has issued 1,933,155 compulsorily convertible preference shares of the Company of Rs 10 each fully paid for 24,40,057 equity shares of Medlife of Rs 10 each fully paid up. The share exchange ratio has been determined based on the fair value of equity shares of the Company and Medlife. The Company has obtained control over the entity effective from 22 January 2021 with 97.1% voting rights. Subsequently, on 25 January 2021 the Company acquired the remaining voting rights. Fair value of equity shares of API was computed by an independent valuer based on discounted cashflow method.

Medlife Group is primarily engaged in business of creating the next generation healthcare platform that would bring all stake holders on a single platform and will be one common point that links all aspects of a person's health care needs. The Group is engaged in trading of pharma products across India and also provides lab and E-consultation services.

The business combination has been effected to bring synergies and achieve economies of scale.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Consolidated financial statements (continued)  
(All amounts in Rupees million, unless otherwise stated)

**Consideration transferred:**

The total fair value of the consideration transferred is determined as follows.

Particulars	Amount (Rs in million)
Fair value of the consideration transferred based on equity shares* of API Holdings Pvt Ltd	10,827.60
Fair value of CCD instrument exchanged *	924.32
<b>Total fair value of the consideration transferred for purpose of computing goodwill</b>	<b>11,751.92</b>

\* Pursuant to the above Securities Purchase Agreement, the Company executed the CCD agreement dated 16 December 2020, accordingly the Company has also acquired the 75 Compulsory Convertible Debentures of Medlife International Private Limited (having term of 36 months and are convertible into equity shares at the fixed ratio of 1:1943 at the end of the term) from the erstwhile Debenture Holders (Ivy Icon Solutions LLP). In consideration for such CCD acquisition, the Company has issued 133,904 number of 15.50% CCDs having a face value of Rs 5,601 with a fair value of Rs. 924.32 million as at acquisition date

The above consideration is allocated to the assets acquired and liabilities assumed of Medlife group at the date of acquisition as tabulated below.

Particulars	Amount (Rs in million)
<b>Fair value of assets acquired:</b>	
Property, plant and equipment	90.33
Right-of-use asset	392.63
Intangible assets	656.86
Loans - Non current	20.33
Other financial assets - Non-current	1.00
Current tax assets (net)	45.78
Other assets	902.01
Inventories	413.95
Trade receivables	234.23
Cash and cash equivalents	18.60
Loans - Current	50.94
Other financial assets	102.99
Other bank balances	46.51
Other current assets	224.27
<b>Total assets acquired (a)</b>	<b>3,200.43</b>
<b>Fair value of liabilities assumed:</b>	
Borrowings	2,800.94
Lease liabilities	437.31
Other financial liabilities	218.39
Contract liabilities	-
Provisions	142.08
Trade payables	1,688.01
Other current liabilities	2,002.68
Deferred tax liabilities (net)	163.96
<b>Total liabilities assumed (b)</b>	<b>7,453.37</b>
<b>Net identifiable liabilities assumed (a-b)</b>	<b>(4,252.94)</b>

The Group has identified intangible assets of Brand Name, Technology platform and Non compete fee. The Group has estimated useful life to be 3 years for the intangibles assets acquired in business combinations. Refer note 6 for details.

**Calculation of goodwill:**

The excess of the consideration transferred over the fair value of the net assets acquired is allocated to goodwill as computed below. Goodwill on acquisitions comprise the value of expected synergies arising from acquisitions, customer relationships, supplier relationships and trademarks which does not meet the criteria for recognition as an intangible assets and subsumed to goodwill.

Particulars	Amount (Rs in million)
Total fair value of the consideration transferred for the purpose of computing goodwill	11,751.92
Add: Net identifiable liabilities assumed	4,252.94
Add: Portion of market-based measure of Medlife's share-based payments scheme attributable to pre-combination service considered as non controlling interest	1,093.93
<b>Goodwill on acquisition</b>	<b>17,098.80</b>

The fair value of acquired trade receivables is Rs. 234.23 million. The gross contractual amount for trade receivables due is Rs. 262.28 million with a loss allowance of Rs. 28.05 million.

The acquired business contributed revenues and losses to the Group for the period 31 March 2021 as follows:

Medlife Group: Revenue of Rs. 632.23 million and total comprehensive loss of Rs. 792.43 million.

If the acquisitions had occurred on 1 April 2020, consolidated revenue and loss for the year ended 31 March 2021 would have been increased by Rs. 3,106.98 million and Rs. 6,668.04 million, respectively.

Acquisition related costs of Rs. 28.92 million that were not directly attributable to the issue of shares are included in the other expenses in the statement of profit and loss and in operating cash flows in the statement of cash flows.

**(v) Other acquisitions**

The Group acquired controlling stake in Instinct Innovation Private Limited ('I IPL') on 08 May 2020 for total purchase consideration of Rs. 46.32 million. As at 31 March 2020, the Group was previously holding 17.50% voting rights in the Acquiree, and the remaining stake has been acquired on 08 May 2020. The acquiree is in the business of providing software solutions to the entities engaged in the retail business of pharmaceutical goods. The acquisition was made with an intention to provide services to customers which complements with the Group's business.

During the financial year ended March 31, 2021, pursuant to Asset Transfer Agreement dated February 24, 2021 the Group has completed acquisition of pharmaceuticals trading and distribution business in the territory of Shimoga from M/s DRK Enterprises on a going concern basis at an agreed consideration of Rs.10 million and that from M/S Tirupati Enterprise and its HUF ('Tirupati Enterprise') in the territory of Kolkata at an agreed consideration of Rs. 25 million. This business combination has been effected to bring synergies and to achieve economies of scale.

During the period ended March 31, 2022, the Group has acquired pharmaceuticals trading and distribution businesses in the territory of Pondicherry and Lucknow from M/s Varma Medicals on April 26, 2021 and M/s Sachdeva Medicals on June 1, 2021, respectively on a going concern basis at an agreed consideration of Rs. 32.50 millions and Rs. 35.00 millions, respectively. This business combination has been effected to bring synergies and to achieve economies of scale.

During the period ended March 31, 2022, one of the subsidiary of the group has completed acquisition of pharmaceuticals trading and distribution business in the territory of Goa and Coimbatore from M/s E C Agencies and M/s Sri Alagu Pharma on a going concern basis at an agreed aggregated consideration of Rs. 19.99 millions and Rs. 52.20 millions respectively.

On 1 January 2022, one of the subsidiary, namely, Shreeji Distributors Pvt. Ltd. entered into Business Transfer Agreement (BTA) for acquisition of pharma business from Akshaya Medical and Surgical Agencies. Pursuant to the BTA, the aforesaid business has been transferred to the Group as a going concern on slump sale basis for a purchase consideration of Rs 281.60 million payable as follows:

- Rs 166.60 million upfront payment on closing date i.e. date on which the transaction is consummated;

- Rs 40.00 million, subject to achievement of targets setforth in the BTA, within 90 days from closing date;

- Rs 20.00 million, subject to achievement of targets setforth in the BTA, within 180 days from closing date;

- Rs 25.00 million, subject to achievement of targets setforth in the BTA, post audit of Financial Statements for the year ended 31 March 2022;

- Rs 30.00 million, subject to achievement of targets setforth in the BTA, post audit of Financial Statements for the year ended 31 March 2023

The fair value of the contingent consideration of Rs 108.40 million was estimated by calculating the present value of the future expected cash flows using scenario based modelling. The estimates are based on a discount rate of 10%.

The Group has acquired vendor relationships, customer relationships and trademarks as part of above business combinations, which do not meet the criteria for recognition as an intangible assets under Ind AS 38 and therefore, has not been separately recognised.

API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Consolidated financial statements (continued)  
(All amounts in Rupees million, unless otherwise stated)

Details of Purchase Consideration and Net Asset acquired during the Business Combinations on the date of acquisition are as follows:-

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
	Amount (Rs. in million)	Amount (Rs. in million)
<b>Purchase consideration</b>		
Cash payments	272.29	58.03
Consideration payable for business purchase	142.40	14.94
Acquisition date fair value of previously held equity interest	-	10.33
<b>Less: Fair Value of net identifiable assets Acquired</b>		
Property, plant and equipment	7.75	0.46
Intangible assets	153.10	-
Loans	-	0.11
Deferred tax assets	-	0.01
Inventories	82.50	-
Trade receivables	-	0.30
Cash and cash equivalents	-	2.67
Other current assets	-	0.40
<b>Add: Book Value of Net Liabilities Assumed</b>		
Trade payable	-	0.89
Other current liabilities	-	0.22
Provisions	-	1.54
<b>Goodwill</b>	<b>171.34</b>	<b>82.00</b>

Goodwill on acquisitions comprise the value of expected synergies arising from acquisitions, customer relationships, supplier relationships and trademarks which does not meet the criteria for recognition as an intangible assets and subsumed to goodwill.

The above acquisitions were made with the intention of growth of business as the business of acquirer and acquiree are similar in nature.

The Group has paid an additional consideration to the employees of the acquired entity amounting to Rs 0.70 million as a part of Joining bonus. The transaction being entered is for the benefit of the acquirer rather than for the benefit of the acquiree and accordingly the transaction has been recorded separately and recognised as an expense in the period ended 31 March 2021.

There is no material contribution by the above acquired businesses to the revenue and losses of the Group. Similarly, disclosure pertaining to the amounts of revenue and profit or loss of the above acquirees since the acquisition date and acquisition related cost has not been disclosed as the amounts are immaterial.

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**API Holdings Limited (formerly known as API Holdings Private Limited)**

**Notes to the Consolidated financial statements (continued)**

(All amounts in Rupees million, unless otherwise stated)

**53 Share Based Payment**

**A Employee Share Option Scheme (ESOP) of the parent Company**

(i) During the financial year ended March 31, 2021, the Company had modified the earlier Employee Stock Option plans which were issued to employees of 91Streets Media Technologies Private Limited ("91Streets / Acquirer") as per the Scheme of Amalgamation approved by National Company Law Board with effective date of merger of 91 Streets with the Company i.e. August 27, 2020.

The Scheme was accounted for as a business combination using the acquisition method of accounting under the provisions of Ind AS 103, Business Combinations with the Effective Date being the acquisition date. 91Streets has been determined to be the acquirer for accounting purposes and hence the replacement of Employee Stock Option Plans issued by the 91Streets with API Holdings Private Limited, has been considered as at the modification date. There is no incremental fair value on account of replacement of employee stock option plans as at modification date i.e. August 27, 2020.

The Group has below share based payment arrangement under ESOP 2020 for the year ended March 31, 2022 and March 31, 2021 :

	March 31, 2022		March 31, 2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	2,140	299,046	99,055	13,943
Reorganisation of 91Streets Media Technologies Private Limited (refer note 51)	-	-	-	-
Granted during the period	-	-	112,249	280
Exercised during the period \$ ^	3.21	(10,496)	-	-
Forfeited during the period \$	3.66	(2,616)	95,356	(8,412)
<b>Closing balance before modification</b>	<b>NA</b>	<b>NA</b>	<b>105,045</b>	<b>5,811</b>
Number of options after modification	NA	NA	2,060	325,428
No of options repurchased during the period \$	1.00	(58,275)	1,155	(26,382)
Impact of Bonus issued during the period	NA	8,101,002		
Impact of Shares split during the period	NA	74,957,948		
<b>No of option outstanding as at period end \$</b>	<b>2.35</b>	<b>83,286,609</b>	<b>2,140</b>	<b>299,046</b>
Vested	1.87	55,309,211	1,890	149,570
<b>Exercisable</b>	<b>1.87</b>	<b>55,309,211</b>		

Share options outstanding at the end of the period March 31, 2022 have the following expiry date and exercise prices:

Grant Date	Expected term of options granted	Exercise price Revised (Post Modification) (Rs.) ##	Share options March 31, 2022 (refer note (a) below)
01-Oct-2015	2-4 years	1.00	110,880
01-Apr-2016		1.00	-
01-May-2017		1.00	10,747,440
01-Mar-2018		1.00	5,436,420
25-Jul-2018		1.00	609,840
01-Oct-2018		1.00	6,136,350
18-Feb-2019		1.00	9,420,180
01-Oct-2019		3.32	14,110,250
01-Jan-2020		4.01	32,078,199
01-Apr-2020		4.01	2,769,800
01-May-2020		4.01	1,531,530
01-Jun-2020		4.01	323,180
01-Jul-2020		4.01	12,540

**Notes :**

(a) The number of options have been adjusted on account of bonus share issued and share split. For details refer note 22 (ii) (h) and 22 (ii) (i)

(b) \$ The average exercise price has been revised on account of modification in option Exercised price, Bonus share issued and share split. Refer table below for revised exercised price details.

(c) ^ The average share price on the date of exercise is Rs. 5900 (31 March 2021: Nil)

(d) No options expired during the periods covered in the above tables. Vested options are exercisable upon completion of vesting period

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expected term of options granted	Grant date Exercise price (Rs.)	Revised Exercise price (Rs.) *	Share options March 31, 2021
01-Oct-2015	Upon occurrence of liquidity event \$\$	55,938	999	896
01-Apr-2016		55,938	999	-
01-May-2017		78,060	1,394	50,527
01-Mar-2018		120,125	2,145	20,160
25-Jul-2018		120,125	2,145	1,848
01-Oct-2018		120,125	2,145	21,448
18-Feb-2019		120,125	2,145	35,035
01-Oct-2019		112,249	2,004	8,904
01-Jan-2020		112,249	2,004	44,286
01-Jan-2020		224,504	4,009	100,525
01-Apr-2020		112,249	2,004	13,955
01-May-2020		112,249	2,004	24
01-Jun-2020		146,763	2,621	1,388
01-Jul-2020		152,683	2,726	50

**Notes :**

(a) \* On account of scheme of amalgamation, exercise price of options granted to the employees of Acquirer has been revised.

(b) No options expired during the periods covered in the above tables, further there were no options which were exercisable as at March 31, 2021.

(c) \$\$ ESOP Scheme 2020 defines "Liquidity Event" as the date of expiry of options. "Liquidity Event" for ESOP Scheme 2020 means any event or transaction as decided and approved by the Board as liquidity event for the purposes of ESOP plan, from time to time, which more particularly includes the following events:

- Strategic Sale event conferring a right of drag along to the Current Shareholders
- Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange; and
- Any other event, which the Board may designate as a liquidity event for the purpose of the ESOP

The options granted under above scheme can only be exercised in the case of happening of a Liquidity Event. Further, prior to listing, in case none of the Liquidity Events happens, the Board, shall have the right (without any obligation) to settle any or all of the unexercised Vested Options, in one or more tranches, by way of cash payment. However, the management intends to settle the option by issue of equity shares.

However, during the year ended March 31, 2021 the Board decided to settle certain options through cash, to that extent a present obligation has been recognized.

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API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Consolidated financial statements (continued)  
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The model inputs for options granted:

Grant Date	Model Input on a grant date			Model Input on a Post- Modification date ##			Model Input on a Pre- Modification date ##			Incremental Fair value on account of modification ##						
	Share price at grant date	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Fair value of stock options (Rs.)	Share price Post Modification date	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity		Fair value of stock options (Rs.)	Share price Pre Modification date	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Fair value of stock options (Rs.)
01-Oct-2015	49,695	21.67%	7.56%	4 years	11,293 to 18,800	5,900	28.81%	4.08%	0.52 years	5,890.21	5,900	28.91%	4.03%	0.50 years	5,573.67	316.54
01-Apr-2016	49,695	22.21%	7.46%	4 years	11,383 to 18,832	5,900	28.81%	4.08%	0.52 years	5,890.21	5,900	28.91%	4.03%	0.50 years	5,444.62	316.54
01-May-2017	77,488	21.12%	6.96%	4 years	20,866 to 31,591	5,900	28.81%	4.08%	0.52 years	5,890.21	5,900	28.91%	4.03%	0.50 years	5,444.62	445.59
01-Mar-2018	119,324	22.49%	7.61%	4 years	47,453	5,900	28.81%	4.08%	0.52 years	5,890.21	5,900	28.22%	4.03%	0.55 years	5,200.69	689.52
25-Jul-2018	120,125	23.61%	7.97%	4 years	47,687	5,900	28.81%	4.08%	0.52 years	5,890.21	5,900	28.22%	4.03%	0.55 years	5,200.69	689.52
01-Oct-2018	119,808	23.73%	8.00%	4 years	46,530	5,900	28.81%	4.08%	0.52 years	5,890.21	5,900	28.22%	4.03%	0.55 years	5,200.69	689.52
18-Feb-2019	224,105	24.73%	7.12%	4 years	139,211	5,900	28.81%	4.08%	0.52 years	5,890.21	5,900	28.22%	4.03%	0.55 years	5,200.69	689.52
01-Oct-2019	224,131	24.16%	6.66%	4 years	138,267	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55	228.71
01-Jan-2020	208,764	24.20%	6.50%	4 years	121,408	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55	228.71
01-Jan-2020	208,764	24.20%	6.50%	4 years	121,408	5,900	32.94%	4.08%	0.92 years	5,050.54	5,900	33.33%	4.03%	0.97 years	4,614.86	435.68
01-Apr-2020	208,764	24.20%	6.50%	4 years	121,408	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55	228.71
01-May-2020	208,764	24.20%	6.50%	4 years	121,408	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55	228.71
01-Jun-2020	247,272	40.23%	4.48%	4 years	146,763	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55	228.71
01-Jul-2020	247,272	40.23%	4.48%	4 years	146,763	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55	228.71

Note: The dividend yield considered for valuation of above stock option is Nil.

The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

## During the year ended March 31, 2022, the Company has vide its Board resolution dated September 28, 2021, has modified the vesting schedule of all the existing employee stock options, to allow quarterly vesting post one year cliff period for all employee stock options,

	March 31, 2022	March 31, 2021
Weighted average remaining contractual life of options outstanding at end of year	0.79 years	2.75 years

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**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Consolidated financial statements (continued)**  
 (All amounts in Rupees million, unless otherwise stated)

- (ii) During the financial year ended March 31, 2021, the Company has modified the earlier Employee Stock Option plans which were issued by Ascent Health and Wellness Solutions Private Limited (Acquiree) as per the Scheme of Amalgamation approved by National Company Law Board with effective date of amalgamation of 27th August 2020. The Scheme was accounted for as a business combination using the acquisition method of accounting under the provisions of Ind AS 103, Business Combinations with the Effective Date being the acquisition date.

The Group has below share based payment arrangement under ESOP 2020 which are issued to the employees of Acquiree for the period

	March 31, 2022		March 31, 2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	1,727	102,569	-	-
Number of replacement options issued as part of business acquisition	-	-	1,636	131,650
Granted during the period	-	-	-	-
Exercised during the period \$	1.12	(2,132)	-	-
Forfeited during the period \$	4.01	(550)	-	-
No of options repurchased during the period \$	1.00	(49,601)	1,319	(29,081)
Impact of Bonus issued during the period	NA	2,565,921	-	-
Impact of Shares split during the period	NA	23,545,863	-	-
<b>No of option outstanding as at period end \$</b>	<b>2.98</b>	<b>26,162,070</b>	<b>1,727</b>	<b>102,569</b>
Vested	2.34	16,125,120	1,502	56,822
<b>Exercisable</b>	<b>2.34</b>	<b>16,125,120</b>		

Share options outstanding at the end of the year March 31, 2022 have the following expiry date and exercise prices:

Replacement date	Expected term of options granted	Exercise price Revised (Post Modification) (Rs.) ##	Share options March 31, 2022 (refer note (a) below)
27-Aug-2020	2-4 years	1.00	6,881,820
27-Aug-2020		4.01	19,280,250

**Note :**

- (a) The number of options have been adjusted on account of bonus share issued and share split. For details refer note 22 (ii) (h) and 22 (ii) (i)  
 (b) \$ The average exercise price has been revised on account of modification in option Exercised price, Bonus share issued and share split. Refer table below for revised exercised price details.  
 (c) No options expired during the periods covered in the above tables. Vested options are exercisable upon completion of vesting period

Share options outstanding at the end of the year March 31, 2021 have the following expiry date and exercise prices:

Replacement date	Expected term of options granted	Exercise price (Rs.)	Share options March 31, 2021
27-Aug-2020	Upon occurrence of liquidity event \$\$	1,319	41,639
27-Aug-2020		2,005	60,930

**Notes :**

- (a) No options expired during the periods covered in the above  
 (b) \$\$ ESOP Scheme 2020 defines "Liquidity Event" as the date of expiry of options. "Liquidity Event" for ESOP Scheme 2020 means any event or transaction as decided and approved by the Board as liquidity event for the purposes of ESOP plan, from time to time, which more particularly includes the following events:  
 a. Strategic Sale event conferring a right of drag along to the Current Shareholders  
 b. Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange; and  
 c. Any other event, which the Board may designate as a liquidity event for the purpose of the ESOP

The options granted under above scheme can only be exercised in the case of happening of a Liquidity Event. Further, prior to listing, in case none of the Liquidity Events happens, the Board, shall have the right (without any obligation) to settle any or all of the unexercised Vested Options, in one or more tranches, by way of cash payment. However, the management intends to settle the option by issue of equity shares.

However, during the year ended March 31, 2021 the Board decided to settle certain options through cash, to that extent a present obligation has been recognized.

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API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Consolidated financial statements (continued)  
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Replacement date	The model inputs for options modified during the year ended March 31, 2022 and March 31, 2021					Model Input on a Post- Modification date ##					Model Input on a Pre- Modification date ##					Incremental Fair value on account of modification ##
	Share price at grant date (Replacement date)	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Fair value of stock options	Share price	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Fair value of stock options	Share price	Expected price volatility of the company's shares	Risk-free interest rate	Time to Maturity	Fair value of stock options	
27-Aug-2020	4,415.58	40.23%	4.48%	1-4 years	3,195	5,900	28.81%	4.08%	0.52 years	5,890.21	5,900	28.91%	4.03%	0.50 years	5,469.10	421.11
27-Aug-2020	4,415.58	41.61%	5.06%	1-4 years	2,728	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	35.65%	4.03%	1.16 years	5,262.30	220.96

Note: The dividend yield considered for valuation of above stock option is Nil.

The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

## During the period ended March 31, 2022, the Company has vide its Board resolution dated September 28, 2021, has modified the vesting schedule of all the existing employee stock options, to allow quarterly vesting post one year cliff period for all employee stock options, keeping the total vesting period same and modified exercise price as well of existing as mentioned in the above table, w.e.f. from October 01, 2021.

	March 31, 2022	March 31, 2021
Weighted average remaining contractual life of options outstanding at end of year	0.88 years	2.75 years

(iii) The Group has established Employee Stock Option Scheme 2020 (ESOP 2020) with effect from 27th August 2020 to enable the employees of the Group to participate in the future growth and success of the Company. ESOP 2020 is operated at the discretion of the Board.

These options which confer a right but not an obligation on the employee to apply for equity shares of the Company once the terms and conditions set forth in the ESOP 2020 and the option agreement have been met. Vesting conditions would be subject to continued employment with the Group.

	March 31, 2022	March 31, 2021
Opening balance as on 1 April	2,699.13	-
Granted during the period \$ #	1.00	1,263,240
Exercised during the period \$ ^	1.00	(137,780)
Forfeited during the period \$	1.00	(14,484)
No of options repurchased during the period \$	4.01	(202)
Add: Impact on account of merger (Refer note below) ^	NA	162,274
Impact of Bonus issued during the period /year	NA	44,437,328
Impact of Shares split during the period /year	NA	412,432,563
Number of options before bonus and split	5.60	458,258,403
New grants post bonus and split	1.00	6,411,768
No of option outstanding as at period end	5.14	22,912,577
Vested	5.14	22,912,577
Exercisable	5.14	22,912,577

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**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Consolidated financial statements (continued)**  
(All amounts in Rupees million, unless otherwise stated)

**Share options outstanding at the end of the period March 31, 2022 have the following expiry date and exercise prices:**

Grant Date	Expected term of options granted	Exercise price Revised (Post Modification) (Rs.) ##	Share options 31 March 2022 (refer note (i) below)
01-Sep-2020	2-5 years	1.00	823,020
01-Sep-2020		4.01	1,037,300
01-Sep-2020		12.15	12,836,670
01-Oct-2020		4.01	9,856,440
01-Nov-2020		4.01	247,170
01-Jan-2021		4.01	10,204,920
02-Mar-2021		4.01	617,430
01-Apr-2021		4.01	264,330
01-May-2021		4.01	99,000
01-Jul-2021		4.01	1,902,230
01-Jul-2021		1.00	94,380
01-Aug-2021		1.00	147,407,695
01-Sep-2021		1.00	749,100
15-Sep-2021		1.00	137,500,000
01-Oct-2021		1.00	14,878,820
01-Oct-2021		4.01	62,040
01-Oct-2021		18.18	43,992,850
07-Oct-2021		1.00	66,238,040
30-Sep-2021		NA	9,579,020
02-Dec-2021		1.00	3,789,786
01-Jan-2022		1.00	1,258,873
01-Feb-2022		1.00	623,856
01-Mar-2022		1.00	607,201

**Note :**

- (a) The number of options have been adjusted on account of bonus share issued and share split. For details refer note 22 (ii) (h) and 22 (ii) (i)  
(b) \$ The average exercise price has been revised on account of modification in option Exercised price, Bonus share issued and share split. Refer table below for revised exercised price details.  
(c) ^ The average share price on the date of exercise is Rs. 5900 (31 March 2021: Nil)  
(d) # The average exercise price for new grants has been derived at after giving effect of bonus and split  
(e) No options expired during the periods covered in the above tables. Vested options are exercisable upon completion of vesting period.

**Share options outstanding at the end of the year March 31, 2021 have the following expiry date and exercise prices:**

Grant Date	Expected term of options granted	Exercise price (Rs.)	No of share options 31 March 2021
01-Sep-2020	Upon occurrence of liquidity event \$\$	100.00	3,551
01-Sep-2020		2,004.50	2,494
01-Sep-2020		4,009.00	42,382
01-Oct-2020		2,004.50	32,505
01-Nov-2020		2,004.50	749
01-Jan-2021		2,004.50	31,912
02-Mar-2021		2,004.50	1,871

- (a) No options expired during the periods covered in the above tables, further there were no options which were exercisable as at 31 March 2021

(b) \$\$ ESOP Scheme 2020 defines "Liquidity Event" as the date of expiry of options. "Liquidity Event" for ESOP Scheme 2020 means any event or transaction as decided and approved by the Board as liquidity event for the purposes of ESOP plan, from time to time, which more particularly includes the following events:

- Strategic Sale event conferring a right of drag along to the Current Shareholders
- Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange; and

The options granted under above scheme can only be exercised in the case of happening of a Liquidity Event. Further, prior to listing, in case none of the Liquidity Events happens, the Board, shall have the right (without any obligation) to settle any or all of the unexercised Vested Options, in one or more tranches, by way of cash payment. However, the management intends to settle the option by issue of equity shares.

	March 31 2022	March 31 2021
<b>Weighted average remaining contractual life of options outstanding at end of year</b>	1.68 years	2.75 years

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Notes to the Consolidated financial statements (continued)  
(All amounts in Rupees million, unless otherwise stated)

The model inputs for options granted includes :

Grant Date	Model Input on a grant date				Model Input on a Post- Modification date ##				Model Input on a Pre- Modification date ##				Incremental Fair value on account of modification ##		
	Share price at grant date	Expected price volatility of the	Risk-free interest rate	Time to Maturity	Weighted average of fair value of stock option (Rs.)	Share price	Expected price volatility of the	Risk-free interest rate	Time to Maturity	Fair value of stock options (Rs.)	Share price	Expected price volatility of the		Risk-free interest rate	Time to Maturity
01-Sep-2020	4,415.58	37.64%	4.79%	4 years	1,776.00	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55
01-Oct-2020	4,415.58	37.95%	4.91%	4 years	2,774.66	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55
01-Nov-2020	5,601.00	38.19%	4.63%	4 years	3,881.10	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55
01-Jan-2021	5,601.00	38.72%	4.40%	4 years	3,866.17	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55
02-Mar-2021	5,601.00	37.62%	5.02%	4 years	3,886.63	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55
01-Apr-2021	5,601.00	37.62%	5.02%	4 years	3,886.63	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55
01-May-2021	5,601.00	37.62%	5.02%	4 years	3,886.63	5,900	35.33%	4.08%	1.39 years	5,483.26	5,900	30.33%	4.03%	0.86 years	5,254.55
01-Jul-2021	5,107.20	36.30%	4.07%	1.10 years	5,097.65	5,900	0.35	0.04	1.39 years	5,483.26	5,900.00	0.30	0.04	0.86 years	5,254.55
01-Jul-2021	5,107.20	36.30%	4.07%	1.12 years	4,685.94	5,900	0.29	0.04	0.52 years	5,483.26	5,900.00	0.32	0.04	0.86 years	5,254.55
01-Aug-2021	5,107.20	39.31%	4.23%	2.24 years	5,098.10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01-Aug-2021	5,107.20	40.18%	4.23%	2.01 years	5,098.01	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01-Sep-2021	5,900.00	40.06%	4.69%	2.28 years	5,891.02	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15-Sep-2021	5,900.00	39.34%	4.84%	2.50 years	4,846.80	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
30-Sep-2021 ^	NA	NA	NA	NA	NA	5,900	0.34	0.04	1.00 years	5,859.59	4,926.70	0.50	0.04	0.50 years	4,828.50
01-Oct-2021	5,900.00	39.34%	4.84%	3 years	4,846.80	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01-Oct-2021	5,900.00	33.72%	4.08%	3 years	3,979.99	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01-Oct-2021	5,900.00	40.06%	4.69%	2.28 years	5,891.02	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01-Oct-2021	5,900.00	40.39%	4.69%	2.2 years	5,502.60	5,900	0.35	0.04	1.39 years	5,483.26	5,900.00	0.30	0.04	0.86 years	5,254.55
07-Oct-2021	5,900.00	40.06%	4.69%	2.28 years	5,891.02	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01-Dec-2021	53.71	41.91%	4.71%	2.22 years	52.81	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01-Jan-2022	53.71	41.91%	4.71%	2.22 years	52.81	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01-Feb-2022	53.71	41.91%	4.71%	2.22 years	52.81	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
01-Mar-2022	53.71	41.91%	4.71%	2.22 years	52.81	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: The dividend yield considered for valuation of above stock option is Nil.

The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly

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**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Consolidated financial statements (continued)**  
 (All amounts in Rupees million, unless otherwise stated)

**B Employee Share Option Scheme (ESOP) of Medlife International Private Limited including its subsidiaries ("Medlife Group")**

**Accounting of Employee Stock Option of Medlife International Private Limited at acquisition date**

During the financial year ended March 31, 2021, the Group acquired Medlife Group w.e.f. 22nd January 2021. The Group measured employee stock options of Medlife International Private Limited which were vested, at their market based measure. For the unvested options the group allocated the market based measure to Non Controlling Interest in the ratio of portion of the vesting period completed to the total vesting period. Remaining portion is allocated to post combinations services. Accordingly, the Group recognized Rs 1093.93 million as part of non-controlling interest in the acquiree as per Ind AS 103 - "Business Combination". Further, in the case of un-vested stock options, these are measured at market-based measure as if the acquisition date were the grant date. Further, the Group has not replaced employee stock options of Medlife International at acquisition date.

**Brief about Medlife Employee Stock Option Plan 2017:**

On 14 January 2017, the shareholders of Medlife International Private Limited approved the "Medlife Employee Stock Option Plan 2017" (ESOP 2017) for issue of stock options to its key employees. According to the ESOP 2017, the employee selected will be entitled to eligible options, subject to satisfaction of the prescribed vesting conditions as per ESOP 2017. The other relevant terms of the grant are as below:

For every option granted under ESOP 2017, the holder is entitled thereof with an option to apply for and be issued one equity share of the Medlife International Private Limited. The equity shares covered under these options vest over a period ranging from twelve to sixty months from the date of grant. The exercise can be made only in the event of occurrence of a liquidation event, or at such other time and in such manner as determined by the Board.

**2019 CEO ESOP Scheme:**

On 30 July 2019, the board of directors of Medlife International Private Limited approved the Equity Settled "2019 CEO ESOP SCHEME" for issue of stock options to CEO of the company Mr. Ananth Sankaranarayanan. According to the scheme, the CEO will be entitled to options, subject to satisfaction of the prescribed vesting conditions.

**Key features of these plans are provided in the below**

Key Terms	ESOP 2017	CEO ESOP Scheme
Vesting Pattern	One to five years	One year
Exercise Price	Rs. 100 per option	

**Movement in stock options during the period April 1, 2021 to March 31, 2022**

The following table illustrates the number and weighted average exercise price of share options during the period

	ESOP Plan 2017		2019 CEO ESOP Scheme	
	No. of options	Weighted Average Exercise Price	No. of options	Weighted Average Exercise Price
Outstanding as at the date of acquisition	80,817	100	221,442	100
Granted during the period	225	100	-	-
Exercised during the period	-	-	-	-
Forfeited during the period	(5,113)	100	-	-
Surrendered during the period	-	-	(92,546)	4,545
Outstanding options before replacement	75,929	100	128,896	100
Replacement Options with API options pursuant to merger ^	(75,929)		(128,896)	
Weighted Average Remaining Contractual Life	2.75 years			

The weighted average share price during the period is Rs 3,993.70

The weighted average fair value of the options granted during the period is Rs 3,909.70

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2022
Expected dividend yield	0.00%
Expected Annual Volatility of Shares	34.14%
Risk-free interest rate (%)	5.66%
Exercise price (Rs)	100.00
Expected life of the options granted (in years)	2.75 years

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

^ On September 30, 2021 (the "Effective Date"), the Scheme of Amalgamation of Medlife International Private Limited ("MIPL") and Evriksh Healthcare Private Limited ("EHPL") with API Holdings Limited (formerly known as API Holdings Private Limited) ("the Company") and their respective shareholders the ("Scheme") became effective from January 25, 2021 (the "Appointed Date") pursuant to filing of the order of Regional Director, Ministry of Corporate Affairs, Western Region ("RD") with the Registrar of Companies, Mumbai. Pursuant to the Scheme becoming effective, the erstwhile Medlife International Private Limited and Evriksh Healthcare Private Limited stand dissolved without winding up and the entire business, assets, liabilities, undertaking, etc. of these companies stand transferred to and vest with the Company. As MIPL was an wholly owned subsidiary of the Company and as EHPL was a wholly owned subsidiary of MIPL, no shares were allotted in lieu or exchange of the holdings in these companies or no consideration was paid pursuant to the Merger.

The above Scheme has been approved by the RD vide its order dated September 24, 2021 and the same has been filed with the Registrar of Companies on September 30, 2021 which is the "Effective Date" as per the Scheme.

Pursuant to the scheme, the options holders of MIPL has been provided options of API Holdings Limited in the swap ratio as on January 25, 2021. Since the scheme is effective from September 30, 2021 the replacement of share options to erstwhile MIPL employees is accounted as modification in the books of API Holdings Limited as per the requirements of Ind AS 102 - Share Based Payments.

**C Employee Share Option Scheme (ESOP) of Thyrocare Technologies Limited including its subsidiaries ("Thyrocare")**

(a) During the year, the Group has acquired Thyrocare w.e.f. September 02, 2021. The Group has measured employee stock options of Thyrocare Technologies Limited which were vested as on acquisition date at their market based measure and recognized Rs. 79.13 million as part of non-controlling interest in the acquiree as per Ind AS 103 - "Business Combination". Further, in the case un-vested stock options are measured at market-based measure as if the acquisition date were the grant date. Further, the group has not replaced employee stock

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**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Consolidated financial statements (continued)**  
 (All amounts in Rupees million, unless otherwise stated)

- (b) During the year, the Company has offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2021" (ESOS2021) vide authorisation of shareholders in the annual general meeting held on 26 June 2021. The options may be exercised either fully or partially in four equal instalments.

The employees were identified as those who had completed two years of service as on the date of sanction of the scheme, subject to their continuous service till the vesting period.

During the earlier years, the Company had offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2020" (ESOS2020), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2019" (ESOS2019), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2018" (ESOS2018), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2017" (ESOS2017), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2016" (ESOS2016) and "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015" (ESOS2015) vide authorisation of shareholders in their meetings held on 29 September 2020, 24 August 2019, 1 September 2018, 12 August 2017, 12 September 2016 and 26 September 2015 respectively. Under the respective scheme, the options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed certain years of service subject to their continuous service till the vesting period.

Additionally, the Company formed a trust, Thyrocare Employee Stock Option Trust\* wherein the shares to be issued under these options were allotted to the Trust. The Trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation.

The key details of the various schemes are as under:

Scheme	Date of Grant	Numbers of options granted	Vesting Conditions		Exercise Period	Exercise Price per share (Rs.)	Weighted Average Exercise Price per share (Rs.)
			ESOS 2020	ESOS 2019			
ESOS 2021	26-Jun-2021	40,429	3 years				10
ESOS 2020	29-Sep-2020	40,429	3 years				10
ESOS 2019	24-Aug-2019	40,429	3 years				10
ESOS 2018	01-Sep-2018	40,452	3 years	One year from vesting date			10
ESOS 2017	12-Aug-2017	50,516	3 years				10
ESOS 2016	12-Sep-2016	50,537	3 years				10

**Movement in stock options during the period September 02, 2021 to March 31, 2022**

Scheme	ESOS 2021		ESOS 2020		ESOS 2019		ESOS 2018	
	No. of Options		No. of Options		No. of Options		No. of Options	
Outstanding as at the date of acquisition	40,169		36,115		30,973		28,913	10
Exercised during the period	-		-		-		(28,913)	-
Forfeited during the period	(5,197)		(2,860)		(3,117)		-	-
<b>Outstanding at the end of the period</b>	<b>34,972</b>		<b>33,255</b>		<b>27,856</b>		<b>10</b>	<b>10</b>

\* The Weighted Average Exercise Price is same for all schemes which is Rs. 10.

The weighted average fair value of the options granted during the period is Rs. 1,271.38.

The weighted average share price during the period is Rs 1,296.40.

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Expected dividend yield	2.40%
Expected Annual Volatility of Shares	37.61% to 45.96%
Risk-free interest rate (%)	6.00%
Exercise price (Rs.)	10
Expected life of the options granted (in years)	3.08 years

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Share-based payment expenses</b>		
Total expense recognised in employee benefit expense	6,300.45	568.08
<b>Disclosures related to repurchase of options</b>		
Amounts paid for repurchase of options	858.76	222.37
Additional share based payments expenses recognised on repurchase and included above.	56.76	-

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API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Consolidated financial statements (continued)  
(All amounts in Rupees million, unless otherwise stated)

54 Interest in other entities

(a) Subsidiaries

Sr. No.	Name of the Entity	Principal Place of business / place of incorporation	Ownership interest held by the group (%)		Ownership interest held by non-controlling interests	
			As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
1	Docoon Technologies Private Limited	India	100.00	100.00	-	-
2	Arzi and Health Private Limited	India	100.00	100.00	-	-
3	Threpsi Solutions Private Limited	India	100.00	100.00	-	-
4	Aycon Graph Connect Private Limited	India	100.00	100.00	-	-
5	Instinct Innovations Private Limited	India	100.00	100.00	-	-
6	Ayro Retail Solutions Private Limited	India	100.00	100.00	-	-
7	Medlife International Private Limited (merged w.e.f 30 September 2021)	India	-	100.00	-	-
8	Medlife Wellness Retail Private Limited	India	100.00	100.00	-	-
9	Meturain Distributors Private Limited	India	100.00	100.00	-	-
10	Evriksh Healthcare Private Limited (merged w.e.f 30 September 2021)	India	-	100.00	-	-
11	AHWSPL India Private Limited	India	100.00	100.00	-	-
12	Ascend Wellness and Pharma Solutions Private Limited	India	100.00	100.00	-	-
13	AKP Healthcare Private Limited	India	51.00	49.00	49.00	49.00
14	Aushad Pharma Distributors Private Limited	India	51.00	51.00	49.00	49.00
15	Rau and Co Pharma Private Limited	India	100.00	100.00	-	-
16	Reenav Pharma Private Limited	India	51.00	51.00	49.00	49.00
17	Dial Health Drug Supplies Private Limited	India	100.00	100.00	-	-
18	Aanush Tirupati Enterprise Private limited	India	100.00	100.00	-	-
19	Aryan Wellness Private Limited	India	80.00	80.00	20.00	20.00
20	D. C. Agencies Private Limited	India	100.00	100.00	-	-
21	Desai Pharma Distributors Private Limited	India	100.00	100.00	-	-
22	Eastern Agencies Healthcare Private Limited	India	100.00	100.00	-	-
23	Mahaveer Medi-Sales Private Limited	India	51.00	51.00	49.00	49.00
24	Muthu Pharma Private Limited	India	100.00	100.00	-	-
25	Pearl Medicals Private Limited	India	100.00	100.00	-	-
26	VPI Medisales Private Limited	India	100.00	100.00	-	-
27	Shell Pharmaceuticals Private Limited	India	100.00	100.00	-	-
28	Avignam Medicare Private Limited	India	100.00	100.00	-	-
29	Venkatesh Medico Private Limited	India	51.00	51.00	49.00	49.00
30	Thyrocare Technologies Limited	India	71.18	-	28.82	-
31	Nucllear Healthcare Limited	India	71.18	-	28.82	-
32	Alma Medical Private Limited	India	100.00	-	-	-
33	Altumer Medical Private Limited	India	100.00	-	-	-
34	Shreeji Distributors Pharma Private Limited	India	100.00	-	-	-
35	Vardhaman Health Specialities Private Limited	India	100.00	-	-	-
36	Supplythis Technologies Private Limited	India	100.00	-	-	-
37	Cosaints Products Private Limited	India	100.00	-	-	-
38	Healthchain Private Limited	India	70.00	-	30.00	-
39	Care Easy Health Tech Private Limited	India	80.00	-	20.00	-
<b>(b) Associates</b>						
1	Impex Healthcare Private Limited	India	26.00	-	-	-
2	Equinox Labs Private Limited	India	30.00	-	-	-
3	Marg ERP Limited	India	49.00	-	-	-



API Holdings Limited (formerly known as API Holdings Private Limited)  
Notes to the Consolidated financial statements (continued)  
(All amounts in Rupees million, unless otherwise stated)

Summarised statement of profit and loss	For the period ended March 31, 2021					Total
	AKP Healthcare Private Limited	Aushad Pharma Distributors Private Limited	Reenav Pharma Private Limited	Aryan Wellness Private Limited	Venkatesh Medico Private Limited	
Revenue	1,171.56	486.79	1,078.73	1,600.65	3,143.89	7,859.40
Profit / (Loss) for the year	(7.65)	(166.85)	2.76	(72.92)	106.50	(152.81)
Other comprehensive income	0.03	-	-	(0.52)	(0.94)	(1.62)
<b>Total comprehensive income</b>	<b>(7.62)</b>	<b>(166.85)</b>	<b>2.76</b>	<b>(73.44)</b>	<b>105.56</b>	<b>(154.43)</b>
Profit allocated to NCI	(8.71)	(84.70)	1.96	(12.56)	51.74	(52.12)

Summarised cash flows	For the period ended March 31, 2021					Total
	AKP Healthcare Private Limited	Aushad Pharma Distributors Private Limited	Reenav Pharma Private Limited	Aryan Wellness Private Limited	Venkatesh Medico Private Limited	
Cash flow from operating activities	(12.05)	33.49	0.27	(22.98)	261.51	(74.56)
Cash flow from investing activities	(16.05)	4.45	(0.18)	(29.91)	(5.74)	(13.63)
Cash flow from financing activities	(2.81)	(0.76)	11.58	39.39	(195.73)	96.07
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>(30.91)</b>	<b>37.18</b>	<b>11.67</b>	<b>(13.50)</b>	<b>60.04</b>	<b>7.88</b>
<b>Net Increase/(decrease) in cash and cash equivalents allocated to NCI</b>	<b>(15.15)</b>	<b>18.22</b>	<b>5.72</b>	<b>(2.70)</b>	<b>29.42</b>	<b>3.86</b>

(d) Associates

Set out below is summarised financial information for each associate's interests that are material to the group.

Summarised Balance Sheet	As at March 31, 2022				Total
	Impex Healthcare Private Limited	Equinox Labs Private Limited	Marg ERP Limited		
Current assets	1,853.13	76.50	314.10	2,243.73	
Current liabilities	1,700.45	46.00	377.53	2,123.98	
<b>Net Current assets</b>	<b>152.68</b>	<b>30.50</b>	<b>(63.43)</b>	<b>119.75</b>	
Non-current assets	20.28	228.10	148.60	396.98	
Non-current liabilities	44.75	14.30	43.67	102.72	
<b>Net non-current assets</b>	<b>(24.47)</b>	<b>213.80</b>	<b>104.93</b>	<b>294.26</b>	
<b>Net assets</b>	<b>128.21</b>	<b>244.30</b>	<b>41.50</b>	<b>414.01</b>	

Summarised statement of profit and loss	For the period ended March 31, 2022				Total
	Impex Healthcare Private Limited (with effect from September 17, 2021)	Equinox Labs Private Limited (with effect from September 2, 2021)	Marg ERP Limited (with effect from October 14, 2021)		
Revenue	2,439.64	106.82	275.88	2,822.34	
Profit / (Loss) for the year	12.49	5.67	4.93	23.09	
Other comprehensive income	-	-	(1.54)	(1.54)	
<b>Total comprehensive income</b>	<b>12.49</b>	<b>5.67</b>	<b>3.39</b>	<b>21.55</b>	

Summarised cash flows		For the period ended March 31, 2022	
		17, 2021	October 14, 2021
		Effect from September 2, 2021	Effect from September 2, 2021
		Impex Healthcare Private Limited (with effect from September 2, 2021)	Marg ERP Limited (with effect from October 14, 2021)
Cash flow from operating activities	(1.47)	(13.10)	(1.47)
Cash flow from investing activities	72.14	9.60	(38.42)
Cash flow from financing activities	127.86	0.00	195.53
Net Increase/(decrease) in cash and cash equivalents	189.73	-3.50	155.64
Reconciliation of investment in associates			
		17, 2021	October 14, 2021
		Effect from September 2, 2021	Effect from September 2, 2021
		Impex Healthcare Private Limited (with effect from September 2, 2021)	Marg ERP Limited (with effect from October 14, 2021)
Opening balance	-	-	-
Addition on account of business combination	188.40	207.50	2,548.00
Share of (loss)/profit	17.96	1.70	2.41
Share of other comprehensive income			-0.75
Closing balance	206.36	209.20	2,549.66

(e) The Group has made an investment of Rs. 99.95 million representing 19.99% of shareholding of Armaan Solutions Private Limited which is the holding company of Axelia Solutions Private Limited. As per the shareholding agreement, the Group does not have a representation at the Board of Directors or its committees, it does not have right to participate in the policy making matters or dividend distribution decisions. Further, the Group has a written call option on its entire 19.99% shareholding in favour of one of the other Shareholder of Armaan Solutions Private Limited which is exercisable at any time at the fair value. There are not interchange of managerial personnel between the Group and the investee. Armaan Solutions Private Limited and its subsidiaries have substantial contracts with the customers other than the Group.

The Group has contractual arrangements with Axelia Solutions Private Limited through which it has recognised income from licensing of its brand and operations of its technology platform and tele consultation amounting to Rs. 1,036.10 million (31 March 2021: Rs. 271.59 million) which is included in Revenue from Operations in the Statement of Profit and Loss; Incurred marketing support services related cost amounting to Rs. 865.00 million (31 March 2021: Rs. Nil) which is included in Other expenses in the Statement of Profit and Loss. The Group has outstanding receivables amounting to Rs. 232.34 million (31 March 2021: Rs. 229.97 million) which is included in Trade receivables in the Balance Sheet. The Group has outstanding payables amounting to Rs. 125.06 million (31 March 2021: Rs. 2.14 million) which is included in Trade payables in the Balance Sheet. The Group does not extend financial support, nor does it intend to provide so to the investee and is not exposed to potential losses of investee. Accordingly, such amount has been accounted as a financial asset subsequently measured at fair value through profit and loss.

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54 f) Additional information required under Schedule III of the Companies Act, 2013

Information regarding subsidiaries included in the consolidated financial statements for the period ended March 31, 2022:

Name of entity in the group	As at 31 March 2022							
	Net Assets/(Net liabilities) i.e total assets minus total liabilities		Share in Profit/(Loss)		Share in Other Comprehensive Income/(Loss)		Share in total comprehensive income/(Loss)	
	As % of consolidated net assets	Amounts	As % of Consolidated Profit/ (Loss)	Amounts	As % of Other Comprehensive Income	Amounts	As % of consolidated total comprehensive income	Amounts
<b>Parent</b>								
API Holdings Limited	88.95%	62,465.19	127.26%	(50,810.10)	30.98%	32.86	127.52%	(50,777.24)
<b>Subsidiary</b>								
<b>Indian</b>								
Threpsi Solutions Private Limited	-15.26%	(10,714.17)	34.20%	(13,654.16)	46.23%	49.03	34.17%	(13,605.13)
Arzt Health and Private Limited	-0.29%	(202.88)	0.44%	(174.16)	0.35%	0.37	0.44%	(173.79)
Aycon Graph Connect Private Limited	3.32%	2,330.40	18.09%	(7,223.95)	-0.77%	-0.82	18.14%	(7,224.77)
Instinct Innovations Private Limited	-0.28%	(199.17)	0.41%	(164.44)	-0.04%	-0.04	0.41%	(164.48)
Docoon Technologies Private Limited	46.04%	32,331.81	43.58%	(17,400.98)	-1.17%	-1.24	43.70%	(17,402.22)
Ayro Retail Solutions Private Limited	-1.44%	(1,008.47)	1.44%	(574.02)	-0.23%	-0.24	1.44%	(574.26)
Medlife Wellness Retail Private Limited	-5.75%	(4,037.50)	2.45%	(977.86)	20.49%	21.73	2.40%	(956.13)
Metarain Distributors Private Limited	-0.92%	(646.41)	0.32%	(128.45)	1.26%	1.34	0.32%	(127.11)
Care Easy Health Tech Private Limited	-0.36%	(250.88)	0.63%	(251.11)	0.00%	-	0.63%	(251.11)
Thyrocare Technologies Limited (Consolidated)	7.50%	5,265.70	-1.52%	606.70	1.13%	1.20	-1.53%	607.90
Akna Medical Private Limited (Consolidated)	5.22%	3,663.03	3.51%	(1,400.20)	-0.39%	-0.42	3.52%	(1,400.62)
AHWSPL India Private Limited (Consolidated)	1.10%	771.71	4.57%	(1,823.90)	2.69%	2.86	4.57%	(1,821.04)
Consolidation Adjustments	<b>127.83%</b>	<b>89,768.36</b>	<b>235.38%</b>	<b>(93,976.63)</b>	<b>100.54%</b>	<b>106.63</b>	<b>235.74%</b>	<b>(93,870.00)</b>
Non-controlling Interest	-32.46%	(22,795.52)	-134.50%	53,699.64	-0.33%	-0.35	-134.86%	53,699.30
	4.63%	3,251.96	-0.88%	352.02	-0.22%	-0.23	-0.88%	351.79
	<b>100.00%</b>	<b>70,224.81</b>	<b>100.00%</b>	<b>(39,924.96)</b>	<b>100.00%</b>	<b>106.05</b>	<b>100.00%</b>	<b>(39,818.91)</b>

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**55 Contingent liabilities and Commitments**

(i) The Group has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No C-1/1(33)2019/Vivekananda VidyaMandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Based on the assessment made by the management, the said judgment does not have any significant impact on these financial statements. The Group will continue to monitor and evaluate its position based on future events and developments.

**(ii) Contingent liabilities**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	Income tax	8.22	0.24
(ii)	Indirect tax	10.68	-
(iii)	Employee provident fund matters	5.20	-
(iv)	Claims not acknowledged as debt (refer note (i) below)	518.50	-

**Note (i):**

A. Sundararaju HUF (the "Complainant"), an erstwhile shareholder and member of the promoter group of Thyrocare Technologies Limited ("Thyrocare") has claimed a compensation of Rs 268.50 million together with interest at 18% alleging that the Company and its subsidiary, Docon Technologies Private Limited ("Docon") colluded to facilitate the sale of shares of Thyrocare by the Complainant to Docon through an off-market transaction, rather than as an on-market sale. Also, claimed an additional sum of Rs 250 million for mental agony and reputational loss.

Further, Mr. A. Sundararaju (the "Complainant") in his personal capacity, has filed a commercial suit before Bombay High Court while claiming a sum of Rs. 29 million along with an interest at 18% p.a. alleging that the Company and its subsidiary, Docon Technologies Private Limited ("Docon") colluded with the legal advisors of the Complainant to facilitate the sale of shares of Thyrocare by the Complainant to Docon through an off-market transaction, rather than as an on-market sale. Also, a sum of Rs. 10 million has been claimed towards damages and compensation by the Complainant.

**Note (ii):**

Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

The Group has reviewed all its pending litigations and proceedings and has disclosed the above contingent liability. The Group does not expect the outcome of these proceedings to have an adverse effect on its financial statements.

**(iii) Commitments**

Particulars	As at 31 March 2022	As at 31 March 2021
Commitments relating to long-term arrangement with vendors (refer note (i) below)	1,553.09	-
Commitments relating to acquisition of remaining stake in Associate of subsidiary company (refer note (ii) below)	-	-
Commitments relating to Property, plant and equipment (refer note (iii) below)	215.41	-
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	3.52	-
Estimated value of contracts in purchase of trademarks remaining to be executed and not provided for (net of capital advance Rs 19.10 million)	5.90	-

**Note (i):**

The Group has entered into Reagent Rental Arrangements for periods ranging from 2 years to 6 years with some of its major reagent suppliers. As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads. The value of purchase commitments for the remaining number of years are Rs. 1553.09 million of which annual commitment for next financial period of twelve months is Rs. 404.40 million as per the terms of these arrangements.

**Note (ii):**

One of the subsidiaries had acquired 26% stake in Impex Healthcare Private Limited ('Impex') (Associate of subsidiary company) for a consideration of Rs 75.60 million in March 2021. The subsidiary has agreed to purchase balance 74% stake in its associate company (Impex) in 2 tranches based on predetermined EBITDA multiple over a period of 2 years.

**Note (iii):**

The commitments include capital expenditure commitments relating to new warehouses taken on lease by the Group.

**56 Trade receivables and unbilled revenue ageing schedule as on 31 March 2022**

Particulars	Unbilled revenue	Not due	Outstanding for following periods from due date of payment					Total
			Less Than 6 Months	6 Months- 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed trade receivable - considered good	19.04	4,143.21	4,251.95	328.62	126.65	12.31	5.20	8,886.98
which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivable - credit impaired	-	-	-	130.72	48.80	-	-	179.52
(iv) Disputed trade receivable - considered good	-	-	-	1.00	-	-	-	1.00
(v) Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivable - credit impaired	-	-	11.64	17.47	20.10	-	-	49.21
(vii) Unbilled revenue	-	-	-	-	-	-	-	-
<b>Total</b>	<b>19.04</b>	<b>4,143.21</b>	<b>4,263.59</b>	<b>477.81</b>	<b>195.55</b>	<b>12.31</b>	<b>5.20</b>	<b>9,116.71</b>

**Trade receivables and unbilled revenue ageing schedule as on 31 March 2021**

Particulars	Unbilled revenue	Not due	Outstanding for following periods from due date of payment					Total
			Less Than 6 Months	6 Months- 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed trade receivable - considered good	-	2,554.61	842.65	168.03	60.96	6.74	-	3,632.99
which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivable - considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-
(vii) Unbilled revenue	0.76	-	-	-	-	-	-	0.76
<b>Total</b>	<b>0.76</b>	<b>2,554.61</b>	<b>842.65</b>	<b>168.03</b>	<b>60.96</b>	<b>6.74</b>	<b>-</b>	<b>3,633.75</b>

**57 Trade payable ageing schedule as on 31 March 2022**

Particulars	Accrued expenses	Not due	Outstanding for following periods from due date of payment				Total
			Less Than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	35.64	149.77	0.26	-	-	185.67
(ii) Others	556.99	772.39	2,929.27	107.83	23.11	3.67	4,393.26
(iii) Disputed dues-MSME	-	-	-	-	-	-	-
(iv) Disputed dues-Others	9.88	-	-	-	-	-	9.88
<b>Total</b>	<b>566.87</b>	<b>808.03</b>	<b>3,079.04</b>	<b>108.09</b>	<b>23.11</b>	<b>3.67</b>	<b>4,588.81</b>

**Trade payable ageing schedule as on 31 March 2021**

Particulars	Accrued expenses	Not due	Outstanding for following periods from due date of payment				Total
			Less Than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	26.81	42.81	16.29	24.43	5.43	-	115.77
(ii) Others	942.87	1,810.93	727.61	55.96	2.36	0.03	3,539.76
(iii) Disputed dues-MSME	-	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-	-
<b>Total</b>	<b>969.68</b>	<b>1,853.74</b>	<b>743.90</b>	<b>80.39</b>	<b>7.79</b>	<b>0.03</b>	<b>3,655.53</b>

58 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholder's suggestions. However, the date on which the code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

59 The spread of COVID-19 has severely impacted businesses around the globe. In many countries, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The Group has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets at the balance sheet date, and has concluded that there are no material adjustments required in the financial statements. Management is of the view that considering the nature of its business operations, existing customer and supplier relationships and its market position, impact on its business operations, if any, arising from COVID19 pandemic is not expected to be significant. The impact of COVID19 pandemic may be different from that estimated as at the date of approval of these consolidated financial statements. The Group will continue to monitor any material changes to future economic conditions.

**60 Additional regulatory information required by Schedule III**

**a) Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

**b) Wilful defaulter**

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**c) Transactions with struck off companies**

The Group does not have any transactions with companies struck-off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

**d) Compliance with number of layers of companies**

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

**e) Compliance with approved scheme of arrangements**

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**f) Utilisation of borrowed funds and share premium**

The Company has received securities premium through issue of equity and preference shares during the year ended 31 March 2022 and year ended 31 March 2021. There is no understanding with investors, in writing or otherwise, to lend or invest in other person or entities, directly or indirectly or provide any guarantee, security or the like to or on behalf of the said investors. The management has absolute discretion on use of such funds. Further, the Holding Company has provided funds to its subsidiaries for their business purposes. The management of subsidiary companies do not consult with the Holding Company on the manner of utilisation of such funds nor the Holding Company has understanding in writing or otherwise on the manner of use of such funds by subsidiary companies. Hence, the additional regulatory disclosure with respect to the utilisation of borrowed funds and share premium are not included in these financial statements.

**g) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**h) Details of crypto currency or virtual currency**

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

**API Holdings Limited (formerly known as API Holdings Private Limited)**  
**Notes to the Consolidated financial statements (continued)**  
(All amounts in Rupees million, unless otherwise stated)

- i) **Valuation of PP&E, intangible asset and investment property**  
The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- j) **Registration of charges or satisfaction with Registrar of Companies**  
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- k) **Utilisation of borrowings availed from banks and financial institutions**  
The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.
- l) **Borrowing secured against current assets**  
The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts.
- 61 Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April, 2021.

As per our report of even date attached

**For Price Waterhouse Chartered Accountants LLP**  
Firm's Registration No: 012754N/N500016

**For and on behalf of the Board of Directors of**  
**API Holdings Limited**  
**(formerly known as API Holdings Private Limited)**  
CIN :U60100MH2019PTC323444

Sd/-

**Nitin Khatri**  
Partner  
Membership number: 110282

Sd/-

**Siddharth Shah**  
Managing Director and Chief  
Executive Officer  
DIN: 05186193

Sd/-

**Dharmil Sheth**  
Whole time Director  
DIN: 06999772

Sd/-

**Chebolu V Ram**  
Chief Financial Officer

Sd/-

**Drashti Shah**  
Company Secretary and  
Chief Compliance Officer  
Membership number: ACS22968

Place: Mumbai  
Date: September 13, 2022

Place: Mumbai  
Date: September 13, 2022



**API HOLDINGS LIMITED**

**CIN: U60100MH2019PLC323444**

**Registered office:** 902, 9th Floor, Raheja Plaza 1, B-Wing, Opp. R-City Mall, L. B. S. Marg, Ghatkopar (West), Mumbai, Maharashtra – 400086

**Telephone number:** +91 22 6255 6255 | **Email:** [corporatesecretarial@apiholdings.in](mailto:corporatesecretarial@apiholdings.in)

**Website:** [www.apiholdings.in](http://www.apiholdings.in)

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the third Annual General Meeting (“**AGM**”) of the members of **API Holdings Limited** (“**the Company**”) will be held on Wednesday, October 19, 2022 at 04:00 p.m. through Video Conference / Other Audio-Visual Means (“**VC/OAVM**”), to transact the following business:

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### **ORDINARY BUSINESS:**

#### **ITEM NO. 1:**

#### **To consider and adopt**

- (a) Audited standalone financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and the Auditors thereon; and**
- (b) Audited consolidated financial statements of the Company for the financial year ended March 31, 2022 and the report of the Auditors thereon.**

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

- a) “**RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and the Auditors thereon, as circulated to the shareholders and laid before the meeting, be and are hereby considered and adopted.”
- b) “**RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, as circulated to the shareholders, be and are hereby considered and adopted.”

#### **ITEM NO. 2**

#### **To appoint a Director in place of Mr. Harsh Parekh (DIN: 06661731), who retires by rotation and being eligible, offers himself for re-appointment.**

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

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Harsh Parekh (DIN: 06661731), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company;

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorised to take such necessary steps as may be required in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file necessary forms, if any required with the Registrar of Companies, Mumbai and to do the necessary entries in the statutory records and register of Director and Key Managerial Personnel and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**ITEM NO. 3**

**To appoint a Director in place of Mr. Ankur Thadani (DIN: 03566737), who retires by rotation and being eligible, offers himself for re-appointment.**

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

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ankur Thadani (DIN: 03566737), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company;

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorised to take such necessary steps as may be required in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file necessary forms, if any required with the Registrar of Companies, Mumbai and to do the necessary entries in the statutory records and register of Director and Key Managerial Personnel and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**SPECIAL BUSINESS**

**ITEM NO. 4:**

**To approve the remuneration payable to Mr. Subbiahgowder Thangavelu, Cost Accountants, the Cost Auditor of the Company for the financial year 2022-23**

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 Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the approval and recommendation of the audit Committee and board of directors (“Board”) of the Company, consent of the shareholders of the Company be and is hereby accorded for payment of remuneration of Rs. 50,000/- (Indian Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses, to be paid to Mr. Subbiahgowder Thangavelu, Cost and Management Accountants, the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2023;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**ITEM NO. 5:**

**To approve amendment to Object Clause of Memorandum of Association of the Company by way of insertion of new objects.**

To consider and if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 4, 13 and other applicable provisions of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), (collectively referred to as, the “Companies Act”) and pursuant to the approval and recommendation of the board of directors (“Board”) of the Company, the consent of the shareholders of the Company, be and is hereby accorded to amend the Objects Clause of the Memorandum of Association of the Company (“MOA”) by inserting following sub-clauses 7, 8 and 9 after sub-clause 6 of Clause III(A), the Object clause of the MOA:

*“III. (A).*

*7. To carry on the business of wholesale and/or retail trade and/ or manufacture by itself or on contract, all kinds of pharmaceuticals, antibiotics, drugs, medicines, biologicals, nutraceuticals, healthcare, FMCG, ayurvedic and dietary supplement products, medicinal preparations, vaccines, chemicals, chemical products, dry salters, mineral waters, wines, cordials, liquors, soups, broths and other restoratives or foods and/ or any other products and also to deal in medicinal goods such as surgical instruments, contraceptives, photographic goods, oils, perfumes, cosmetics, patent medicines, soaps, artificial limbs, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts, and any other products and to carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections, ointments, etc. and also to carry on*

*the business of chemists, druggists, buyers, sellers, agents, distributors and stockists of all kinds of pharmaceuticals and allied products, technologies, E-business solutions, Information Technology, Telecom operators and any other products.”*

*8. To facilitate the online requisition by the user for purchase of medicines and wellness / health related products and services and to carry on the business in India and abroad to disseminate, gather, accumulate, organise, tabulate, manage, obtain, collect, purchase, acquire, import, export, dispose, selling, marketing, trading, leasing, licensing of all types of information, data, statistics, computer based information systems and data bases, library and information sciences, both in the form and nature in which the same may be so gathered, accumulated, organised, tabulated, obtained, imported, acquired, collected or purchased and also in all types of modified forms, formats, manner and nature on local businesses of any format, industry, size, through web page, web-technologies, internet and e-commerce, including to design, create, host, develop, maintain, operate, own, establish, install, provide, facilitate, supply, sale, purchase, license or otherwise deal in any business relating to Internet Portals, networking and communication environments, Internet Networks, Media Portals, Internet Solutions, Internet Gateways, Internet Service Providers, E-Commerce, Web-Site Designing, Web based and Web enabled services and applications, Ecommerce service provider, E-commerce solutions, E-commerce platforms, E-commerce education, E-commerce technologies, E-business solutions, Information Technology and Telecom Operators.*

*9. To carry on the general business of providing comparative Information, data and statistics, solutions with or without the aid or means of computer based information systems and data bases, in respect of the characteristics, trails, interest and other attributes of individuals, communities, organisations, countries, Institutions, departments, companies, firms, or of any other social, economic, statutory, legal, artificial, cultural and similar units and of any article, commodity, product, service, patent, trademark, or of any other tangible or Intangible right, asset, property and of any social, economic or any other trend, affair or any such or other feature.”*

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file necessary forms with Registrar of Companies, that may be required, on behalf of the Company and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to above resolution;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**ITEM NO. 6:**

**To approve transfer of diagnostics business undertaking of the Company by way of slump sale as "going concern" to Docon Technologies Private Limited, wholly owned subsidiary of the Company under Section 180(1)(a) of the Companies Act, 2013**

To consider and if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, read with rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) (collectively referred to as, the "Act") and pursuant to the approval and recommendation of the audit committee and the board of directors ("Board") of the Company, and subject to such other approvals, consents, registrations, permissions to be obtained from the statutory and regulatory authorities to the extent applicable, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee which the Board may constitute for the purpose) to transfer the diagnostics business undertaking engaged inter alia, in diagnostic and healthcare services (i.e. including but not limited to collection of samples, conducting tests and generating of test reports) to the customers (business to business and business to customer), directly, through owned laboratories / collection centers or through partner laboratories / collection centers (hereinafter referred to as "Undertaking") of the Company together with assets and liabilities (including employees / contracts etc. pertaining to such business, as may be required) as a going concern on a slump sale basis on an "as is where is" basis, to Docon Technologies Private Limited, wholly owned subsidiary, on such terms as the Board may deem fit in the interest of the Company, at a valuation determined by an independent valuer in accordance with applicable laws, not being more than INR 400,00,00,000/- (Indian Rupees Four Hundred Crores Only);

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem fit, necessary, proper or desirable, including finalizing, varying and settling the terms and conditions of the sale of the Undertaking and to finalize, execute, deliver and perform such agreements (including but not limited to Business Transfer Agreement), contracts, deeds, undertakings, and other documents, file applications, and make representations in respect thereof and seek the requisite approvals, consents, permissions and sanctions as may be applicable, from statutory and regulatory authorities as may be necessary, suitably inform and apply to all the concerned authorities, institutions or bodies, including in respect of the requirements of the Reserve Bank of India and / or local authorities, if any, and / or to represent the Company before the said authorities, institutions or bodies, and to sign and submit such applications, letters, forms, returns, deeds, documents and to settle any question, difficulty, doubt that may arise, if any with regard to this dealing and reconsider the matter due to change in circumstances as it may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise and to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**ITEM NO. 7:**

**To approve terms and conditions of material related party transactions:**

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 Section 188 and applicable provisions of the Companies Act, 2013 (“Act”) read with with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable rules (including any statutory modification(s) or re-enactment thereof for the time being in force), other applicable laws, Company’s Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions, and subject to such other approval(s), consent(s) and permission(s) as may be required to be obtained from time to time and pursuant to the approval and recommendation of the audit committee and the board of directors (“Board”) of the Company, the consent of the shareholders of the Company be and is hereby accorded to the Company to enter into and / or continue to enter into the related party transaction(s) /contract(s) / arrangement(s) / agreement(s) in terms of the explanatory statement to this resolution on the respective material terms and conditions set out in the explanatory statement;

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include the audit committee of the Board) be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient or desirable as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer or executive of the Company, for the purpose of giving effect to this resolution including negotiating, finalising and executing necessary schemes, contracts, agreements or other documents that may be required to be executed;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**ITEM NO. 8:**

**To approve a modification to the API Holdings Limited - Employee Stock Option Plan 2020.**

To consider and if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 62 (1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (collectively referred to as the “Act”) and such other laws as may be in force for the time being,

and pursuant to the provisions of the Memorandum of Association ("MOA") and the Articles of Association ("AOA") of the Company, and subject to such other approvals, permissions and sanctions as may be required and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include the Nomination and Remuneration Committee of the Board) and pursuant to the approval and recommendation of the nomination and remuneration committee and the Board, the consent of the shareholders of the Company be and is hereby accorded to modify the existing API Holdings Limited - Employee Stock Option Plan 2020 of the Company ("API ESOP Plan"), by substituting existing sub-clause no. 19.1 and inserting an additional sub-clause no. 19.4 under Clause 19 "Governing Laws" of API ESOP Plan as mentioned below:

**"19 Governing Laws**

19.1 *The terms and conditions of the Plan shall be governed by and construed in accordance with the applicable laws of India including the Companies Act, SEBI SBEB & SE Regulations, Income Tax Laws and Foreign Exchange Laws mentioned below.*

19.4 *The Company shall comply with the provisions of the Companies Act and / or the SEBI SBEB & SE Regulations, as may be applicable, from time to time."*

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do such acts, deeds, matters and things and to finalize and execute all documents as may be necessary, desirable or expedient in connection therewith to give effect to above resolution;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required."

**ITEM NO. 9:**

**To approve modification of terms of Employee Stock Options under Employee Stock Option Pool 19**

To consider and if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory amendment, modification or re-enactment thereof, for the time being in force) and the Articles of Association ("Articles") of the Company and in partial modification of the resolution passed at extra-ordinary general meeting held on September 09, 2021 and pursuant to the approval and recommendation of the nomination and remuneration committee and the board of directors ("Board") of the Company, the consent of the shareholders of the Company be and is hereby accorded for modification of terms of 27,50,00,000 (Twenty Seven Crores Fifty Lakh) (adjusted for split of face value of shares and bonus issue of equity shares, both undertaken in the month of October 2021) Employee Stock Options ("ESOPs") under the API ESOP Pool 19 as under:

**Grant Date:** Up to 27,50,00,000 (Twenty Seven Crores Fifty Lakh) (adjusted for split of face value of shares and bonus issue of equity shares, both undertaken in the month of October 2021) ESOPs collectively shall be granted to Mr. Siddharth Shah, Mr. Dharmil Sheth, Mr. Hardik Dedhia, Mr. Harsh Parekh and Mr. Dhaval Shah (collectively, "**Identified Employees**"), by the nomination and remuneration committee as per the terms and conditions as determined by the nomination and remuneration committee.

**Shareholders' approval:** No further shareholders approval shall be required for creation of API ESOP Pool 19 and the grant of ESOPs under the API ESOP Plan 2020.

**RESOLVED THAT** all other terms and conditions of the ESOP Pool 19, shall be same as approved by the shareholders at their meeting held on September 09, 2021;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient including filing of necessary documents, intimations including e-forms with regulatory authorities and to settle any questions, difficulties or doubts that may arise in this regard at any stage in connection with API ESOP Pool 19, in the manner as it may deem fit in its absolute discretion, and to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required."

**ITEM NO. 10:**

**To approve modification of terms of Employee Stock Options under Employee Stock Option Pool 21**

To consider and if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory amendment, modification or re-enactment thereof, for the time being in force) and the Articles of Association ("Articles") of the Company and in partial modification of the resolution passed at extra-ordinary general meeting held on September 09, 2021 and pursuant to the approval and recommendation of the nomination and remuneration committee and the board of directors ("Board") of the Company, the consent of the shareholders of the Company be and is hereby accorded for modification of terms of 8,25,00,000 (Eight Crore Twenty Five Lakh) (adjusted for split of face value of shares and bonus issue of equity shares, both undertaken in the month of October 2021) Employee Stock Options ("ESOPs") under the API ESOP Pool 21 as under:

**Grant Date:** Up to 8,25,00,000 (Eight Crore Twenty Five Lakh) (adjusted for split of face value of shares and bonus issue of equity shares, both undertaken in the month of October 2021) ESOPs collectively shall be granted to eligible and identified employees of the Company ("**Identified Employees**"), by the nomination and remuneration committee as per the terms and conditions as determined by the nomination and remuneration committee.

**Shareholders' approval:** No further shareholders approval shall be required for creation of API ESOP Pool 21 and the grant of ESOPs under the API ESOP Plan 2020.

**RESOLVED THAT** all other terms and conditions of the ESOP Pool 21, shall be same as approved by the shareholders in their meeting held on September 09, 2021;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient including filing of necessary documents, intimations including e-forms with regulatory authorities and to settle any questions, difficulties or doubts that may arise in this regard at any stage in connection with API ESOP Pool 21, in the manner as it may deem fit in its absolute discretion, and to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required."

**ITEM NO. 11:**

**To approve the remuneration payable to Mr. Subramaniam Somasundaram (DIN: 01494407), an Independent Director:**

To consider and if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 197 and 198 and other applicable provisions, if any of the Companies Act, 2013 ("the Act"), read with Schedule V of the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and in accordance with the Articles of Association of the Company and Remuneration Policy of Directors, Key Managerial Personnel and other Employees and pursuant to the approval and recommendation of the nomination and remuneration committee and the board of directors ("Board") of the Company, the consent of shareholders of the Company be and is hereby accorded for the payment of Rs. 45,00,000/- (Indian Rupees Forty Five Lakhs Only) as annual remuneration to Mr. Subramaniam Somasundaram (DIN: 01494407), Independent Director of the Company for the financial year 2022-23;

**RESOLVED FURTHER THAT** notwithstanding to the above, in the event of any loss or inadequacy of profits during the financial year 2022-23, the remuneration approved herewith shall be treated as minimum remuneration and be payable to him shall be in compliance of the provisions in Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

**RESOLVED FURTHER THAT** the Board (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Mr. Subramaniam Somasundaram, Independent Director of the Company, within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Board of Directors to give effect to the aforesaid Resolution;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**ITEM NO. 12:**

**To approve the remuneration payable to Dr. Jaydeep Tank (DIN: 05014753), an Independent Director:**

To consider and if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 197 and 198 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”), read with Schedule V of the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and in accordance with the Articles of Association of the Company and Remuneration Policy of Directors, Key Managerial Personnel and other Employees and pursuant to the approval and recommendation of the nomination and remuneration committee and the board of directors (“Board”) of the Company, the consent of shareholders of the Company be and is hereby accorded for the payment of Rs. 12,00,000/- (Indian Rupees Twelve Lakhs Only) as annual remuneration to Dr. Jaydeep Tank (DIN: 05014753), Independent Director of the Company for the financial year 2022-23;

**RESOLVED FURTHER THAT** notwithstanding to the above, in the event of any loss or inadequacy of profits during the financial year 2022-23 , the remuneration approved herewith shall be treated as minimum remuneration and be payable to him shall be in compliance of the provisions in Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

**RESOLVED FURTHER THAT** the Board (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Dr. Jaydeep Tank, Independent Director of the Company, within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or

any of its powers herein conferred to any Committee of Board of Directors to give effect to the aforesaid Resolution;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**ITEM NO. 13:**

**To approve the remuneration payable to Mr. Deepak Vaidya (DIN: 00337276), an Independent Director:**

To consider and if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 197 and 198 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”), read with Schedule V of the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and in accordance with the Articles of Association of the Company and Remuneration Policy of Directors, Key Managerial Personnel and other Employees and pursuant to the approval and recommendation of the nomination and remuneration committee and the board of directors (“Board”) of the Company, the consent of shareholders of the Company be and is hereby accorded for the payment of Rs. 25,00,000/- (Indian Rupees Twenty Five Lakhs Only) as annual remuneration to Mr. Deepak Vaidya (DIN: 00337276), Independent Director of the Company for the financial year 2022-23;

**RESOLVED FURTHER THAT** notwithstanding to the above, in the event of any loss or inadequacy of profits during the financial year 2022-23, the remuneration approved herewith shall be treated as minimum remuneration and be payable to him shall be in compliance of the provisions in Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

**RESOLVED FURTHER THAT** the Board (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Mr. Deepak Vaidya, Independent Director of the Company, within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Board of Directors to give effect to the aforesaid Resolution;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**ITEM NO. 14:**

**To approve the remuneration payable to Ms. Vineeta Rai (DIN: 07013113), an Independent Director:**

To consider and if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 197 and 198 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”), read with Schedule V of the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and in accordance with the Articles of Association of the Company and Remuneration Policy of Directors, Key Managerial Personnel and other Employees and pursuant to the approval and recommendation of the nomination and remuneration committee and the board of directors (“Board”) of the Company, the consent of shareholders of the Company be and is hereby accorded for the payment of Rs. 25,00,000/- (Indian Rupees Twenty Five Lakhs Only) as annual remuneration to Ms. Vineeta Rai (DIN: 07013113), Independent Director of the Company for the financial year 2022-23;

**RESOLVED FURTHER THAT** notwithstanding to the above, in the event of any loss or inadequacy of profits during the financial year 2022-23, the remuneration approved herewith shall be treated as minimum remuneration and be payable to him shall be in compliance of the provisions in Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

**RESOLVED FURTHER THAT** the Board (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Ms. Vineeta Rai, Independent Director of the Company, within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Board of Directors to give effect to the aforesaid Resolution;

**RESOLVED FURTHER THAT** a certified true copy of the above resolution be provided and given to various authorities, as may be required.”

**By order of the Board of Directors  
API Holdings Limited**

**Sd/-**

**Dharmil Sheth**

**Chief Business Officer and Whole Time Director**

**DIN: 06999772**

**Address:** 8A, 804, Akash Deep CHS Damodar Park,  
LBS Marg, Near R City Mall, Ghatkopar West, Mumbai  
400 086, Maharashtra, India

**Date:** September 26, 2022

**Place:** Mumbai

## NOTES:

1. The Ministry of Corporate Affairs ("MCA") has, vide its circular dated May 05, 2022, read together with circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021 and December 14, 2021 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, the third AGM of the Company is being held through VC/ OAVM. Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained in subsequent notes below and is also available on the website of the Company at [www.apiholdings.in](http://www.apiholdings.in)
2. In accordance with the Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India ("ICSI") read with Guidance/Clarification dated April 15, 2020 issued by ICSI, since the proceedings of this AGM are being conducted through VC/ OAVM, the Registered Office of the Company situated at 902, 9th Floor, Raheja Plaza 1, B-Wing, Opp. R-City Mall, LBS Marg, Ghatkopar West, Mumbai – 400086 is deemed to be the venue of the AGM. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
3. A statement pursuant to the provisions of Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM, is annexed hereto.
4. **Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.**
5. In terms of the provisions of Section 152 of the Act, Mr. Harsh Parekh and Mr. Ankur Thadani, Directors of the Company, retire by rotation at the AGM. The nomination and remuneration committee and the board of directors recommend their respective re-appointments.

Mr. Harsh Parekh and Mr. Ankur Thadani are interested in the resolution set out at Item No. 2 and 3 respectively of the Notice with regard to their re-appointments. The other relatives of Mr. Harsh Parekh and Mr. Ankur Thadani may be deemed to be interested in the resolutions set out at Item Nos. 2 and 3 of the Notice, respectively, to the extent of their shareholding, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives (to the extent of their

shareholding in the Company) are, in any way, concerned or interested, financially or otherwise, in the resolutions set forth at item no 2 and 3 of the Notice.

Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the "Annexure A" to the Notice.

6. In compliance with the aforesaid MCA Circulars, 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 the Notice of AGM are being sent only through electronic mode to those shareholders whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. The aforesaid documents will also be available at the website of the Company at [www.apiholdings.in](http://www.apiholdings.in).
7. Corporate Member(s) and representatives of the shareholders such as the President of India or the Governor of a State or body corporate intending to send their authorised representative to attend the Meeting in terms of Section 113 of the Companies Act, 2013 are requested to send to the Company a legible certified scanned copy (PDF / JPEG format) of the relevant Board Resolution together with the specimen signature of the representative authorised under the said Board Resolution to attend and vote on their behalf at the Meeting. The said Resolution shall be sent to the Company by email to [corporatesecretarial@apiholdings.in](mailto:corporatesecretarial@apiholdings.in) at least 48 hours before the date of the AGM.
8. The Company or its Registrars and Transfer Agents, Link Intime India Private Limited ("Link Intime") cannot act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
9. Shareholders holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details to Link Intime. Shareholders holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
10. All documents referred to in the Notice and the Explanatory Statements and other Statutory Registers will be available for inspection by the shareholders at the registered office of the Company, on all working days (i.e. except Saturdays, Sundays and public holidays), during business hours between 11:00 a.m. and 01:00 p.m. up to and on the date of the AGM. Shareholders who wish to inspect the statutory registers can send email to [corporatesecretarial@apiholdings.in](mailto:corporatesecretarial@apiholdings.in)
11. Shareholders seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company between October 12, 2022 and October 15, 2022, mentioning their name, demat account number/folio number, email id, mobile number through email on [corporatesecretarial@apiholdings.in](mailto:corporatesecretarial@apiholdings.in). The same will be replied by the Company suitably.

12. A person, whose name is recorded in the Register of Members 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 for participation at the AGM and voting. A person who is not a shareholder as on the Cut-off Date, should treat the Notice for information purpose only.
13. The Company has appointed M/s. S. Anantha & Ved LLP, practising Company Secretaries, to act as the Scrutinizer, for conducting the voting and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, after the conclusion of voting at the General Meeting, first count the votes cast at the Meeting and unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, no later than three days of the conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes if any, forthwith to the Chairman of the Company or the person authorized by him, who shall countersign the same and declare the result of the voting forthwith.

The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company and on the website of CDSL.

Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the AGM.

14. **The instructions for shareholders attending and voting electronically is as under:**
  - i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
  - ii. The Shareholders can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to 1000 shareholders on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction.
  - iii. The attendance of the shareholders attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

iv. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.apiholdings.in](http://www.apiholdings.in). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

v. The calendar of events for remote e-voting is as under:

Particulars	Event Date
Cut-off date for identifying the eligibility of shareholders for remote e-voting/voting at the AGM	Wednesday, October 12, 2022
Remote e-voting period will commence on	Friday, October 14, 2022 at 09:00 a.m. (IST)
Remote e-voting period will end on	Tuesday, October 18, 2022 at 05:00 p.m. (IST)

The remote e-voting module shall be disabled by CDSL for voting thereafter.

- vi. Shareholders who have already voted prior to the AGM date, through remote e-voting would not be entitled to vote at the meeting.
- vii. In order to increase the efficiency of the voting process, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories or Depository Participants. Demat account holders would be able to cast their vote without having to register again with our Electronic Service Provider i.e. CDSL, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- viii. Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode with CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p><b>A) Users already registered for Easi / Easiest facility of CDSL may follow the following procedure:</b></p> <p>1) Type in the browser / Click on any of the following links:  <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a>  or  <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on <b>New System Myeasi / Login to My Easi option under Quick Login</b> (best operational in Internet Explorer 10 or above and Mozilla Firefox)</p> <p>2) Enter your User ID and Password for accessing Easi / Easiest.</p> <p>3) You will see Company Name: "API Holdings Limited" on the next screen. Click on the e-Voting link available against API Holdings Limited or select e-Voting service provider "CDSL" and you will be re-directed to the e-Voting page of CDSL to cast your vote without any further authentication.</p>

	<p><b>B) Users not registered for Easi/Easiest facility of CDSL may follow the following procedure:</b></p> <ul style="list-style-type: none"> <li>i) To register, type in the browser / Click on the following link: <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>ii) Proceed to complete registration using your DP ID-Client ID (BO ID), etc.</li> <li>iii) After successful registration, please follow steps given under point A above to cast your vote.</li> </ul> <p><b>C) Users may directly access the e-Voting module of CDSL as per the following procedure:</b></p> <ul style="list-style-type: none"> <li>i) Type in the browser / Click on the following links: <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a></li> <li>ii) Provide Demat Account Number and PAN</li> <li>iii) System will authenticate user by sending OTP on registered Mobile and E-mail as recorded in the Demat Account.</li> <li>iv) On successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against API Holdings Limited or select e-Voting service provider "CDSL" and you will be re-directed to the e-Voting page of CDSL to cast your vote without any further authentication.</li> </ul>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>	<p><b>A) Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure:</b></p> <ul style="list-style-type: none"> <li>i) Type in the browser / Click on the following e-Services link: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>ii) Click on the button "Beneficial Owner" available for login under 'IDeAS' section.</li> <li>iii) A new page will open. Enter your User ID and Password for accessing IDeAS.</li> <li>iv) On successful authentication, you will enter your IDeAS service login. Click on "Access to e-Voting" under Value Added Services on the panel available on the left-hand side.</li> <li>v) You will be able to see Company Name: "API Holdings Limited" on the next screen. Click on the e-Voting link available against API Holdings Limited or select e-Voting service provider "CDSL" and you will be redirected to the e-Voting page of CDSL to cast your vote without any further authentication.</li> </ul> <p><b>B) Users not registered for IDeAS e-Services facility of NSDL may follow the following procedure:</b></p> <ul style="list-style-type: none"> <li>i) To register, type in the browser / Click on the following e-Services link: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> </ul>

	<p>ii) Select option “Register Online for IDeAS” available on the left-hand side of the page.</p> <p>iii) Proceed to complete registration using your DP ID, Client ID, Mobile Number etc.</p> <p>iv) After successful registration, please follow steps given under point A above to cast your vote.</p> <p><b>C) Users may directly access the e-Voting module of NSDL as per the following procedure:</b></p> <p>i) Type in the browser / Click on the following link: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></p> <p>ii) Click on the button “Login” available under “Shareholder/ Member” section.</p> <p>iii) On the login page, enter User ID (that is, 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL’s e-voting platform) / through generation of OTP (in case your mobile / e-mail address is registered in your demat account) and Verification Code as shown on the screen.</p> <p>iv) You will be able to see Company Name: “API Holdings Limited” on the next screen. Click on the e-Voting link available against API Holdings Limited or select e-Voting service provider “CDSL” and you will be redirected to the e-Voting page of CDSL to cast your vote without any further authentication.</p> <p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p> <p><b>D) NSDL Mobile App – Speede</b></p> <p>Shareholders / Members can also download NSDL Mobile App “NSDL Speede” facility from Google Play Store or App Store</p>
Individual Shareholders (holding securities in	Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts or websites of Depository Participants registered with NSDL/CDSL. An option

demat mode) login through their <b>Depository Participants</b>	for "e-Voting" will be available once they have successfully logged-in through their respective logins. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL / CDSL (as may be applicable). Click on the e-Voting link available against API Holdings Limited or select e-Voting service provider "CDSL" and you will be re-directed to the e-Voting page of CDSL to cast your vote without any further authentication.
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**Important note:** Shareholders who are unable to retrieve User ID/ Password are advised to use "Forgot User ID" and "Forgot Password" option available at abovementioned website.

**Helpdesk for Individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual shareholders holding securities in Demat mode with <b>CDSL</b>	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 022-23058542-43.
Individual shareholders holding securities in Demat mode with <b>NSDL</b>	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

ix. Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
2. Click on Shareholders
3. 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 Registered Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. 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.
6. If you are a first-time user, follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

	Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/Link intime or contact Company/Link intime.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account (other than individual shareholders holding shares in physical mode) in or in the Company records in order to login.  If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on "SUBMIT" tab.
  8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders (other than individuals) 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.
  9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  10. Click on the Electronic Voting Sequence Number ("EVSN") for API HOLDINGS LIMITED on which you choose to vote.
  11. 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.
  12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  13. 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.
  14. **Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.**
  15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  16. If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- x. **Additional Facility for Non – Individual shareholders and Custodians –For Remote Voting only.**
1. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.

2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
3. 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.
4. 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.
5. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
6. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [corporatesecretarial@apiholdings.in](mailto:corporatesecretarial@apiholdings.in), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**xi. INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE AGM ON e-VOTING SYSTEM ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the AGM is 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 available in the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders participating in 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.

**xii. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM and E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

3. **For Individual Demat shareholders** - Please update your email id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting and joining virtual meetings through Depository.
- xiv. If you have any queries or issues regarding attending AGM and e-Voting from the CDSL e-Voting system, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.
- xv. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

4. Shareholders are encouraged to join the Meeting through Laptops / iPad for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders as on the cut-off date who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request between October 12, 2022 and October 15, 2022 mentioning their name, demat account number/folio number, email id, mobile number at [corporatesecretarial@apiholdings.in](mailto:corporatesecretarial@apiholdings.in).
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.  
Shareholders are advised to read the following selection criteria for speakers carefully:
  - The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
  - Selection of Speakers would be made considering representation from different geographies, diverse categories / professions / age profiles and using random selection method.
  - Infrastructure, connectivity and speed available at the Speaker's location are essential to ensure smooth interaction.
  - In the interest of time, each Speaker is requested to express his / her views in 2 minutes.
9. Only those shareholders, who are 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 available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

xiii. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. **For Physical shareholders** - please 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) by email to Company/Link intime.
2. **For Demat shareholders** - Please update your email id and mobile no. with your respective Depository Participant (DP).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No. 4**

The board of directors ("Board"), on the recommendation of the audit committee of the Board, had approved the appointment of Mr. Subbiahgowder Thangavelu, Cost and Management Accountant ("Cost Auditor") to conduct the audit of the cost records of the Company for financial year 2022-23 at a remuneration of Rs. 50,000/- (Indian Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be approved by the shareholders of the Company.

Accordingly, consent of the shareholders is being sought for approval of the remuneration payable to the Cost Auditor for financial year 2022-23.

None of the directors and key managerial personnel or their relatives is in any way, financially or otherwise, concerned or interested in the resolution, except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolution set out at Item No. 4 of the accompanying notice for your approval as an ordinary resolution.

**Item No. 5**

The board of directors ("Board"), subject to the approval of the shareholders, has approved to commence, inter alia, the following businesses, in order to bring in better efficiencies in the group structure:

- wholesale/retail trade and/ or manufacture by itself or on contract, all kinds of pharmaceutical, nutraceutical, FMCG, healthcare and other products;
- facilitation of the online requisition by the user for purchase of medicines and wellness / health related products and services;
- design, create, host, develop, own, establish, install, provide, facilitate, license or otherwise deal in any business relating to Internet Portals, networking and communication environments, e-commerce, Web based and Web enabled services and applications

Further, pursuant to the provisions of Section 13 of the Companies Act, 2013, any alteration to the provisions of the Memorandum of Association requires approval of the shareholders of the Company.

The draft Memorandum of Association together with the proposed alteration is available for inspection by the shareholders at the registered office of the Company on all working days (i.e. except Saturdays, Sundays and public holidays), during business hours i.e. between 11:00 a.m.

and 01:00 p.m. up to and on the date of the meeting. Shareholders who wish to inspect the documents can send email to [corporatesecretarial@apiholdings.in](mailto:corporatesecretarial@apiholdings.in).

None of the directors and key managerial personnel or their relatives is in any way, financially or otherwise, concerned or interested in the resolution, except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolution set out at Item No. 5 of the accompanying notice for your approval as a special resolution.

#### **Item No. 6**

In the financial year 2021-22, Medlife International Private Limited ("MLI") merged with the Company vide order dated September 24, 2021 of Regional Director, Ministry of Corporate Affairs, Western Region approving the scheme of amalgamation of inter alia, MLI and the Company ("Scheme"). The Scheme became effective from January 25, 2021 (being the appointed date). Accordingly, the diagnostics business undertaking, engaged inter alia, in diagnostic and healthcare services (i.e. including but not limited to collection of samples, conducting tests and generating of test reports) to the customers (business to business and business to customer), directly, through owned laboratories / collection centers or through partner laboratories / collection centers of erstwhile MLI was transferred to the Company as a going concern and the Company continues to operate the said diagnostics business ("Undertaking").

As a part of structural reorganisation of the Company, in order to bring in efficiencies in the businesses and to ensure maximum value creation for the shareholders of the Company, it is now proposed to undertake B2B wholesale business in the Company as per approval sought under Item no. 5 of this notice. Also, as a part of the reorganisation, it is decided to house all the service functions of the Group under one legal entity, hence, it is proposed to transfer the diagnostics business of the Company as a going concern on slump sale basis, on an "as is where is" basis, to Docon Technologies Private Limited ("Docon"), wholly owned subsidiary of the Company, on such terms as the Board may deem fit in the interest of the Company, at a valuation determined by an independent valuer in accordance with applicable laws, not being more than INR 400,00,00,000/- (Indian Rupees Four Hundred Crores Only).

Docon currently provides tele-consultation tools to doctors which enables the doctors to provide tele-consultation services. Addition of the diagnostics business will enable Docon to provide more holistic and integrated service to its empaneled doctors.

Pursuant to Section 180(1)(a) of the Companies Act, 2013 read together with the relevant rules made thereunder ("Act"), the board of directors ("Board") of the Company cannot, except with the consent of the Shareholders of the Company by Special Resolution, transfer the whole or substantially the whole of any undertaking of the Company.

Accordingly, consent of the members of the Company is requested for transfer of the Undertaking of the Company to Docon. The Company will commence and continue to engage in the business

of, inter alia, B2B wholesale trading of pharmaceutical, nutraceutical, FMCG, healthcare products and also providing healthcare services.

None of the directors and key managerial personnel or their relatives or any other officials of the Company is in any way, financially or otherwise, concerned or interested in the resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution set out at Item No. 6 of the accompanying notice for your approval as a special resolution.

**Item No. 7**

The Company has granted loans to its wholly subsidiaries, from time to time for their principal business activities. These loans are unsecured in nature and are repayable on demand.

The Company grants loans to its subsidiaries and charges an interest rate which is similar to cost of borrowings of the Company.

As per section 186 of the Companies Act, 2013 (“Act”), no loan can be granted at a rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan.

Accordingly the board of directors (“Board”), on the recommendation of the audit committee and subject to approval of shareholders of the Company, has recommended to grant loans to subsidiaries at an interest rate which is in compliance with Section 186 of the Act for both existing and future loans. This is proposed to inter alia, avoid the blockage of working capital on the loans granted by the Company to wholly owned subsidiaries and also to grant further loans to the wholly owned subsidiaries within the threshold limits, at the terms and conditions approved by the audit committee in accordance with Section 177 and other applicable provisions of the Act.

The details of related party transactions in the nature of loans to wholly owned subsidiaries of the Company as per rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as under:

<b>Name of wholly owned Subsidiary (Related Party)</b>	<b>Name of Director or KMP who is related, if any</b>	<b>Nature, material terms, value and particulars of the contract</b>
Threpsi Solutions Private Limited	None	<b>Nature:</b> Loan <b>Interest Rate:</b> In compliance with Section 186 of the Act <b>Security:</b> Unsecured <b>Term:</b> Repayable on demand
ARZT and Health Private Limited	None	
Aycon Graph Connect Private Limited	None	
Ascent Wellness and Pharma Private Limited	None	
Medlife Wellness Retail Private Limited	None	

Name of wholly owned Subsidiary (Related Party)	Name of Director or KMP who is related, if any	Nature, material terms, value and particulars of the contract
Metarain Distributors Private Limited	None	<b>Value:</b> As approved by the Audit Committee and/or the Board
Docon Technologies Private Limited ("Docon")	Mr. Hardik Dedhia as Director of Docon	
AHWSPL India Private Limited	None	
Any future wholly owned subsidiary	N.A.	<b>Nature:</b> Loan <b>Interest Rate:</b> In compliance with Section 186 of the Act <b>Security:</b> Unsecured <b>Term:</b> Repayable on demand <b>Value:</b> As approved by the Audit Committee and/or the Board

For further details of loans granted up to March 31, 2022, please refer to Notes 14 and 36 of the audited financial statements of the Company for the financial year ended March 31, 2022.

None of the directors and key managerial personnel or their relatives is in any way, financially or otherwise, concerned or interested in the resolution, except to the extent of their shareholding, if any, in the Company and their directorship in the wholly owned subsidiaries, as applicable.

The Board recommends the resolution set out at Item No. 7 of the accompanying notice for your approval as an ordinary resolution.

#### **Item No. 8**

The shareholders of the Company had, at its annual general meeting held on October 01, 2021, modified the existing API Holdings Limited - Employee Stock Option Plan 2020 ("API ESOP Plan") to align it with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "SEBI SBEB & SE Regulations").

Since the Company, till now, has not listed its equity shares on any recognised stock exchange in India, provisions of the SEBI SBEB & SE Regulations are not applicable to the Company.

Accordingly, the board of directors ("Board") on the recommendation of nomination and remuneration committee and subject to the approval of the shareholders, has approved amendment to the API ESOP Plan in order to clarify that the provisions of SEBI SBEB & SE Regulations will be applicable once the Company's equity shares are listed on a recognized stock exchange in India.

The said amendment will not impact any right and entitlement of the eligible employees under the API ESOP Plan and is not prejudicial to the interest of eligible employees in any manner whatsoever.

The copies of the draft API ESOP Plan with the proposed amendments are available for inspection by the shareholders at the registered office of the Company on all working days (i.e. except Saturdays, Sundays and public holidays), during business hours i.e. between 11:00 a.m. and 01:00 p.m. up to and on the date of the meeting. Shareholders who wish to inspect the documents can send email to [corporatesecretarial@apiholdings.in](mailto:corporatesecretarial@apiholdings.in).

A statement of disclosure as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 ("Act") are as under:

No.	Particulars	Details
1.	Variation of terms of the API ESOP Plan	<p>It is proposed that clause 19 on "Governing Laws" be modified by substituting existing sub-clause no. 19.1 and inserting an additional sub-clause no. 19.4 under the API ESOP Plan as mentioned below:</p> <p><b>"19 Governing Laws</b></p> <p>19.1. <i>The terms and conditions of the Plan shall be governed by and construed in accordance with the laws of India including the Companies Act, SEBI SBEB &amp; SE Regulations, Income Tax Laws and Foreign Exchange Laws mentioned below.</i></p> <p>19.4 <i>The Company shall comply with the provisions of the Companies Act and / or the SEBI SBEB &amp; SE Regulations, as may be applicable, from time to time."</i></p>
2.	Rationale of the variation of the API ESOP Plan	<p>The amendment to clause 19 is proposed to be undertaken in order to clarify that the Company would comply with the provisions of the SEBI SBEB &amp; SE Regulations once the Company's equity shares are listed on recognized stock exchange in India.</p>
3.	Details of the employees who are beneficiaries of such variation	<p>The beneficiaries of such variation are the 'employees' who have been granted options as well as who will be granted options post amendment to the API ESOP Plan.</p>

As per the provisions of the Act, approval of the shareholders by way of special resolution is required for varying the terms of the API ESOP Plan.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in this resolution, except to the extent of the employee stock options granted to them under the API ESOP Plan.

Accordingly, the Board recommends the resolution set forth at item no. 8 of the notice for approval of the Shareholders as a special resolution.

### **Item Nos. 9 and 10**

The shareholders of the Company at the extra ordinary general meeting held on September 09, 2021, had approved creation of ESOP Pool 19, ESOP Pool 20 and ESOP Pool 21 for 27,50,00,000, 33,00,00,000 and 8,25,00,000 options (*adjusted for split of face value of shares and bonus issue of equity shares, both undertaken in the month of October 2021*) respectively.

The conditions of above ESOP Pools 19 and 21, inter alia, were as under:

- Grant of options by nomination and remuneration committee ("NRC"), subject to satisfactory completion of integration of all acquisitions as determined by the NRC, within 6 months from the date of commencement of listing and trading of the Company's shares on a recognized stock exchange pursuant to the initial public offering ("IPO") of the Company

Accordingly, the grant of ESOPs under the aforementioned ESOP Pools 19 and 21 as approved at the extra-ordinary general meeting held on September 09, 2021 was conditional upon completion of integration of entities which were acquired immediately prior to the approval of these ESOP Pools. As at that time, the Company was in the process of filing draft red herring prospectus ("DRHP") and the timelines for grant of ESOPs post integration were coinciding with the proposed IPO schedule, the members had authorised NRC to grant ESOPs under these Pools within 6 months of listing. Please note that 6 months from listing was the farthest timeline and that NRC had the authority to grant ESOPs any time within 6 months from listing.

The shareholders are also informed that these ESOP Pools 19, 20 and 21 were already approved by the shareholders of the Company at the extra ordinary general meeting held on September 09, 2021 and relevant disclosures regarding these ESOP Pools were also made in the DRHP. Hence, there will be no further dilution in shareholding of the Company on account of grant of ESOPs under these ESOP Pools.

It is further brought to the notice of the shareholders that the proposed authorisation to NRC to grant ESOPs is sought only for ESOP Pools 19 and 21 because the conditions prescribed for intended integration of acquisitions are completely fulfilled in view of the independent evaluation of the NRC. ESOP Pool 20 which was also approved by shareholders of the Company at the extra ordinary general meeting held on September 09, 2021, was conditional upon successful listing and trading of the Company's shares on a recognised stock exchange and were to be granted post 6 months from the date of such listing and trading. No variation is proposed in these conditions for ESOP Pool 20 and this pool will be available for grant only once the Company's shares are listed on a stock exchange.

Therefore, as the condition of integration of acquisitions is already fulfilled as per evaluation of the NRC, the NRC has recommended and the Board has authorised, subject to the approval of shareholders of the Company, grant of ESOPs under the above ESOP Pools 19 and 21. The ESOPs under these ESOP Pools will be granted to the Identified Employees of the respective

ESOP Pools as per the terms and conditions as determined by the NRC and in accordance with the provisions of API Holdings Limited - Employee Stock Option Plan 2020.

All other terms and conditions for the said ESOP Pools as approved by the shareholders of the Company at the extra ordinary general meeting held on September 09, 2021 shall remain valid and subsisting.

A statement of disclosure as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 ("Act") are as under:

No.	Particulars	Details
1.	Variation of terms of the ESOP Pools	<p>It is proposed to authorise NRC to grant ESOPs under ESOP Pools 19 and 21 since the conditions prescribed for intended integration of acquisitions are completely fulfilled in view of the independent evaluation of the NRC.</p> <p>The ESOPs under these ESOP Pools will be granted to the eligible employees/beneficiaries i.e. Identified Employees of the respective ESOP Pools as per the terms and conditions as determined by the NRC and in accordance with the provisions of API Holdings Limited - Employee Stock Option Plan 2020.</p>
2.	Rationale of the variation of the ESOP Pools	It is proposed to vary the terms of grant of ESOPs under the ESOP Pools 19 and 21, as the conditions of grant of ESOPs under the aforesaid ESOP Pools are fulfilled by the Company.
3.	Details of the employees who are beneficiaries of such variation	The beneficiaries of such variation are the Identified Employees who have been granted options as well as who will be granted options post amendment to the API ESOP Plan in accordance with the resolutions passed by shareholders of the Company at the extra ordinary general meeting held on September 09, 2021.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in this resolution, except to the extent of the employee stock options granted / to be granted to them under the ESOP Pools.

The provisions of the Companies Act, 2013, require the Company to seek approval of the shareholders by way of special resolution for variation of terms of grant of ESOP Pools.

Accordingly, the Board recommends the resolutions set forth at item nos. 9 and 10 of the notice for approval of the shareholders as special resolutions.

### **Item No. 11**

The shareholders of the Company at its annual general meeting held on October 01, 2021 ("2021 AGM"), had appointed Mr. Subramaniam Somasundaram (DIN: 01494407) as an Independent Director of the Company in accordance with the Articles of Association of the Company and pursuant to the provisions of the Sections 149, 150, and 161 of the Companies Act, 2013 ("Act") read with Schedule IV to the Act. As per the audited financial statements for the year ended March 31, 2021, the Company did not have adequate profit in accordance with section 198 of the Act, and hence special resolution was passed at the 2021 AGM for payment of remuneration of Rs. 45,00,000/- (Indian Rupees Forty Five Lakhs only) to Mr. Subramaniam Somasundaram, for the services to be rendered by him to the Company for the year ending on March 31, 2022, in addition to the sitting fees, for attending meetings of the board of directors ("Board") or any Committees thereof and reimbursement of any expenses for participating in the meetings of Board and/or committees.

Considering the contribution of Mr. Subramaniam Somasundaram, Independent Director of the Company, it is proposed to pay remuneration under Section 149(9) read with Section 197(5) of the Act not exceeding Rs. 45,00,000/- (Indian Rupees Forty Five Lakhs Only) for financial year 2022-23, for the services to be rendered by him to the Company, in addition to the sitting fees, for attending meetings of the Board or any Committees thereof and reimbursement of any expenses for participating in the meetings of Board and committees held during financial year 2022-23, with prior approval of the shareholders.

Since it is required to obtain the approval from shareholders for payment of remuneration to Directors exceeding the limit as specified under Part II of the Schedule V of the Act, the Board, on the recommendation of the nomination and remuneration committee and subject to approval of the shareholders, approved payment of the aforesaid remuneration to Mr. Subramaniam Somasundaram, Independent Director of the Company as minimum remuneration for the financial year 2022-23, in accordance with the provisions of the Act.

Disclosures as required pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and Section II of Part II of Schedule V of the Act are provided as Annexure A and Annexure B hereto.

Mr. Subramaniam Somasundaram is interested in the resolution set out at Item No. 11 of the Notice with regard to his remuneration. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives (to the extent of their shareholding in the Company) are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth at item no. 11 of the notice for approval of the shareholders as a special resolution.

### **Item No. 12**

The shareholders of the Company at its annual general meeting held on October 01, 2021 ("2021 AGM"), had appointed Dr. Jaydeep Tank (DIN: 05014753) as an Independent Director of the

Company in accordance with the Articles of Association of the Company and pursuant to the provisions of the Sections 149, 150, and 161 of the Companies Act, 2013 ("Act") read with Schedule IV to the Act. As per the audited financial statements for the year ended March 31, 2021, the Company did not have adequate profit in accordance with section 198 of the Act, and hence special resolution was passed at the 2021 AGM for payment of remuneration of Rs. 12,00,000/- (Indian Rupees Twelve Lakhs only) to Dr. Jaydeep Tank, for the services to be rendered by him to the Company for the year ending on March 31, 2022, in addition to the sitting fees, for attending meetings of the board of directors ("Board") or any Committees thereof and reimbursement of any expenses for participating in the meetings of Board and/or committees.

Considering the contribution of Dr. Jaydeep Tank, Independent Director of the Company, it is proposed to pay remuneration under Section 149(9) read with Section 197(5) of the Act not exceeding Rs. 12,00,000/- (Indian Rupees Twelve Lakhs Only) for financial year 2022-23, for the services to be rendered by him to the Company, in addition to the sitting fees, for attending meetings of the Board or any Committees thereof and reimbursement of any expenses for participating in the meetings of Board and committees held during financial year 2022-23, with prior approval of the shareholders.

Since it is required to obtain the approval from shareholders for payment of remuneration to Directors exceeding the limit as specified under Part II of the Schedule V of the Act, the Board, on the recommendation of the nomination and remuneration committee and subject to approval of the shareholders, approved payment of the aforesaid remuneration to Dr. Jaydeep Tank, Independent Director of the Company as minimum remuneration for the financial year 2022-23, in accordance with the provisions of the Act.

Disclosures as required pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and Section II of Part II of Schedule V of the Act are provided as Annexure A and Annexure B hereto.

Dr. Jaydeep Tank is interested in the resolution set out at Item No. 12 of the Notice with regard to his remuneration. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives (to the extent of their shareholding in the Company) are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth at item no. 12 of the notice for approval of the shareholders as a special resolution.

### **Item No. 13**

The shareholders of the Company at its annual general meeting held on October 01, 2021 ("2021 AGM"), had appointed Mr. Deepak Vaidya (DIN: 00337276) as an Independent Director of the Company in accordance with the Articles of Association of the Company and pursuant to the provisions of the Sections 149, 150, and 161 of the Companies Act, 2013 ("Act") read with Schedule IV to the Act. As per the audited financial statements for the year ended March 31, 2021, the Company did not have adequate profit in accordance with section 198 of the Act, and hence special resolution was passed at the 2021 AGM for payment of remuneration of Rs.

25,00,000/- (Indian Rupees Twenty Five Lakhs only) to Mr. Deepak Vaidya, for the services to be rendered by him to the Company for the year ending on March 31, 2022, in addition to the sitting fees, for attending meetings of the board of directors ("Board") or any Committees thereof and reimbursement of any expenses for participating in the meetings of Board and/or committees.

Considering the contribution of Mr. Deepak Vaidya, Independent Director of the Company, it is proposed to pay remuneration under Section 149(9) read with Section 197(5) of the Act not exceeding Rs. 25,00,000/- (Indian Rupees Twenty Five Lakhs Only) for financial year 2022-23, for the services to be rendered by him to the Company, in addition to the sitting fees, for attending meetings of the Board or any Committees thereof and reimbursement of any expenses for participating in the meetings of Board and committees held during financial year 2022-23, with prior approval of the shareholders.

Since it is required to obtain the approval from shareholders for payment of remuneration to Directors exceeding the limit as specified under Part II of the Schedule V of the Act, the Board, on the recommendation of the nomination and remuneration committee and subject to approval of the shareholders, approved payment of the aforesaid remuneration to Mr. Deepak Vaidya, Independent Director of the Company as minimum remuneration for the financial year 2022-23, in accordance with the provisions of the Act.

Disclosures as required pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and Section II of Part II of Schedule V of the Act are provided as Annexure A and Annexure B hereto.

Mr. Deepak Vaidya is interested in the resolution set out at Item No. 13 of the Notice with regard to his remuneration. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives (to the extent of their shareholding in the Company) are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth at item no. 13 of the notice for approval of the shareholders as a special resolution.

#### **Item No. 14**

The shareholders of the Company at its annual general meeting held on October 01, 2021 ("2021 AGM"), had appointed Ms. Vineeta Rai (DIN: 07013113) as an Independent Director of the Company in accordance with the Articles of Association of the Company and pursuant to the provisions of the Sections 149, 150, and 161 of the Companies Act, 2013 ("Act") read with Schedule IV to the Act. As per the audited financial statements for the year ended March 31, 2021, the Company did not have adequate profit in accordance with section 198 of the Act, and hence special resolution was passed at the 2021 AGM for payment of remuneration of Rs. 25,00,000/- (Indian Rupees Twenty Five Lakhs only) to Ms. Vineeta Rai, for the services to be rendered by her to the Company for the year ending on March 31, 2022, in addition to the sitting fees, for attending meetings of the board of directors ("Board") or any Committees thereof and reimbursement of any expenses for participating in the meetings of Board and/or committees.

Considering the contribution of Ms. Vineeta Rai, Independent Director of the Company, it is proposed to pay remuneration under Section 149(9) read with Section 197(5) of the Act not exceeding Rs. 25,00,000/- (Indian Rupees Twenty Five Lakhs Only) for financial year 2022-23, for the services to be rendered by her to the Company, in addition to the sitting fees, for attending meetings of the Board or any Committees thereof and reimbursement of any expenses for participating in the meetings of Board and committees held during financial year 2022-23, with prior approval of the shareholders.

Since it is required to obtain the approval from shareholders for payment of remuneration to Directors exceeding the limit as specified under Part II of the Schedule V of the Act, the Board, on the recommendation of the nomination and remuneration committee and subject to approval of the shareholders, approved payment of the aforesaid remuneration to Ms. Vineeta Rai, Independent Director of the Company as minimum remuneration for the financial year 2022-23, in accordance with the provisions of the Act.

Disclosures as required pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and Section II of Part II of Schedule V of the Act are provided as Annexure A and Annexure B hereto.

Ms. Vineeta Rai is interested in the resolution set out at Item No. 14 of the Notice with regard to her remuneration. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives (to the extent of their shareholding in the Company) are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth at item no. 14 of the notice for approval of the shareholders as a special resolution.

**By order of the Board of Directors**  
**API Holdings Limited**

Sd/-

**Dharmil Sheth**

**Chief Business Officer and Whole Time Director**

**DIN: 06999772**

**Address:** 8A, 804, Akash Deep CHS Damodar Park,  
LBS Marg, Near R City Mall, Ghatkopar West, Mumbai  
400 086, Maharashtra, India

**Date:** September 26, 2022

**Place:** Mumbai

**ANNEXURE A**

**DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT/ RE-APPOINTMENT/ APPROVAL FOR REMUNERATION AT ANNUAL GENERAL MEETING**

<b>Name</b>	<b>Mr. Harsh Parekh (1)</b>	<b>Mr. Ankur Thadani (2)</b>	<b>Mr. Subramaniam Somasundaram (3)</b>	<b>Dr. Jaydeep Tank (4)</b>
<b>Designation</b>	Co-Founder, Chief Business Officer and Whole-time Director	Non- Executive Director	Independent Director	Independent Director
<b>DIN</b>	06661731	03566737	01494407	05014753
<b>Date of Birth Age</b>	29/06/1987 35 Years	01/04/1984 38 Years	28/11/1960 61 Years	14/03/1969 53 Years
<b>Qualification</b>	Mr. Harsh Parekh holds a master's degree in business administration from the School of Business Management, Narsee Monjee Institute of Management Studies, Mumbai. Previously, he was associated with Bharti Airtel Limited. He was also the Chief Operations Officer of Ascent Health and Wellness Solutions Private Limited. He has been a Director on our Board since July 01, 2019.	Mr. Ankur Thadani holds a bachelor's degree in electronics and telecommunication engineering from the University of Mumbai, Maharashtra. He is associated with TPG Growth and RISE Fund as a partner. He has been a Director on our Board since March 02, 2021.	Mr. Subramaniam Somasundaram was the Chief Financial Officer for Titan Company Limited from March 2011 to June 2021. During the stint with Titan, he was also on the Board of its subsidiaries like Caratlane Trading Pvt. Ltd., Titan Engineering and Automation Ltd., Favre Leuba AG and the joint venture, Montblanc India Retail Pvt. Ltd. Before joining Titan, he was in the Telecom industry for over 11 years including stints of Chief Financial Officer for BPL Mobile group and Chief Executive Officer for BPL Mobile operations in Mumbai and Chief Financial Officer of the Telecom vertical in Essar group, working extensively in setting up its foray into green field telecom operations in Africa. A Chartered Accountant and Cost Accountant by qualification and with over 35 years of post-qualification experience in Finance, Strategy and Business roles, his previous job experiences included working with A F Ferguson and Co, ITC Limited and VST Industries in India and Mannai Group in Doha, Qatar.	Mr. Jaydeep Tank is a Doctor of Medicine (MD), Diplomate of National Board (DNB) and holds Diploma in Gynaecology and Obstetrics (DGO). He has been conferred the Fellowship of Indian College of Obstetricians and Gynaecologists (FICOG) and a Fellowship Honoris Causa from the Royal College of Obstetrics and Gynaecology (UK). He has specialized in Gynaecology and Obstetrics. Mr. Tank has been a consultant at Ashwini Maternity and Surgical Hospital since June 1998 and is also a Designated Partner of Tank Maternity and Surgical Hospital LLP since January 2017. He has been running private practice in Mumbai for several years. He was awarded the young Gynaecologist award by Asia and Oceania Federation of Obstetrics and Gynaecology.
<b>Experience (including expertise in specific functional area)/ Brief Resume</b>				

<b>Name</b>	<b>Mr. Harsh Parekh (1)</b>	<b>Mr. Ankur Thadani (2)</b>	<b>Mr. Subramaniam Somasundaram (3)</b>	<b>Dr. Jaydeep Tank (4)</b>
<b>Terms and Conditions of appointment/ reappointment</b>	He was appointed as a Whole-time Director, liable to retire by rotation by the shareholders of the Company at their meeting held on October 01, 2021 and his term is up to August 26, 2025.	He was appointed as a Non-Executive Director liable to retire by rotation by the shareholders of the Company at their meeting held on October 01, 2021	He was appointed as Independent Director, not liable to retire by rotation by the shareholders of the Company at their meeting held on October 01, 2021, for a period of five years with effect from September 09, 2021	He was appointed as Independent Director, not liable to retire by rotation by the shareholders of the Company at their meeting held on October 01, 2021, for a period of five years with effect from September 09, 2021
<b>Remuneration proposed to be paid</b>	As approved by the shareholders of the Company at their meeting held on October 01, 2021.	Nil	As mentioned in notice and explanatory statement for item no. 11 of the notice.	As mentioned in notice and explanatory statement for item no. 12 of the notice.
<b>Remuneration last drawn in financial year 2022-23 until August 31, 2022 excluding sitting fees, if any</b>	Rs. 50,00,000/-	Nil	Nil	Nil
<b>Date of first appointment in the Company</b>	01/07/2019	02/03/2021	09/09/2021	09/09/2021
<b>Shareholding in the Company as on September 23, 2022</b>	1,35,43,750	Nil	Nil	1,83,370 Shares
<b>Relationship with Directors, Manager and other KMP of the Company</b>	He is not related to any Director, Manager or KMP of the Company	He is not related to any Director, Manager or KMP of the Company	He is not related to any Director, Manager or KMP of the Company	He is not related to any Director, Manager or KMP of the Company
<b>Number of Board Meetings attended during the financial year 2021-22</b>	15	10	6	5

Name	Mr. Harsh Parekh (1)	Mr. Ankur Thadani (2)	Mr. Subramaniam Somasundaram (3)	Dr. Jaydeep Tank (4)
<b>Other Directorships as on September 23, 2022</b>	Nil	a) Solara Active Pharma Sciences Limited b) Campus Activewear Limited c) Steriscience Specialities Private Limited d) Tata Passenger Electric Mobility Limited e) Fourth Partner Energy Private Limited f) Stelis Biopharma Limited g) Dr. Agarwals Health Care Limited h) Rhea Healthcare Private Limited i) Nova Medical Centers Private Limited j) Quality Care India Limited	a) Avanti Finance Private Limited b) Titan Commodity Trading Limited c) Innoviti Payment Solutions Private Limited d) Honasa Consumer Private Limited e) Teamlease Services Limited	a) Pinnacle Wellbeing Private Limited
<b>Membership/ Chairmanship of Committees of other Boards</b>	a) API Holdings Limited – Audit Committee – Member	a) API Holdings Limited- Stakeholders Relationship Committee- Chairman b) API Holdings Limited- Nomination and Remuneration Committee and Corporate Social Responsibility Committee - Member	a) API Holdings Limited – Audit Committee – Chairman b) API Holdings Limited- Risk Management Committee- Member c) Teamlease Services Limited – Audit Committee and Risk Committee – Member	a) API Holdings Limited – Corporate Social Responsibility Committee - Member

Name	Mr. Deepak Vaidya (5)	Ms. Vineeta Rai (6)
Designation	Independent Director	Independent Director
DIN	00337276	07013113
Date of Birth Age	09/01/1945 77 Years	05/09/1944 78 Years
Qualification	Mr. Deepak Vaidya is a Chartered Accountant and holds a Bachelor's degree in Commerce from Bombay University. Mr. Vaidya is on the board of various companies in pharma, hospitals and finance sector.	Ms. Vineeta Rai holds a bachelor's degree in arts (history honours) from the University of Delhi, New Delhi. She further also holds a bachelor's degree in arts (American History and Civilisation) from Brandeis University, United States of America. She was a visiting fellow in Public Administration at Queen Elizabeth house, Oxford University, United Kingdom for a period of one academic year.
Experience (including expertise in specific functional area)/ Brief Resume		

Name	Mr. Deepak Vaidya (5)	Ms. Vineeta Rai (6)
		<p>She has also served as a Director on the Boards of several insurance companies and Banks and also at Delhi Metro Rail Corporation and PGI Chandigarh.</p> <p>Post retirement, Ms. Rai was appointed as Member Secretary of the Second Administrative Reforms Commission and also headed a sub-committee of the National Rural Health Mission on Accreditation training and integration of private rural health practitioners. Thereafter, Ms. Rai also served as a Member of National Consumer Disputes Redressal Commission headed by a retired judge of the Supreme Court (2010 to 2014).</p>
<b>Terms and Conditions of appointment/ reappointment</b>	He was appointed as Independent Director, not liable to retire by rotation by the shareholders of the Company at their meeting held on October 01, 2021, for a period of five years with effect from September 09, 2021	She was appointed as Independent Director, not liable to retire by rotation by the shareholders of the Company at their meeting held on October 01, 2021, for a period of five years with effect from September 09, 2021
<b>Remuneration proposed to be paid</b>	As mentioned in notice and explanatory statement for item no. 13 of the Notice.	As mentioned in notice and explanatory statement for item no. 14 of the Notice.
<b>Remuneration last drawn in financial year 2022-23 until August 31, 2022 excluding sitting fees, if any</b>	Nil	Nil
<b>Date of first appointment in the Company</b>	20/04/2021	09/09/2021
<b>Shareholding in the Company as on September 23, 2022</b>	1,09,31,030 shares	Nil
<b>Relationship with Directors, Manager and other KMP of the Company</b>	He is not related to any Director, Manager or KMP of the Company	She is not related to any Director, Manager or KMP of the Company
<b>Number of Board Meetings attended during the financial year 2021-22</b>	11	5

Name	Mr. Deepak Vaidya (5)	Ms. Vineeta Rai (6)
<b>Other Directorships as on September 23, 2022</b>	<ul style="list-style-type: none"> <li>a) Strides Pharma Science Limited</li> <li>b) Indraprastha Medical Corporation Limited</li> <li>c) Spandana Sphoorty Financial Limited</li> <li>d) Apollo Multispeciality Hospitals Limited</li> <li>e) Marudhar Hotels Pvt Ltd</li> <li>f) Uti Capital Private Limited</li> <li>g) Criss Financial Limited</li> </ul>	<ul style="list-style-type: none"> <li>a) Solara Active Pharma Sciences Limited</li> <li>b) Indraprastha Medical Corporation Limited</li> <li>c) Stelis Biopharma Limited</li> </ul>
<b>Membership/ Chairmanship of Committees of other Boards</b>	<ul style="list-style-type: none"> <li>a) API Holdings Limited – Nomination and Remuneration Committee- Chairman</li> <li>b) UTI Capital Pvt Ltd – Audit Committee – Chairman</li> <li>c) Apollo Multispeciality Hospitals Limited - Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee – Chairman</li> <li>d) Indraprastha Medical Corporation Ltd. - Audit Committee – Member</li> <li>e) Strides Pharma Science Limited – Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee - Member</li> <li>f) Strides Pharma Science Limited – Stakeholder Relationship Committee - Chairman</li> <li>g) Spandana Sphoorty Financial Limited – Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee – Member</li> <li>h) Criss Financial Holdings Limited – Audit Committee – Member</li> <li>i) Criss Financial Holdings Limited – Nomination and Remuneration Committee – Chairman</li> </ul>	<ul style="list-style-type: none"> <li>a) API Holdings Limited – Stakeholders Relationship Committee - Member</li> <li>b) API Holdings Limited – Corporate Social Responsibility Committee- Chairperson</li> <li>c) Stelis Biopharma Limited – Audit Committee – Chairperson</li> <li>d) Indraprastha Medical Corp. Limited - Audit Committee and Nomination and Remuneration Committee - Member</li> </ul>

## ANNEXURE B

**DISCLOSURE AS REQUIRED UNDER SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 AND THE CORRESPONDING RULES, IS GIVEN HEREUNDER:**

### I. GENERAL INFORMATION

#### 1. Nature of Industry

The Company is in the business of, inter alia,

- a. **Logistics:** It provides diversified delivery/logistics services which includes pick-up and delivery of pharmaceutical and nutraceutical products and cash collection services, to its group entities as well as third parties (Logistic Services). These Logistic Services are provided by the Company to wholesalers, retailers and marketplace entities across the healthcare eco-system.
- b. **Diagnostic Services:** Pursuant to the merger of Medlife International and Evriksh with the Company, the Company is engaged inter alia, in diagnostic and healthcare services (i.e. including but not limited to collection of samples, conducting tests and generating of test reports) to the customers (business to business and business to customer), directly, through owned laboratories / collection centers or through partner laboratories / collection centers.

**2. Date or expected date of commencement of commercial production:** Not Applicable

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable

**4. Financial performance based on given indicators**

(Amount: Rs. in millions)

Particulars	Standalone (Audited)		Consolidated (Audited)		Consolidated (Pro-forma)	
	FY 2021-22	FY 2020-21 (Restated*)	FY 2021-22	FY 2020-21	FY 2021-22 Pro Forma Financials** (Unaudited)	FY 2020-21 Pro Forma Financials**
Revenue from operations	1,697.40	504.54	57,288.21	23,352.69	63,836.30	43,192.15
Other Income	1,771.01	253.42	521.81	253.93	774.28	439.51
<b>Total Revenue</b>	<b>3,468.41</b>	<b>757.96</b>	<b>57,810.02</b>	<b>23,606.62</b>	<b>64,610.58</b>	<b>43,631.66</b>
Less: Total Expense	10,868.92	1,554.72	84,915.90	29,809.28	91,934.17	57,592.53
<b>Loss before share of profit of associates, exceptional items and tax</b>	<b>(7,400.51)</b>	<b>(796.76)</b>	<b>(27,105.88)</b>	<b>(6,202.66)</b>	<b>(27,323.59)</b>	<b>(13,960.87)</b>

Particulars	Standalone (Audited)		Consolidated (Audited)		Consolidated (Pro-forma)	
	FY 2021-22	FY 2020-21 (Restated*)	FY 2021-22	FY 2020-21	FY 2021-22 Pro Forma Financials** (Unaudited)	FY 2020-21 Pro Forma Financials**
Share of profit of associates, net of tax	0.00	0.00	6.61	0.00	4.06	(0.74)
<b>Loss before exceptional items and tax</b>	<b>(7,400.51)</b>	<b>(796.76)</b>	<b>(27,099.27)</b>	<b>(6,202.66)</b>	<b>(27,319.53)</b>	<b>(13,961.61)</b>
<b>Exceptional items</b>	(43,409.59)	0.00	(12,608.43)	0.00	(12,752.70)	(1,083.42)
<b>Loss before tax</b>	<b>(50,810.10)</b>	<b>(796.76)</b>	<b>(39,707.70)</b>	<b>(6,202.66)</b>	<b>(40,072.23)</b>	<b>(15,045.03)</b>
Less: Current Tax	0.00	0.00	342.74	46.68	709.35	543.03
Deferred Tax	0.00	0.80	(125.48)	164.02	(245.63)	(102.62)
<b>Profit/ (Loss) from continuing operations</b>	<b>(50,810.10)</b>	<b>(797.56)</b>	<b>(39,924.96)</b>	<b>(6,413.36)</b>	<b>(40,535.95)</b>	<b>(15,485.44)</b>
<b>Discontinued operations:</b>						
Profit/ (Loss) before tax from discontinued operations	0.00	(1,482.93)	0.00	0.00	0.00	0.00
Tax (expenses) /credit of discontinued operations	0.00	(180.65)	0.00	0.00	0.00	0.00
<b>Profit/ (Loss) from discontinued operations</b>	<b>0.00</b>	<b>(1,663.58)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Other Comprehensive Income	32.86	2.51	106.05	(34.91)	105.28	(66.74)
<b>Total comprehensive income for the year</b>	<b>(50,777.24)</b>	<b>(2,458.63)</b>	<b>(39,818.91)</b>	<b>(6,448.27)</b>	<b>(40,430.67)</b>	<b>(15,552.18)</b>

\*Pursuant to merger of Erstwhile Medlife International Private Limited and Erstwhile Evriksh Healthcare Private Limited with the Company, the financial statements of the Company for financial year 2020-21 has been restated in accordance with Indian Accounting Standards.

\*\*Due to acquisitions of Erstwhile Ascent Health and Wellness Solutions Private Limited and Erstwhile Medlife International Private Limited during the financial year 2020-21 and Akna Medical Private Limited and Thyrocare Technologies Limited during the financial year 2021-22, we have prepared the pro forma consolidated statement of profit and loss of the Company for the financial year 2020-21 and 2021-22 to give a fair comparison of the Company's consolidated performance with the assumption that above acquisitions have taken place on April 1, 2020 and April 1, 2021 respectively.

#### 5. Foreign investments or collaborations, if any:

The Company has not made any foreign investments and neither entered into any foreign collaborations during the last financial year.

## II. INFORMATION ABOUT THE APPOINTEE:

1. **Background details, job profile and suitability, recognition, or awards:** (Covered in Annexure A)
2. **Past remuneration:** (Covered in Annexure A)
3. **Remuneration proposed:**

Name of the Director	Remuneration other than sitting fees and reimbursement expenses (In INR)
Vineeta Rai	As specified in the Notice and Explanatory Statement to the Notice
Subramaniam Somsundaram	
Jaydeep Tank	
Deepak Vaidya	
Dhaval Shah	
Hardik Dedhia	

4. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

With increased size, turnover and expansion plans of the Company, it is imperative for the company to have experienced professionals having specialized knowledge and skills in the matters relating to the businesses of the Company and the industry in which the Company and its subsidiaries operate which would help drive the Company towards growth over a period of time. Hence, the Board is of the view that the remuneration proposed to be paid to Mr. Subramaniam Somasundaram, Mr. Jaydeep Tank Mr. Deepak Vaidya and Ms. Vineeta Rai is justified and commensurate with the remuneration paid by the other organisations of the similar type, size and nature.

5. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:**

Apart from remuneration, sitting fees and reimbursement of expenses, if any, paid or payable to the Directors as the case may be and as a shareholder to the extent of their respective shareholding in the Company, none of the aforementioned directors have any other pecuniary relationship directly or indirectly with the Company nor do they have relationships with any other managerial personnel or Directors of the Company.

### **III. OTHER INFORMATION**

#### **1. Reasons of loss or inadequate profits:**

The Company has been making investments in customer acquisition, technology improvements and geographic expansion to service new markets. These investments have enabled us to build competitive advantage through an unparalleled scale of an integrated ecosystem of healthcare products and services. The Company has also incurred transaction costs owing to past acquisitions, corporate restructuring and fundraising activities. Our acquisitions have now been well integrated into our ecosystem, helping us realize synergies and serve new markets and businesses.

#### **2. Steps taken or proposed to be taken for improvement:**

We expect costs improvement from a contribution of multiple actions and initiatives such as integrated direct sourcing from manufacturers, expansion of margin accretive private label and diagnostics businesses, integration of warehouses, and marketing costs optimizations. The Company has also recognized definitive areas for corporate cost reductions in FY2023 for which actions have been initiated.

#### **3. Expected increase in productivity and profits in measurable terms:**

In financial year 2022-23, The Company expects ~2% y-o-y improvements in its contribution margins.

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**API Holdings Limited**  
**(Formerly known as API Holdings Private Limited)**

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