

**37<sup>th</sup>**

**ANNUAL GENERAL MEETING  
FINANCIAL YEAR 2020-21**



**MEDICO INTERCONTINENTAL  
LIMITED**

(formerly known as  
Intercontinental Leasing and Finance Company Limited)

(CIN: L24100GJ1984PLC111413)

## CORPORATE INFORMATION

### Board of Directors

Tanvi Shah	Chairman & Non-Executive Director
Samir Shah	Managing Director
Ankur Dave	Independent Director
Vijay Shah	Independent Director
Hiren Shah	Independent Director
Swati Shah	Non-Executive Director

### Audit Committee

Ankur Dave	Chairman
Vijay Shah	Member
Tanvi Shah	Member

### Stakeholders Relationship Committee

Ankur Dave	Chairman
Vijay Shah	Member
Tanvi Shah	Member

### Nomination and Remuneration Committee

Ankur Dave	Chairman
Vijay Shah	Member
Tanvi Shah	Member

### Chief Executive Officer

Dilipkumar Bhogilal Shah

### Chief Financial Officer

Jay Sharadkumar Shah

### Company Secretary & Compliance Officer

Puneeta Sharma

### Statutory Auditors

V. Goswami & Co.  
3, 2nd Floor, Manek Appt,  
Nr. Jain Derasar Temple,  
Above Dena Bank, Nehrunagar,  
Ahmedabad-380015.

### Secretarial Auditor

Yash Mehta & Associates.  
67, Chinubhai Tower,  
Opp. Handloom House,  
Ahmedabad-380009.

### Registered Office

1-5th Floor, Adit Raj Arcade,  
Nr. Karma Shreshtha Tower,  
100 Ft Road, Satellite,  
Ahmedabad, Gujarat - 380015, India.

### Bankers

ICICI Bank  
Standard Chartered Bank

### Registrar & Transfer Agent

Purva Sharegistry (India) Pvt. Ltd.  
9, Shivshakti Industrial Estate,  
JR Boricha Marg, Opp. Kasturba Hospital,  
Lower Parel (E), Mumbai- 400011.

### Depositories

#### Central Depository Services (India) Limited

Marathon Futurex, A-wing, 25th Floor,  
NM Joshi Marg, Lower Parel,  
Mumbai-400013.

#### National Securities Depository Limited

Trade World, A wing, 4th & 5th Floors,  
Kamala Mills Compound, Lower Parel,  
Mumbai-400013.

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**NOTICE**

Notice is hereby given that the 37th Annual General Meeting of the Members of **Medico Intercontinental Limited** will be held on Thursday, 30th September, 2021 at 12:00 P.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) for the financial year ended 31st March, 2021 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint Director in place of Mrs. Tanvi Shah (DIN: 08192047), who retires by rotation and being eligible offers herself for reappointment.

**SPECIAL BUSINESSES:**

**3. APPROVE INCREASE IN PAYMENT OF REMUNERATION OF MR. SAMIR SHAH, MANAGING DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass with or without modifications, the following resolution as **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as agreed to by the Board of Directors (hereinafter referred to as the “Board”, which term shall, unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorized by the Board in this behalf), consent of the members of the Company be and is hereby accorded for increase in payment of remuneration to Mr. Samir Shah [DIN: 03350268], Managing Director of the Company, on the terms and conditions including remuneration as mentioned below:

S.N.	Particulars
1.	Salary: Upto Rs. 2,00,000/- monthly w.e.f., 1st April, 2021
2.	Other perquisites: In addition to salary he shall be entitled to perquisites and allowances like HRA, medical reimbursement, travelling allowances, club fees and other payments in the nature of perquisites and allowances as agreed by the Board of Directors, subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V of the Act.

**RESOLVED FURTHER THAT** in the event of inadequacy of profits for any financial year during the tenure of Mr. Samir Shah, remuneration to be paid in accordance with the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** subject to the provisions of the Companies Act, 2013 and the rules, circulars, orders and notifications issued there under (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and/or guidelines for managerial remuneration issued by the Government of India or other appropriate authority in that behalf as in force and as amended from time to time, the Board be and is hereby authorized to vary and alter the terms and conditions of the said appointment for increase or vary the remuneration to be paid and provided from time to time to Mr. Samir Shah.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized 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 directors or any Director or Officer to give effect to the resolution hereof.”

**4. APPROVAL OF INCREASE IN LIMITS FOR THE LOANS, INVESTMENTS, GUARANTEE OR SECURITY UNDER SECTION 185 OF THE COMPANIES ACT, 2013:**

To consider and if thought fit, to pass with or without modifications, the following resolution as **Special Resolution:**

“**RESOLVED THAT** pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time and in supersession of the earlier resolutions passed in this regard, the consent of the Members of the Company be and is hereby accorded to authorize Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company, (in which any director is deemed to be interested) upto an aggregate sum of Rs. 40 crores (Rupees Forty Crores only), in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities, in any financial year.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Board of Directors of the Company be and are hereby authorized, on behalf of the Company, to do all acts, deeds, matters and things in their absolute discretion as deem necessary, proper and expedient or incidental and to sign and execute all necessary documents, applications and returns, in the interest of the Company.”

**5. APPROVAL OF INCREASE OF LIMITS FOR THE LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY AS PER SECTION 186 OF THE COMPANIES ACT, 2013:**

To consider and, if thought fit, to pass, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 186 and other applicable provisions, if any, of the Companies Act, 2013 and subject to necessary approvals, if any and to the extent required including that of the lenders of the Company (if any), and in supersession of the earlier resolutions passed in this regard, the consent of the company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as the “Board”, which term shall be deemed to include person(s) authorized and/or committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to make investment(s) and/or give loan(s) in the form of inter-corporate deposit(s) and/or short term credit(s) and/or secured/unsecured loan(s) to and/or give guarantee (s) and/or provide any security(ies) in connection with any loan(s) made to any other person by or by any other person to any subsidiaries, joint ventures, associate companies and/or any other body(ies) corporate as the Board may deem fit in the interest of the Company exceeding the limits permissible in terms of the section 186 of the Companies Act, 2013 i.e. sixty percent of its paid up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more; provided however that the investment(s) made and /or loan(s) granted and/or guarantee(s) and security(ies) provided, other than the investment(s) made and/or loan(s) granted and/or guarantee(s) and security(ies) provided, other than the investment(s) made and/or loan(s) granted and/or guarantee(s) and Security(ies) provided and/or as are exempted in terms of section 186 of the Companies Act, 2013 read with rules made thereunder, shall not exceed Rs. 40 Crores (Rupees Forty Crores only) in any financial year.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things including but not limiting to deciding the entity(ies) in which the investment(s) be made and /or loan(s) extended and/or guarantee(s) and security(ies) be provided, amount of investment(s) to be made and/or loan (s) to be extended and/or guarantee(s) and security(ies) to be provided, when such amount be given from time to time, manner and nature of investment(s), the period for which loan(s) be extended, interest and security and other for extending loan(s), as the case may be, and such other terms and conditions, and for the purpose to sign agreements, deeds, documents, guarantees, forms, indemnities, registers, letters, declarations confirmations, undertakings and such other papers as may be necessary, desirable and expedient.”

**6. APPROVAL FOR ENTERING INTO 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 provisions of Section 188 and any other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in supersession of the earlier resolutions passed in this regard and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 (as amended from time to time), consent of the members of the Company be and is hereby accorded for entering into the following related party transaction(s) to the extent of the maximum amounts in any financial year, as provided below:

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director or KMP who is related, if any	Nature of Relationship	Material terms and particulars of the Contract or arrangement	Monetary Value (in Rs.)	Any other information relevant or important for the members to take decision on the proposed resolution
Medico Healthcare	Transactions related to purchase, sale, rent income, rent paid, commission received and commission paid	Mr. Samir Shah, Mr. Dilipkumar Shah and Mrs. Tanvi Shah	Mr. Samir Shah and Mr. Dilipkumar Shah are partners in Medico Healthcare.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 10 Crores	None
RitzPharma	Transactions related to purchase, sale, commission received and commission paid	Mr. Samir Shah, Mr. Dilipkumar Shah and Mrs. Tanvi Shah	Mr. Samir Shah and Mr. Dilipkumar Shah are partners in Ritz Pharma.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Flora Marketing	Transactions related to purchase, sale, commission received and commission paid	Mrs. Tanvi Shah, Mr. Dilip Shah and Mr. Samir Shah	Mrs. Tanvi Shah is the Proprietor of Flora Marketing.  Mr. Samir Shah is husband of Mrs. Tanvi Shah.  Mr. Dilip Shah is father in law of Mrs. Tanvi Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 3 Crores	None
Oxford Pharma	Transactions related to purchase and sale of goods, purchase of plant and machinery and land & building and any other transactions related to business of the Company.	Mr. Samir Shah, Mr. Dilip Shah and Mrs. Tanvi Shah	Mr. Samir Shah is a Partner in Oxford Pharma.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.  Mr. Dilip Shah is father of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 30 Crores	None
Kingston Infracon	Transactions related to commission paid, commission income and other services	Mr. Samir Shah, Mr. Dilipkumar Shah and Mrs. Tanvi Shah	Mr. Samir Shah and Mr. Dilipkumar Shah are Partners of Kingston Infracon.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director or KMP who is related, if any	Nature of Relationship	Material terms and particulars of the Contract or arrangement	Monetary Value (in Rs.)	Any other information relevant or important for the members to take decision on the proposed resolution
Kingston Cafe	Transactions related to commission paid, commission income and other services	Mr. Samir Shah Mr. Dilipkumar Shah Mrs. Tanvi Shah	Mr. Samir Shah is Proprietor of Kingston Café.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.  Mr. Dilip Shah is father of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Kingston Club & Spa Private Limited	Transactions related to commission paid, commission income and other services	Mr. Samir Shah, Mr. Dilip Shah and Mrs. Tanvi Shah	Mr. Samir Shah & Mr. Dilip Shah are Directors of the Company.  Mrs. Tanvi Shah is wife of Mr. Samir Shah	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Medico Medserve India Private Limited	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest paid, interest received, rent paid, rent received.	Mr. Samir Shah, Mr. Dilip Shah and Mrs. Tanvi Shah	Mr. Samir Shah & Mr. Dilip Shah are Directors of the Company.  Mrs. Tanvi Shah is wife of Mr. Samir Shah	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 3 Crores	None
Mr. Samir Shah	Transactions related to Remuneration, Interest paid, Loan taken, rent paid and other perquisites.	Mrs. Tanvi Shah and Mr. Dilip Shah	Mr. Samir Shah is Managing Director of the Company.  Mr. Dilipkumar Shah is father of Mr. Samir Shah.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Crores	None
Mr. Dilip Shah	Transactions related to Remuneration, Interest paid, Loan taken, rent paid and other perquisites.	Mr. Samir Shah and Mrs. Tanvi Shah	Mr. Dilip Shah is father of Mr. Samir Shah and CEO of the Company.  Mrs. Tanvi Shah is Daughter in law of Mr. Dilip Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director or KMP who is related, if any	Nature of Relationship	Material terms and particulars of the Contract or arrangement	Monetary Value (in Rs.)	Any other information relevant or important for the members to take decision on the proposed resolution
Mr. Ronak Shah	Transactions related to Remuneration, Interest income, Interest exp, Loan given, loan taken and other perquisites	Mr. Samir Shah	Mr. Ronak Shah is cousin brother of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 3 Crores	None
Mr. Sharadbhai Shah	Transactions related to Remuneration, Interest income, Interest exp, Loan given, loan taken and other perquisites	Mr. Samir Shah and Mr. Jay Shah	Mr. Sharad Shah is real uncle of Mr. Samir Shah and father of Mr. Jay Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 3 Crores	None
Mrs. Panna Shah	Remuneration paid	Mr. Samir Shah and Mr. Jay Shah	Mrs. Panna Shah is wife of Mr. Sharadbhai Shah, uncle of Mr. Samir Shah.  Mrs. Panna Shah is Mother of Mr. Jay Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 50 lakhs	None
Mr. Jay Shah	Remuneration paid, Loan taken, loan given, interest paid and interest received	Mr. Samir Shah	Mr. Jay Shah is Cousin brother of Mr. Samir Shah, Managing Director of the Company and he is the CFO of the Company.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Lakhs	None
Mrs. Khushboo Shah	Transactions related to Remuneration, Interest, Loan taken, loan Given, interest paid and interest received	Mr. Samir Shah	Mrs. Khushboo Shah is wife of Mr. Ronak Shah, Brother of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 1 Crores	None
Kings Legacy	Transactions related to commission paid, commission income and other services	Mr. Samir Shah, Mr. Dilip Shah, Mrs. Tanvi Shah, Mr. Jay Shah, Mrs. Swati Shah	Mr. Samir Shah, Mr. Ronak Shah and Mr. Sharad Shah are Partners of Kings Legacy.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.  Mr. Dilip Shah is father of Mr. Samir Shah.  Mr. Sharad Shah is father of Mr. Jay Shah.  Mrs. Khushboo Shah is wife of Mr. Ronak Shah.	As per the terms of the respective, contracts or arrangements into or to be entered into from time to time.	Upto Rs. 5 Crores	None

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director or KMP who is related, if any	Nature of Relationship	Material terms and particulars of the Contract or arrangement	Monetary Value (in Rs.)	Any other information relevant or important for the members to take decision on the proposed resolution
			Mrs. Swati Shah is wife of Mr. Jay Shah.			
Kings Marvela LLP	Transactions related to commission paid, commission income and other services	Mr. Samir Shah, Mr. Dilip Shah, Mrs. Tanvi Shah.	Mr. Samir Shah and Mr. Dilip Shah are Designated Partners in the LLP.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Ritz Formulations Private Limited (RFPL)	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest exp and income.	Common Director	RFPL is wholly owned subsidiary of the Company.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Crores	None
Sungrace Pharma Private Limited (SPPL)	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest exp and income.	NA	SPPL is wholly owned subsidiary of the Company.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Crores	None
Evagrace Pharma Private Limited (EPPL)	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest exp and income.	NA	EPPL is wholly owned subsidiary of the Company.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 10 Crores	None
Azillian Healthcare Private Limited (AHPL)	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest exp and income.	Common Director	AHPL is wholly owned subsidiary of the Company.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Crores	None

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (the “Board”, which term shall be deemed to include its “Committee of Directors”), be and is hereby authorized to do or cause to be done all such acts, matters, deeds and things and to settle any questions, difficulties or doubts that may arise with regard to any transactions.”

**By order of the Board of Directors  
For Medico Intercontinental Limited**

Place : Ahmedabad  
Date : 14/08/2021

**Sd/-  
Puneeta Sharma  
Company Secretary**



Notes:

1. The AGM will be held on Thursday, 30th September, 2021 at 12:00 P.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in compliance with the applicable provision of the Companies Act, 2013 read with MCA General Circular no. 14/2020, dated 08th April, 2020, MCA General Circular no. 17/2020, dated 13th April, 2020 and MCA General Circular No. 20/2020 dated 05th May, 2020.
2. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. Body Corporates whose Authorized Representatives are intending to attend the meeting through VC/OAVM are requested to send to the Company on their email ID **mail@medicointercontinental.com** a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013.
4. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. In terms of the said Circulars, the 37th Annual General Meeting (AGM) of the members be held through video conferencing (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed below in Serial No. 27 and available at the Company's website **www.medicointercontinental.com**
5. Those Shareholders (Physical or Demat) whose email IDs are not registered can get their email ID registered on the website of our RTA i.e., **https://www.purvashare.com/**
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. As the Annual General Meeting of the Company is held through Video Conferencing/OAVM, we therefore request the members to submit questions in advance relating to the business specified in this Notice of AGM on the Email ID **mail@medicointercontinental.com**
8. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2021 to 30th September, 2021 (both days inclusive) in terms of provisions of Section 91 of the Companies Act, 2013.
9. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment / re-appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules there under.
10. A statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business under item nos. 3 to 6 set out above to be transacted at the meeting is annexed hereto and form part of this Notice.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent, Purva Sharegistry (India) Private Limited, Unit: 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp., Lower Parel (East), Mumbai-400011.
12. Members seeking any information with regard to the Accounts are requested to send an email to **mail@medicointercontinental.com**, 14 days in advance before the date of the meeting to enable the management to keep full information ready at the meeting.
13. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which

directors are interested maintained under section 189 of the Companies Act, 2013 and Relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to **mail@medicointercontinental.com**

14. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in the Notice under Note no. 27.
15. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. The Annual Report alongwith the Notice of AGM will be placed on the Company's website on **www.medicointercontinental.com**
17. Members of the Company holding shares either in physical form or in Dematerialized forms as on Benpos date i.e. 3rd September, 2021 will receive Annual Report for the financial year 2020-21 through electronic mode.
18. As per the MCA General Circular 20/2020 dated 05th May, 2020, the Annual Report will be sent through electronic mode to only those Members whose email IDs are registered with the Registrar and Share Transfer Agent of the Company/ Depository participant.
19. Members are requested to address all the correspondence to the Registrar and Share Transfer Agents, Purva Sharegistry (India) Private Limited, Unit: 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp., Lower Parel (East), Mumbai-400011.
20. Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (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 Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (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.
22. The Members 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 atleast 1000 members 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 on account of first come first served basis.
23. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
24. Members may also note that the Notice of the 37th AGM and the Annual Report 2020-21 will be available on the Company's website **www.medicointercontinental.com**. The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require e-communication, or have any other queries, may write to us at: - **mail@medicointercontinental.com**.
25. Mr. Yash Mehta, Proprietor of M/s. Yash Mehta & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
26. The facility for voting through electronic voting system shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

**27. THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- i. The voting period begins on 27th September, 2021 at 9:00 A.M. and ends on 29th September, 2021 at 5:00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, 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/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <b><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></b> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <b><a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./Registration/EasiRegistration</a></b></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in</li> </ol>

	<p><a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) 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.nsd.com">https://eservices.nsd.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 &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider’s website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget 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>	Members 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 22-23058542-43.

Individual Shareholders holding securities in Demat mode with NSDL	Members 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
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- v. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.
1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on “Shareholders” module.
  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 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 e-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 Shareholders holding shares in Demat Form other than Individual and Physical Form</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/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. - 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 as mentioned in instruction (v).

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x. 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.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii. 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.

- xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv. 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 & enter the details as prompted by the system.
- xvi. **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
  - 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.
  - 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; **yash.ymassociates@gmail.com** or **mail@medicointercontinental.com** respectively, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote 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 Remote 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/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads 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 who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **14 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at **mail@medicointercontinental.com**. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **14 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at **mail@medicointercontinental.com**. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
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.

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

1. 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), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA of the Company at **support@purvashare.com**.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **support@purvashare.com**.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to **helpdesk.evoting@cdslindia.com** or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to **helpdesk.evoting@cdslindia.com** or call on 022-23058542/43.

28. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter 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, not later than two (2) days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
29. The Result declared along with the Scrutinizers' Report shall be placed on the Company's website on 2nd October, 2021 and on the website of CDSL immediately after the results are declared by the Chairman or any other person authorized by him and the Company shall, simultaneously, forward the results to the concerned Stock exchange where its equity shares are listed.

**By order of the Board of Directors  
For Medico Intercontinental Limited**

**Place : Ahmedabad  
Date : 14/08/2021**

**Sd/-  
Puneeta Sharma  
Company Secretary**

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013:**

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 3 to 6 of the accompanying Notice.

**Item No. 3:**

As per the requirements of Section 197 of the Companies Act, 2013 and Schedule V of the said Act, members approval by way of special resolution is required for payment of remuneration to Directors in excess of limits prescribed under the Companies Act, 2013. Members of the Nomination and Remuneration Committee of the Company have recommended Board to increase the remuneration of Mr. Samir Shah, Managing Director of the Company upto Rs. 2 Lakhs per month taking into account the tremendous performance from past 2 years. Therefore, there is a requirement to increase remuneration as detailed in the resolution.

Mr. Samir Dilipkumar Shah is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director.

He is willing to provide his services as Managing Director of the Company at remuneration as detailed in the resolution.

Hence, in order to enable the Company to increase remuneration of Mr. Samir Shah, Managing Director of the Company under Section 197 of the Companies Act, 2013 required approval of members by Special Resolution.

The Board of Directors recommends the special resolution for approval of the Members of the Company.

None of the Directors and their relatives are concerned or interested, financially or otherwise, in the said resolution save and except to the extent of their ownership and management rights, if any, in the entity mentioned in the said resolution.

**Item No. 4:**

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013 and subject to amendments as may be notified from time to time, the Company with the approval of members by way of Special Resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the group entities.

Hence, in order to enable the Company to advance loan to Subsidiaries / Associates / Joint Ventures/ other companies/ firms in which directors are interested directly or indirectly under Section 185 of the Companies Act, 2013 required approval of members by Special Resolution.

The members of the Company at the Annual General Meeting held on September 21, 2019 had passed a resolution authorizing the Board of Directors of the Company to give guarantee, loans and make investments of securities of body corporate as per Section 185 of the Companies Act, 2013 from time to time, up to Rs. 30 Crores.

The Company is considered necessary to increase the limits from Rs. 30 Crores to Rs. 40 Crores to facilitate any opportunities for inorganic growth and make other strategic investments.

The Board of Directors recommends the special resolution for approval of the Members of the Company.

None of the Directors, Key managerial personnel and their relatives are concerned or interested in the aforesaid resolution except to the extent of their shareholding in the Company.

**Item No. 5:**

In terms of section 186 of the Companies Act, 2013, no company shall directly or indirectly:

- a. Give any loan to any person or other body corporate;
- b. Give guarantee, or provide security, in connection with a loan to any other body corporate or person; and
- c. Acquire, by way of subscription, purchase or otherwise the securities of any other body corporate,

exceeding sixty percent of its paid-up share capital, free reserves and securities premium account, or one hundred percent of its free reserves and securities premium account, whichever is more unless authorized by a special resolution passed in a general meeting of the members of the company.



The members of the Company at the Annual General Meeting held on September 21, 2019 had passed a resolution authorizing the Board of Directors of the Company to give guarantee, loans and make investments of securities of body corporate from time to time, up to Rs. 30 Crores.

The Company is considered necessary to increase the limits from Rs. 30 Crores to Rs. 40 Crores to facilitate any opportunities for inorganic growth and make other strategic investments.

The Board of Directors recommends the resolution for the approval of members of the Company as a Special Resolution.

None of the Directors or Key Managerial Personnel or any of their relatives is, in anyway, concerned or interested in the above resolution.

**Item No. 6:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) provides for obtaining approval of members for entering into material related party transactions as provided therein.

Further, in terms of the provisions of section 188 (1) of the Companies Act, 2013 read with the rules framed thereunder, for entering into related party transactions where the transaction value exceeds the thresholds prescribed, prior approval of members by way of an Ordinary Resolution is required.

Accordingly, in terms of the provisions of the LODR Regulations and the Companies Act, 2013, approval of the members of the Company is being sought by way of an Ordinary Resolution set out at Item No. 6 of this Notice.

Pursuant to the requirements prescribed under the Companies (Meetings of the Board and its Powers) Rules, 2014, as amended from time to time, the details in relation to the transactions with related parties, is as under:

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director or KMP who is related, if any	Nature of Relationship	Material terms and particulars of the Contract or arrangement	Monetary Value (in Rs.)	Any other information relevant or important for the members to take decision on the proposed resolution
Medico Healthcare	Transactions related to purchase, sale, rent income, rent paid, commission received and commission paid	Mr. Samir Shah, Mr. Dilipkumar Shah and Mrs. Tanvi Shah	Mr. Samir Shah and Mr. Dilipkumar Shah are partners in Medico Healthcare.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs.10 Crores	None
RitzPharma	Transactions related to purchase, sale, commission received and commission paid	Mr. Samir Shah, Mr. Dilipkumar Shah and Mrs. Tanvi Shah	Mr. Samir Shah and Mr. Dilipkumar Shah are partners in Ritz Pharma.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Flora Marketing	Transactions related to purchase, sale, commission received and commission paid	Mrs. Tanvi Shah, Mr. Dilip Shah and Mr. Samir Shah	Mrs. Tanvi Shah is the Proprietor of Flora Marketing.  Mr. Samir Shah is husband of Mrs. Tanvi Shah. Mr. Dilip Shah is father in law of Mrs. Tanvi Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 3 Crores	None

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director or KMP who is related, if any	Nature of Relationship	Material terms and particulars of the Contract or arrangement	Monetary Value (in Rs.)	Any other information relevant or important for the members to take decision on the proposed resolution
Oxford Pharma	Transactions related to purchase and sale of goods, purchase of plant and machinery and land & building and any other transactions related to business of the Company.	Mr. Samir Shah, Mr. Dilip Shah and Mrs. Tanvi Shah	Mr. Samir Shah is a Partner in Oxford Pharma.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.  Mr. Dilip Shah is father of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 30 Crores	None
Kingston Infracon	Transactions related to commission paid, commission income and other services	Mr. Samir Shah, Mr. Dilipkumar Shah and Mrs. Tanvi Shah	Mr. Samir Shah and Mr. Dilipkumar Shah are Partners of Kingston Infracon. Mrs. Tanvi Shah is wife of Mr. Samir Shah	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Kingston Cafe	Transactions related to commission paid, commission income and other services	Mr. Samir Shah Mr. Dilipkumar Shah Mrs. Tanvi Shah	Mr. Samir Shah is Proprietor of Kingston Café.  Mrs. Tanvi Shah is wife of Mr. Samir Shah. Mr. Dilip Shah is father of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Kingston Club & Spa Private Limited	Transactions related to commission paid, commission income and other services	Mr. Samir Shah, Mr. Dilip Shah and Mrs. Tanvi Shah	Mr. Samir Shah & Mr. Dilip Shah are Directors of the Company.  Mrs. Tanvi Shah is wife of Mr. Samir Shah	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Medico Medserve India Private Limited	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest paid, interest received, rent paid, rent received.	Mr. Samir Shah, Mr. Dilip Shah and Mrs. Tanvi Shah	Mr. Samir Shah & Mr. Dilip Shah are Directors of the Company.  Mrs. Tanvi Shah is wife of Mr. Samir Shah	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 3 Crores	None
Mr. Samir Shah	Transactions related to Remuneration, Interest paid, Loan taken, rent paid and other perquisites.	Mrs. Tanvi Shah and Mr. Dilip Shah	Mr. Samir Shah is Managing Director of the Company.  Mr. Dilipkumar Shah is father of Mr. Samir Shah.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Crores.	None

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director or KMP who is related, if any	Nature of Relationship	Material terms and particulars of the Contract or arrangement	Monetary Value (in Rs.)	Any other information relevant or important for the members to take decision on the proposed resolution
Mr. Dilip Shah	Transactions related to Remuneration, Interest paid, Loan taken, rent paid and other perquisites	Mr. Samir Shah and Mrs. Tanvi Shah	Mr. Dilip Shah is father of Mr. Samir Shah and CEO of the Company.  Mrs. Tanvi Shah is Daughter in law of Mr. Dilip Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores.	None
Mr. Ronak Shah	Transactions related to Remuneration, Interest income, Interest exp, Loan given, loan taken and other perquisites	Mr. Samir Shah	Mr. Ronak Shah is cousin brother of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 3 Crores	None
Mr. Sharadbhai Shah	Transactions related to Remuneration, Interest income, Interest exp, Loan given, loan taken and other perquisites	Mr. Samir Shah and Mr. Jay Shah	Mr. Sharad Shah is real uncle of Mr. Samir Shah and father of Mr. Jay Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 3 Crores	None
Mrs. Panna Shah	Remuneration paid	Mr. Samir Shah and Mr. Jay Shah	Mrs. Panna Shah is wife of Mr. Sharadbhai Shah, uncle of Mr. Samir Shah.  Mrs. Panna Shah is Mother of Mr. Jay Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 50 lakhs	None
Mr. Jay Shah	Remuneration paid, Loan taken, loan given, interest paid and interest received	Mr. Samir Shah	Mr. Jay Shah is Cousin brother of Mr. Samir Shah, Managing Director of the Company and he is the CFO of the Company.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Lakhs	None
Mrs. Khushboo Shah	Transactions related to Remuneration, Interest, Loan taken, loan Given, interest paid and interest received	Mr. Samir Shah	Mrs. Khushboo Shah is wife of Mr. Ronak Shah, Brother of Mr. Samir Shah	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 1 Crores	None

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director or KMP who is related, if any	Nature of Relationship	Material terms and particulars of the Contract or arrangement	Monetary Value (in Rs.)	Any other information relevant or important for the members to take decision on the proposed resolution
Kings Legacy	Transactions related to commission paid, commission income and other services	Mr. Samir Shah, Mr. Dilip Shah, Mrs. Tanvi Shah, Mr. Jay Shah, Mrs. Swati Shah	Mr. Samir Shah, Mr. Ronak Shah and Mr. Sharad Shah are Partners of Kings Legacy.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.  Mr. Dilip Shah is father of Mr. Samir Shah.  Mr. Sharad Shah is father of Mr. Jay Shah.  Mrs. Khushboo Shah is wife of Mr. Ronak Shah.  Mrs. Swati Shah is wife of Mr. Jay Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Kings Marvela LLP	Transactions related to commission paid, commission income and other services	Mr. Samir Shah, Mr. Dilip Shah, Mrs. Tanvi Shah.	Mr. Samir Shah and Mr. Dilip Shah are Designated Partners in the LLP.  Mrs. Tanvi Shah is wife of Mr. Samir Shah.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 5 Crores	None
Ritz Formulations Private Limited (RFPL)	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest exp and income.	Common Director	RFPL is wholly owned subsidiary of the Company.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Crores	None
Sungrace Pharma Private Limited (SPPL)	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest exp and income.	NA	SPPL is wholly owned subsidiary of the Company	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Crores	None
Evagrace Pharma Private Limited (EPPL)	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest exp and income.	NA	EPPL is wholly owned subsidiary of the Company.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 10 Crores	None

Name of the Related Party	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director or KMP who is related, if any	Nature of Relationship	Material terms and particulars of the Contract or arrangement	Monetary Value (in Rs.)	Any other information relevant or important for the members to take decision on the proposed resolution
Azillian Healthcare Private Limited (AHPL)	Transactions related to purchase, sale, commission received, commission paid, loan taken, loan given, interest exp and income.	Common Director	AHPL is wholly owned subsidiary of the Company.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time.	Upto Rs. 20 Crores	None

The Board of Directors recommends the resolution for the approval of members of the Company as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or any of their relatives is, in anyway, concerned or interested in the above resolution, save and except to the extent of their ownership and management rights, if any, in the entity mentioned in the said resolution.

**By order of the Board of Directors  
For Medico Intercontinental Limited**

**Place : Ahmedabad  
Date : 14/08/2021**

**Sd/-  
Puneeta Sharma  
Company Secretary**

### Details of Director Seeking Re-appointment at the Annual General Meeting

Disclosure required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 in respect of Directors seeking appointment / reappointment:

<b>Name of the Director</b>	<b>Tanvi Shah</b>
DIN	08192047
Nationality	Indian
Date of Appointment on Board	14/08/2018
Qualification	Diploma in Architectural Assistantship
Shareholding in company	-
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Azillian Healthcare Private Limited
Memberships of Audit and Stakeholders' Relationship Committees across Public Companies	Members of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of Medico Intercontinental Limited
Remuneration paid or sought to be paid	-
Relationship with other Directors/KMP	Wife of Mr. Samir Shah

**By order of the Board of Directors  
For Medico Intercontinental Limited**

**Place : Ahmedabad  
Date : 14/08/2021**

**Sd/-  
Puneeta Sharma  
Company Secretary**

## DIRECTORS' REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company" or "MIL"), along with Audited Financial Statements for the financial year ended 31st March, 2021. The Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

### 1. FINANCIAL PERFORMANCE OF THE COMPANY:

*(Rs. In Lakhs, except per equity share data)*

Particulars	Standalone		Consolidated	
	For the year ended 31st March		For the year ended 31st March	
	2021	2020	2021	2020
Revenue from Operations	4102.21	4693.29	6974.05	8196.35
Other Income	16.42	2.44	17.84	5.12
Less: Total Expenses	(3868.46)	(4474.15)	(6496.95)	(7761.27)
<b>Profit/Loss before Depreciation, Finance Costs, Exceptional items and Tax expenses</b>	<b>250.18</b>	<b>221.58</b>	<b>494.94</b>	<b>440.2</b>
Less: - Depreciation/Amortization/ Impairment	(6.26)	(2.45)	(13.74)	(10.50)
<b>Profit/Loss before Finance Costs, Exceptional items and Tax expenses</b>	<b>243.92</b>	<b>219.13</b>	<b>481.2</b>	<b>429.7</b>
Less: - Finance Costs	(77.91)	(65.51)	(127.99)	(109.52)
<b>Profit/Loss before Exceptional items and Tax expenses</b>	<b>166.01</b>	<b>153.62</b>	<b>353.21</b>	<b>320.18</b>
Add/(Less): - Exceptional Items	0.00	0.00	0.00	0.00
<b>Profit/Loss before Tax expenses</b>	<b>166.01</b>	<b>153.62</b>	<b>353.21</b>	<b>320.18</b>
Less: - Tax Expense (Current & Deferred)	(46.51)	(41.78)	95.60	84.50
<b>Profit/Loss for the year (1)</b>	<b>119.50</b>	<b>111.84</b>	<b>257.61</b>	<b>235.68</b>
Other Comprehensive Income/Loss (2)	0.00	0.00	0.00	0.00
<b>Total (1+2)</b>	<b>119.50</b>	<b>111.84</b>	<b>257.61</b>	<b>235.68</b>
Earning Per Share (Basic & Diluted)	3.68	3.44	7.93	7.25

### 2. RESULT OF OPERATIONS & STATE OF COMPANY'S AFFAIR:

The total income of the Company was Rs. 4118.63 Lakhs during current year as against Rs. 4695.73 Lakhs in the previous year. The Company has reported net profit of Rs. 119.50 Lakhs during the year under review as against profit of Rs. 111.84 Lakhs in the previous year. Your Company has performed well in the past year and your Directors are relentlessly striving for the betterment of the business and simultaneously your Directors are optimistic about the future and expect the business to perform better in the forthcoming years.

### 3. CHANGE IN THE NATURE OF THE BUSINESS:

There is no change in the nature of the business during the year under review.

### 4. SHARE CAPITAL:

During the year under review, there were no changes in the share capital of the Company.

Share Capital of the Company as on March 31, 2021 was as follows:

**Authorized Capital** - Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore Only) Equity Shares of Rs. 10 each.

**Issued, Subscribed and Paid Up Capital** – Rs. 3,24,90,000/- (Rupees Three Crores Twenty-Four Lakhs Ninety Thousand Only) divided into 32,49,000 (Thirty-two lakhs forty-nine thousand only) Equity Shares of Rs. 10 each.

**5. DIVIDEND:**

The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2021 as the Board have considered it financially prudent in the long-term interest of the company so as to reinvest the profits into the business of the company and to build its strong reserve base and assure the growth of the Company in long run.

The Company has not declared any dividend in past years. Therefore, there is no such amount of Unpaid or Unclaimed dividend to be transferred to Investor Education and Protection Fund (IEPF).

**6. TRANSFER TO RESERVES:**

During the period under review, the company has transferred profit of Rs. 119.50 Lakhs to the Reserves of the Company.

**7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:**

India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus (Covid-19) pandemic. The management believes that there is not much of an impact likely due to this pandemic as the Company is operating in Pharma Sector. However, the Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.

Other than above, there were no Material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the report.

**8. DEPOSIT:**

The company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet for the Financial Year 2020-2021.

Further, for exempted deposits, Company has filed Form DPT-3 as on March 31, 2021 as per the notification issued by the Ministry of Corporate Affairs (MCA) within due course of time.

**9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE U/S 186 OF THE COMPANIES ACT, 2013:**

The particulars of loans, guarantees and investments have been disclosed in the financial statements which also form part of this report.

**10. CORPORATE SOCIAL RESPONSIBILITY:**

The company has not developed and implemented any Corporate Social Responsibility Initiatives as per the provisions of section 135(1) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as the aforesaid provisions are not applicable to the Company.

**11. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as prescribed under sub-section (3)(m) of section 134 of the Companies Act, 2014 read with Rule 8(3) of Companies (Accounts) Rules, 2014 are annexed herewith at “Annexure-I”.

**12. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The details with respect to internal control systems and internal Audit has been briefed in Management Discussion and Analysis Report, which is annexed herewith as “Annexure-II”.

**13. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:**

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance and management.

**14. DIRECTORS:**

To comply with the requirement of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Tanvi Shah shall retire by rotation at the forthcoming Annual General Meeting. Being eligible, she offers herself for re-appointment.



- Mr. Dinesh Shah resigned as an Independent Director of the Company w.e.f. 18th June, 2020.
- Mr. Hiren Ravindrabhai Shah has been appointed as an Additional Independent Director of the Company w.e.f. 4th August, 2020 to hold office upto conclusion of Annual General Meeting held on 3rd September, 2020.
- Mr. Hiren Ravindrabhai Shah has been regularized as an Independent Director of the Company w.e.f. 3rd September, 2020 for the period of five years.

**15. KEY MANAGERIAL PERSONNEL:**

Mr. Samir Shah continues to be the Managing Director of the Company.

Mr. Dilipkumar Bhogilal Shah continues to be the Chief Executive Officer of the Company.

Mr. Jay Sharadkumar Shah continues to be the Chief Financial Officer of the Company.

Ms. Puneeta Sharma continues to be the Company Secretary & Compliance Officer of the Company.

**16. INDEPENDENT DIRECTOR'S DECLARATION:**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

**17. BOARD EVALUATION:**

In terms of provisions of Companies Act, 2013 read with rules issued there under and SEBI (LODR) Regulations 2015, the Board of Directors on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board/Director's for the Financial Year 2020-21.

The performance and functioning of the board were evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The committees of the Board were assessed after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of her role.

Separate meeting of independent directors has been held on February 12, 2021 for the FY 2020-21 to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the Chairman.

**18. NUMBER OF MEETINGS OF THE BOARD:**

During the year, the Board met 05 (Five) times to deliberate on various matters. The Meetings were held on 30/06/2020, 04/08/2020, 15/09/2020, 14/11/2020 & 12/02/2021. The maximum interval between any two meetings did not exceed 120 days.

S.N.	Name of the Director	No of Meetings held	No. of Meetings attended
1	Mr. Samir Dilipkumar Shah	5	5
2	Mrs. Tanvi Shah	5	5
3	Mr. Vijay Shah	5	5
4	Mr. Ankur Dave	5	5
5	Mr. Hiren Shah*	5	3
6	Mrs. Swati Vikramkumar Shah	5	5

\* Mr. Hiren Ravindrakumar Shah was appointed on the Board w.e.f 4th August, 2020.

**19. AUDIT COMMITTEE**

The primary objective of the audit committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The audit committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors, and notes the processes and safeguards employed by each of them. The audit committee has the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent auditors in accordance with the law.

Further, as per the provision of section 177 of the Companies Act, 2013, the constitution of Audit Committee on various dates is as follow;

S.N.	Name of Director	DIN	Category
1	Ankur Dave	01059786	Chairman / Independent Director
2	Vijay Shah	00747226	Member / Independent Director
3	Tanvi Shah	08192047	Member / Non-Executive Director
4	Dinesh Shah*	00345641	Member / Independent Director

\* Mr. Dinesh Shah resigned from the office of the Director of the Company w.e.f. 18th June, 2020.

Four meetings of the Audit committee were held during the year. The dates on which the said meetings were held: 30th June, 2020, 15th September, 2020, 14th November, 2020 and 12th February, 2021.

S.N.	Name of Member	No of Meetings held	No. of Meetings attended
1	Ankur Dave	4	4
2	Vijay Shah	4	4
3	Tanvi Shah	4	4
4	Dinesh Shah*	4	0

#### 20. NOMINATION AND REMUNERATION COMMITTEE (NRC):

As per the provision of section 178 of the Companies Act, 2013 the constitution of Nomination and Remuneration Committee is as follow;

S.N.	Name of Director	DIN	Position
1	Ankur Dave	01059786	Chairman / Independent Director
2	Dinesh Shah*	00345641	Member / Independent Director
3	Vijay Shah	00747226	Member / Executive Director
4	Tanvi Shah	08192047	Member / Non-Executive Director

\* Mr. Dinesh Shah resigned from the office of the Director of the Company w.e.f. 18th June, 2020

One meeting of the Nomination and Remuneration committee was held during the year. The dates on which the said meeting was held: 4th August, 2020.

S.N.	Name of Member	No of Meetings held	No. of Meetings attended
1	Ankur Dave	1	1
2	Dinesh Shah*	1	0
3	Vijay Shah	1	1
4	Tanvi Shah	1	1

#### 21. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC):

As per the provision of section 178 of the Companies Act, 2013 the constitution of Stakeholders Relationship Committee is as follow;

S.N.	Name of Director	DIN	Position
1	Dinesh Shah*	00345641	Chairman / Independent Director
2	Vijay Shah	00747226	Member / Independent Director
3	Tanvi Shah	08192047	Member / Non-Executive Director
4	Ankur Dave*	01059786	Chairman / Independent Director

\* Mr. Dinesh Shah resigned from the office of the Director of the Company w.e.f. 18th June, 2020. Therefore, Mr. Ankur Dave has been elected as Chairman of the Stakeholders Relationship Committee of the Company.

One meeting of the Stakeholders Relationship committee was held during the year. The dates on which the said meetings were held: 12th February, 2021.

S.N.	Name of Member	No of Meetings held	No. of Meetings attended
1	Dinesh Shah*	1	0
2	Vijay Shah	1	1
3	Tanvi Shah	1	1
4	Ankur Dave*	1	1

**22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

Particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014 in prescribed Form AOC-2 is annexed herewith at **Annexure III**.

**23. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

During the period under review, the Company is having 4 (four) Wholly Owned Subsidiary Company namely:

1. Ritz Formulations Private Limited
2. Sungrace Pharma Private Limited
3. Azillian Healthcare Private Limited
4. Evagrace Pharma Private Limited

Therefore, provisions of section 129(3) of the Companies Act, 2013 relating to preparation of consolidated financial statements are applicable to the Company. Further, we have prepared the consolidated financial Statements of the Company, which forms part of this Annual Report.

A Statement containing salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 as appended as Annexure IV. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements including the consolidated financial statements and related information of the Company are available on our website **www.medicointercontinental.com**.

Further, the Company does not have any Joint Venture or Associate Company.

**24. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

As per the provisions of Companies Act, 2013, every Listed Company shall establish a vigil mechanism (similar to Whistle Blower mechanism). In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, the company has adopted the whistleblower mechanism for directors and employees to report on concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. There has been no change to the Whistleblower Policy adopted by the Company, during period under review.

**25. PARTICULARS OF EMPLOYEES U/S 197(12) OF THE COMPANIES ACT, 2013:**

The Information & Statement of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure V**.

**26. DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of section 134(5) of the Companies Act, 2013, your directors state that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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.
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively
- (f) the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**27. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the period under review, no material orders have been passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

**28. AUDITORS & AUDITORS' REPORT:**

**Statutory Auditors**

Pursuant to the provisions of section 139 of the Companies Act, 2013, the members at the annual general meeting of the Company held on 21st September, 2019 appointed V Goswami & Co, Chartered Accountants, Ahmedabad (Firm Registration No. 128769W) as statutory auditors of the Company from the conclusion of Thirty fifth annual general meeting till the conclusion of Fortieth annual general meeting, covering one term of five consecutive years.

The Auditors' Report for FY 2020-21 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

**Secretarial Auditor**

In terms of Section 204 of the Act and Rules made there under, the Company has re-appointed Yash Mehta & Associates, Practicing Company Secretary (Membership No. A45267 & COP 16535) to undertake the Secretarial Audit of the Company. Secretarial Audit Report for the FY 2020-21 issued by him in the prescribed form MR-3 is annexed as Annexure-VI to this report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**Internal Auditor**

MJV & Co, Chartered Accountants, Ahmedabad was re-appointed as an Internal Auditor of the Company for the Financial Year 2020-21 and the consent regarding such appointment was received from the auditor in this regard.

**Cost Records and Cost Audit**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to our Company.

**29. REPORTING OF FRAUDS BY AUDITORS:**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

**30. ANNUAL RETURN:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website at [www.medicointercontinental.com](http://www.medicointercontinental.com).

**31. CORPORATE GOVERNANCE REPORT:**

AAs per the provisions of 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), the compliances with corporate governance provisions as specified in Regulations 17 to 27 are applicable to the Company only if it's paid up Capital exceeds Rs. 10 Crores and if Net worth is above Rs. 25 Crores.

As on 31st March, 2021, the paid up share capital of the company is Rs. 3,24,90,000/- (Rupees Three Crores Twenty-Four Lakhs Ninety Thousand only) which does not exceed Rs. 10 Crores limit and the Net Worth of the Company is Rs. 6,34,00,159.63/- (Rupees Six Crores Thirty Four Lakhs One Hundred and Fifty Nine and Sixty Three Paise only) which does not cross Rs. 25 Crores.

Hence, the compliance of provisions of Regulations 17 to 27 of SEBI (LODR) Regulations are not applicable to the Company.

In light of the above, Corporate Governance Report is not applicable to the Company during the period under review.

**32. MANagements DISCUSSION AND ANALYSIS:**

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report & marked as **Annexure-II**.

**33. RISK MANAGEMENT POLICY:**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, event, financial, human, environment and statutory compliance.

**34. OTHER DISCLOSURES:**

During the year under review, Board approved to issue convertible warrants on preferential basis on the Board meeting held on 4th August, 2020 but approval from the members of the Company has not been sought in their Annual General Meeting held on 3rd September, 2020. Due to this, preferential issue of Convertible warrants has not been done.

**35. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & 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. No complaints of sexual harassment were raised in the financial year 2020-21.

**36. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

The Company has neither made any application nor any proceedings pending under The Insolvency and Bankruptcy Code, 2016 during the year under review. Therefore, there are no details required to be disclosed, as the said clause is not applicable as on year ended 31st March, 2021.

**37. GREEN INITIATIVES:**

Electronic Copies of the Annual Report 2020-21 and the notice of the 37th AGM are sent to all members whose email addresses are registered with the Company / depository participant(s). For members who have not registered their email addresses, Company has provided facility to register/update the email addresses with the RTA of the Company on <https://www.purvashare.com/>.

**38. CAUTIONARY STATEMENT:**

Statement in the Annual Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute forward looking statements within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

**39. APPRECIATION / ACKNOWLEDGMENTS:**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to be as industry leaders.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its business partners and others associated with the Company. It will be the Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests. The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Government and Regulatory Authorities for their continued support.

For and on behalf of the Board  
**Medico Intercontinental Limited**

Place : Ahmedabad  
Date : 14/08/2021

Sd/-  
Samir Shah  
Managing Director  
DIN: 03350268

Sd/-  
Tanvi Shah  
Director  
DIN: 08192047

## CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The particulars as per the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption is as under:

### (A) CONSERVATION OF ENERGY

Steps taken or impact on conservation of energy	N.A.
The steps taken by the company for utilizing alternate sources of energy	
The capital investment on energy conservation equipment's	

### (B) TECHNOLOGY ABSORPTION

1. **Efforts made towards technology absorption: N.A.**
2. **Benefits derived like product improvement, cost reduction, product development or import substitution: N.A.**
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

Detail of technology imported	N.A.
Year of Import	
Has technology been fully absorbed	
If not fully absorbed, areas, where this has not taken place, reasons there for and future plans of action.	

#### 4. **Expenses incurred on Research and Development**

During the period under review particulars regarding expenditures on research and development are as under:

<b>Particulars</b>	N.A.
Capital Expenditures	
Recurring Expenditures	
<b>Total</b>	
<b>Total Research and development expenses as % of turnover</b>	

For and on behalf of the Board  
**Medico Intercontinental Limited**

Place : Ahmedabad  
Date : 14/08/2021

Sd/-  
**Samir Shah**  
Managing Director  
DIN: 03350268

Sd/-  
**Tanvi Shah**  
Director  
DIN: 08192047

## Management Discussion and Analysis Report (MDAR)

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Management Discussion and Analysis Report (MDAR) is structured as follows:

- Industry structure and developments
- Opportunities
- Segment-wise or product-wise performance
- Outlook
- Threats, Risk and Concerns
- Internal Control System
- Financial and operational performance
- Material Development in Human Resources
- Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:
  - (i) Debtors Turnover
  - (ii) Inventory Turnover
  - (iii) Interest Coverage Ratio
  - (iv) Current Ratio
  - (v) Debt Equity Ratio
  - (vi) Operating Profit Margin (%)
  - (vii) Net Profit Margin (%)or sector-specific equivalent ratios, as applicable.
- details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

Some Statements in this discussion may be forward looking. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements in the management discussion and analysis on account of various factors such as changes in Government regulations, tax regimes, impact of competition, etc.

### – Industry Structure and Developments:

The Indian economy continues to perform well in the backdrop of the current global turmoil. Increasing political uncertainty and rising crude oil and falling currency shall have an adverse impact on the growth prospects of the country.

Your company is engaged in trading of Pharmaceutical products. In the past, the core portfolio of the company's products has been textile products. However, the new management brings along with them their expertise in the pharma industry. This shall highly benefit the company to diversify its products offerings.

Over the years, our company has built a strong presence in the market through its cumulative experience, strong distribution network as well as sound systems and processes. Your company shall be able to leverage its existing distribution network to introduce new products in the market.

### – Opportunities and Threats:

Being a Trading company, our company is exposed to specific risks that are particular to its business and the environment within which it operates including interest rate volatility, economic cycle, and market risk. Further, venturing into new verticals and products shall also expose your company to risk. However, these also give an opportunity to exponentially grow the business.

– **Business Performance:**

During the current financial year, the overall business performance has been seen improving. The total Revenue during the current financial year stood at Rs. 4118.63 Lakhs as compared to Rs. 4695.73 Lakhs in the previous year. The Profit After tax in the current year stood at Rs. 119.50 Lakhs as compared to Rs. 111.84 Lakhs in previous year which is quite impressive. Your Board is looking more confident to increase revenue and profit in coming years.

– **Outlook**

With the new promoters and management at the helm, your company is hopeful about the expansion of the business operations. Improving economic scenarios, growing consumption and demand shall create more opportunities.

It is expected that the economic conditions shall improve.

– **Risks and areas of concern:**

Our strength is our determination and team work, weakness is the low equity base, opportunities are multiples and threats are the vibrations in the economy and government policies.

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal Endeavour is to maximize returns. The Company continues to take all steps necessary to minimize its expenses through detailed studies and interaction with experts.

– **Internal control systems and their adequacy**

The Company has carried out the internal audit and has ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transactions are appropriately authorized, recorded and reported. Exercises for safeguarding assets and protection against unauthorized use are undertaken from time to time. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective. All these measures are continuously reviewed by the management and as and when necessary improvements are affected.

– **Material developments in human resources/industrial relations front, including number of people employed.**

The company had sufficient numbers of employees at its registered office. The company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The company enjoyed excellent relationship with workers and staff during the year under review.

– **Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:**

There were following changes in the below-mentioned ratios which may or may not be 25% or more as compared to the immediately previous financial year:

- (i) Debtors Turnover – 19.59% as compared to 26.99% of previous year.
- (ii) Inventory Turnover – 8.67% as compared to 5.45% of previous year.
- (iii) Interest Coverage Ratio – 3.13:1 as compared to 3.34:1 of previous year.
- (iv) Current Ratio – 2.22:1 as compared to 2.81:1 of previous year.
- (v) Debt Equity Ratio – 0.75:1 as compared to 1.65:1 of previous year.
- (vi) Operating Profit Margin (%) – 12.78% as compared to 10.62% of previous year.
- (vii) Net Profit Margin (%) – 2.91% as compared to 2.38% of previous year.

or sector-specific equivalent ratios, as applicable

**details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof – 18.85% as compared to 21.73% of previous year.**



**FORM NO. AOC- 2**

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the 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:** The details of contracts or arrangement not at arm's length basis with its related parties during the financial year 2020-21 are as follows:

Name of Related Party and Nature of Relationship	Nature of contracts / arrangement / transactions	Duration of contracts / arrangement / transactions	Salient terms of contracts / arrangements / transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance, if any
Medico Healthcare	Purchase of Fixed Assets and Office Rent Paid	1 Year	Rs. 11,47,540	30.06.2020	NA
Ritz Formulations Private Limited	Purchase and Sale of Goods	1 Year	Rs. 1,09,75,976	30.06.2020	NA
Sungrace Pharma Private Limited	Purchase and Sale of Goods	1 Year	Rs. 1,16,04,227	30.06.2020	NA
Evagrace Pharma Private Limited	Purchase and Sale of Goods	1 Year	Rs. 43,65,479	30.06.2020	NA
Azillian Healthcare Private Limited	Purchase and Sale of Goods	1 Year	Rs. 1,86,36,329	30.06.2020	NA
Oxford Pharma	Purchase and Sale of Goods	1 Year	Rs. 8,21,05,332	30.06.2020	NA
Samir D Shah	Remuneration, Interest and office rent paid	1 Year	Rs. 23,21,828	30.06.2020	NA
Jay S Shah	Remuneration	1 Year	Rs. 4,29,000	30.06.2020	NA
Flora Marketing	Purchase and Sale of Goods	1 Year	Rs. 4,20,544	30.06.2020	NA

2. **Details of material contracts or arrangement or transactions at arm's length basis:** There were no material contracts or arrangements or transactions entered with its related parties which are at arm's length during financial year 2020-21.

For and on behalf of the Board  
**Medico Intercontinental Limited**

Place : Ahmedabad  
 Date : 14/08/2021

Sd/-  
**Samir Shah**  
 Managing Director  
 DIN: 03350268

Sd/-  
**Tanvi Shah**  
 Director  
 DIN: 08192047

**FORM NO. AOC- 1**

(Pursuant to first proviso of Sub-Section (3) of Section 129 of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules, 2014)

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

S.N.	Particulars	Subsidiary I	Subsidiary II	Subsidiary III	Subsidiary IV
1	Name of the Subsidiary	Ritz Formulations Private Limited	Sungrace Pharma Private Limited	Azillian Healthcare Private Limited	Evagrace Pharma Private Limited
2	The date since when subsidiary was acquired	21/01/2019	25/01/2019	08/05/2019	27/03/2019
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA	NA	NA	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	NA
5	Share Capital	2,50,000	2,60,000	22,00,000	1,00,000
6	Reserves and Surplus	74,38,958	70,75,006	4,37,50,161	16,41,673
7	Total Assets	2,56,88,598	4,44,75,691	9,86,50,545	1,22,06,087
8	Total Liabilities	2,56,88,598	4,44,75,691	9,86,50,545	1,22,06,087
9	Investments	50,005	50,005	0	0
10	Total Turnover / Revenue	5,82,88,447	6,32,84,367	20,12,78,385	1,97,38,376
11	Profit before taxation	31,85,927	31,14,877	1,12,33,559	11,86,012
12	Provision for taxation / Total Tax Expense	8,17,243	8,14,692	29,53,113	3,23,196
13	Profit after taxation	23,68,684	23,00,185	82,80,446	8,62,816
14	Proposed Dividend	NA	NA	NA	NA
15	Extent of Shareholding (in %)	100	100	100	100

- Names of subsidiaries which are yet to commence operations : NIL
- Names of subsidiaries which have been liquidated or sold during the year : NIL

**Part B Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

The Company does not have any Associates or Joint Ventures.

- Names of associates or joint ventures which are yet to commence operations : NIL
- Names of associates or joint ventures which have been liquidated or sold during the year : NIL

For and on behalf of the Board  
Medico Intercontinental Limited

Place : Ahmedabad  
Date : 14/08/2021

Sd/-  
Samir Shah  
Managing Director  
DIN: 03350268

Sd/-  
Tanvi Shah  
Director  
DIN: 08192047

Sd/-  
Jay Sharadbhai Shah  
Chief Financial Officer

Sd/-  
Puneeta Sharma  
Compliance Officer

## Annexure - V

## Information of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S.N.	PARTICULARS	REMARKS
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	10:1.815
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	No increase in remuneration in the Financial Year.
3	The percentage increase in the median remuneration of employees in the financial year	NA
4	The number of permanent employees on the rolls of company	26
5	The explanation on the relationship between average increase in remuneration and company performance	Company was performing well in this financial year despite challenging conditions. But it was decided to not increase salary/ remuneration in this financial year.
6	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	<b>Net Worth:</b> <b>FY 2019-20</b> <b>Rs. 514.51 Lakhs</b> <b>FY 2020-21</b> <b>Rs. 634.00 Lakhs</b>
7	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	NA
8	The key parameters for any variable component of remuneration availed by the directors	Nil
9	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Nil
10	Affirmation that the remuneration is as per the remuneration policy of the company	Yes

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]*

To,

The Members,

**MEDICO INTERCONTINENTAL LIMITED**

(Formerly known as Intercontinental Leasing & Finance Company Limited)

**CIN: L24100GJ1984PLC111413**

1-5th Floor, Adit Raj Arcade Nr Karma Shreshtha Tower,  
100 Ft Rd, Satellite, Ahmedabad, Gujarat - 380015 India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MEDICO INTERCONTINENTAL LIMITED (Formerly known as Intercontinental Leasing & Finance Company Limited)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **March 31, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2021** according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; was not applicable during the year under review;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;
  - (f) Rules, Regulations, Circulars, Orders, Notifications and Directives issued under the above statute to the extent applicable.

The following other laws applicable to the Company:

1. The Drugs and Cosmetics Act, 1940 and The Drugs and Cosmetics Rules, 1945.
2. The Narcotic Drugs and Psychotropic Substances (Amendment) Act, 2014 and the Narcotic Drugs and Psychotropic Substances Rules, 1985.
3. The Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules and Regulations made under the Act, to the extent it is applicable.
4. Drugs (Prices Control) Order, 2013.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Company has not declared any dividend during the year under review; therefore Secretarial Standards on Dividend (SS-3) was not applicable.

#### **Auditor's Responsibility**

The responsibility of the Auditor is to express opinion on the compliance with the applicable laws and maintenance of records based on audit. The audit was conducted in accordance with applicable Standards and those Standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of Records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

#### **We further report that:**

During the year under review, the Company has **COMPLIED** with all the material aspects of the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above. The Board of Directors of the Company is duly constituted. The changes in the composition of Board that took place during the year under review were carried out in compliance of the provisions of Act.

Adequate notice is given to all the Directors to schedule the Board Meetings in advance in due compliances of law. Decisions at the meetings of Board of Directors / Committees of the Company were carried through on the basis of majority. We were informed that there were no dissenting views by any members of Board / Committee in the meetings held during the year under review that were required to be captured and recorded as part of minutes.

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

**We further report that** during the audit period, there were following instances of:

- a. Mr. Dinesh Shah resigned from Directorship of the Company w.e.f. 18.06.2020.
- b. Mr. Hiren Shah was appointed as an Additional Independent Non-Executive Director of the Company w.e.f. 04.08.2020 to hold office upto Annual General Meeting and members of the Company at their 36th Annual General Meeting held on 3rd September, 2020 has approved regularization of Mr. Hiren Shah as a Director of the Company.
- c. The proposed alteration in Clause V of the Memorandum of Association related to Increase in Authorised Capital of the Company, by Board of Directors of the Company, did not receive the members' approval in the AGM held on 03.09.2020.
- d. Despite the approval received from Board of Directors and an in principal approval received from Stock Exchange (BSE), the Company did not issue preferential warrants because the requisite approval from the members was not received on the resolution for Issuing the preferential warrants in the AGM held on 03.09.2020.

There were no other instances of:

- a) Public issue / Right issue of Shares / Debentures / Sweat Equity etc.
- b) Redemption / Buy – Back of Securities.
- c) Merger / amalgamation / Reconstruction etc.
- d) Foreign Technical Collaboration.

*Note: We have conducted online verification & examination of records, as facilitated by the Company, due to Covid 19, for the purpose of issuing this report.*

**FOR YASH MEHTA& ASSOCIATES  
COMPANY SECRETARIES**

Sd/-  
**YASH MEHTA**  
**PROPRIETOR**  
ACS : 45267  
COP : 16535

**Date : 16.08.2021**  
**Place : Ahmedabad**

**PEER REVIEW NO: 1269/2021**  
**UDIN: A045267C000790990**

This report is to be read with our letter of even date which is annexed as “ANNEXURE A” and forms an integral part of this report.

**“ANNEXURE A”**

To,  
The Members,  
**MEDICO INTERCONTINENTAL LIMITED**  
(Formerly known as Intercontinental Leasing & Finance Company Limited)  
**CIN: L24100GJ1984PLC111413**  
1-5th Floor, Adit Raj Arcade Nr Karma Shreshtha Tower,  
100 Ft Rd, Satellite, Ahmedabad, Gujarat - 380015 India.

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR YASH MEHTA & ASSOCIATES  
COMPANY SECRETARIES**

Sd/-  
**YASH MEHTA**  
**PROPRIETOR**  
**ACS : 45267**  
**COP : 16535**

**Date : 16.08.2021**  
**Place : Ahmedabad**

**PEER REVIEW NO: 1269/2021**  
**UDIN: A045267C000790990**

## CEO and CFO Certification

The Board of Directors  
**Medico Intercontinental Limited**  
 Ahmedabad.

Dear Members of the Board,

We, Dilipkumar Bhogilal Shah, Chief Executive Officer, and Mr. Jay Sharadkumar Shah, Chief Financial Officer of Medico Intercontinental Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as at March 31, 2021, Statement of Profit and loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended March 31, 2021.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respect a true and fair view of the Company's affairs, the financial condition, results of operation and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
  - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
  - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit Committee of the Company's Board (and persons performing the equivalent functions):
  - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b. Any significant changes in internal controls during the year covered by this report.
  - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
  - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personal access to the audit committee of the Company (in respect of matters alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Place : Ahmedabad  
 Date : 14/08/2021

Sd/-  
**Dilipkumar Shah**  
 Chief Executive Officer

Sd/-  
**Jay Sharadkumar Shah**  
 Chief Financial Officer



**INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS**

TO THE MEMBERS OF  
**MEDICO INTERCONTINENTAL LIMITED**  
 (formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **MEDICO INTERCONTINENTAL LIMITED (formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)** ("the company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (hereinafter referred to as "SAs"). 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 (hereinafter referred to as "ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Emphasis of matter**

We draw your attention to Note 26 to the financial statements which explain the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

**Key audit matters**

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

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
Revenue recognition as per Ind AS 115	Our audit procedures included the following:
Refer to Note - 1 (Significant Accounting Policies) and Note - 1.10 (Revenue from operations) of the financial statements. The Company's revenue is principally derived from sale of various medicine products. In accordance with Ind AS 115, revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch,	We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition including those relating to cut off at year end; We assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers"; We performed substantive testing of revenue transactions, recorded during the year by testing the underlying documents which included goods dispatch notes, shipping documents and customer acknowledgments, as applicable;

<p>delivery or upon formal customer acceptance depending on terms of contract with the customer. Revenue is measured at fair value of the consideration received or receivable after deduction of any trade/volume discounts and taxes or duties collected.</p>	<p>We tested manual journal entries posted to revenue to identify unusual items;</p>
<p>We identified revenue recognition as a key audit matter since revenue is significant to the financial statements and is required to be recognized as per the requirements of applicable accounting framework.</p>	<p>We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date including examination of credit notes issued after the year end to determine whether the revenue has been recognized in the appropriate financial period.</p>
	<p>Based on the above stated procedures, no significant exceptions were noted in revenue recognition.</p>

### Other Information

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

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

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

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India (Indian GAAPs), including the Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

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.

### Auditor's Responsibility

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

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

- o 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.

- o 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.
- o Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- o 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.
- o Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the Directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure – B". Our

report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - o The Company has not any pending litigations on its financial position in its standalone financial statements.
  - o The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - o There were no any amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

**For, V. GOSWAMI & CO,**  
**Chartered Accountants**  
**(FRN: 0128769W)**

**Sd/-**  
**Nilesh Purohit**  
**(Partner)**  
**Mem. No: 162541**

**Date : 29/06/2021**  
**Place : Ahmedabad**  
**UDIN : 21162541AAAACP2290**

### Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirement of our report of even date to the members of **MEDICO INTERCONTINENTAL LIMITED (formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)** on the standalone financial statements for the year ended 31st March, 2021).

1. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company doesn’t have any freehold/ immovable properties.
2. As explained to us, inventories have been physically verified during the year by the management and in our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regards to the size of the operations of the company and the same have been properly dealt with.
3. In respect of loans, secured or unsecured, granted by the company to companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of Companies Act, 2013:
  - a) Whether receipt of the principal amount and interest are also regular;-  
There are no such loans and hence the said clause is not applicable
  - b) If overdue amount is more than rupees one lakh, whether reasonable steps have been taken by the company for recovery of the principal and interest: - There are no such loans and hence the said clause is not applicable.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the companies Act, 2013, in respect of grant of loans, making investments and providing guarantees and securities.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of paragraph 3 (v) of the CARO 2016 are not applicable to the Company.
6. According to the information and explanations given to us, Maintenance of Cost records is not applicable to the company pursuant to the rules made by the Central Government of India regarding the maintenance of cost records under sub-section (1) of Section 148 of the Act. Therefore, the provisions of paragraph 3(vi) of the CARO 2016 are not applicable to the Company.
7. According to the information and explanations given to us in respect of statutory dues:
  - a. The Company is regular in depositing the undisputed statutory dues, including provident fund, employees’ state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, Good and service tax, value added tax and other material statutory dues, as applicable, with the appropriate authorities.
  - b. the Company examined by us, there are no dues of income-tax, Goods and services tax and service tax which have not been deposited on account of any dispute.
  - c. Whether the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder has been transferred to such fund within time: - The said clause is not applicable to the company.
8. Based on our audit procedures and information and explanations given by the management and considering the Corporate Debt Restructuring (CDR) scheme, we are of the opinion that the Company is not having any such term loans as on balance 31st March, 2021.
9. According to the information and explanations given to us, the term loans raised during the year were, prima facie, been applied for the purpose for which those are raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

10. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3 (xii) of the CARO 2016 are not applicable to the Company.
12. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.
13. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year. Therefore, the provisions of paragraph 3(xiv) of the CARO 2016 are not applicable to the Company.
14. According to the information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with him. Therefore, the provisions of paragraph 3(xv) of the CARO 2016 are not applicable to the Company.
15. In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For, V. GOSWAMI & CO,**  
**Chartered Accountants**  
**(FRN: 0128769W)**

Sd/-  
**Nilesh Purohit**  
**(Partner)**  
**Mem. No: 162541**

**Date : 29/06/2021**  
**Place : Ahmedabad**  
**UDIN : 21162541AAAACP2290**

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### **Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 2 (f) under “Report on Other Legal and Regulatory Requirement of our report of even date)

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

We have audited the internal financial controls over financial reporting of **MEDICO INTERCONTINENTAL LIMITED (formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)** as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, V. GOSWAMI & CO,**  
**Chartered Accountants**  
**(FRN: 0128769W)**

**Sd/-**  
**Nilesh Purohit**  
**(Partner)**  
**Mem. No: 162541**

**Date : 29/06/2021**  
**Place : Ahmedabad**  
**UDIN : 21162541AAAACP2290**

## STANDALONE BALANCE SHEET AS AT 31 March, 2021

Particulars	Note	As at 31 March, 2021 Amount (Rs.)	As at 31 March, 2020 Amount (Rs.)
<b>ASSETS:</b>			
<b>Non-current Assets</b>			
(a) Property, Plant & Equipment	2	2,402,898.00	1,182,378.00
(b) Financial Assests			
(i) Investments	3	43,519,000.00	35,720,000.00
(c) Deferred Tax Assets (Net)	4	1,73,841.00	123,183.00
<b>Total Non-Current Assets</b>		<b>46,095,739.00</b>	<b>37,025,561.00</b>
<b>Current Assets</b>			
(a) Inventories	5	35,561,101.00	25,581,690.00
(b) Financial Assests			
(i) Trade Receivables	6	80,344,565.00	126,667,179.74
(ii) Cash and Cash Equivalents	7	1,157,983.00	1,378,847.62
(c) Other Current Assets	8	1,048,647.00	1,058,475.00
<b>Sub-total - Current Assets</b>		<b>118,112,296.00</b>	<b>154,686,192.36</b>
<b>TOTAL ASSETS</b>		<b>164,208,035.00</b>	<b>191,711,753.36</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
(a) Equity Share capital	9	32,490,000.00	32,490,000.00
(b) Other equity	10	30,910,159.63	18,960,546.63
<b>Sub-total -Shareholders' Funds</b>		<b>63,400,159.63</b>	<b>51,450,546.63</b>
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	11.1	47,839,079.00	85,226,852.89
<b>Total Non-Current Liabilities</b>		<b>47,839,079.00</b>	<b>85,226,852.89</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	11.2	324,150.00	294,153.00
(ii) Trade Payable	12	-	-
Due to micor enterprises and small enterprises		23,870,745.00	31,783,435.00
Due to others		26,310,306.00	20,221,548.00
(b) Other Current Liabilities	13	352,946.37	549,698.84
(c) Provisions	14	2,110,649.00	2,185,519.00
<b>Sub-total - Current Liabilities</b>		<b>52,968,796.37</b>	<b>55,034,353.84</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>164,208,035.00</b>	<b>191,711,753.36</b>
Basis of preparation, measurement and significant accounting policies	1		
The accompanying notes are an integral part of these Financial Statements	1 to 30		
As per our report of even date <b>For V. GOSWAMI &amp; CO,</b> Chartered Accountants FRN : 0128769W Sd/- <b>Nilesh Purohit</b> Partner M.No. 162541		<b>For and on behalf of the board</b> <b>Medico Intercontinental Limited</b>  Sd/- <b>Tanvi Shah</b> Chairman DIN:-08192047 Sd/- <b>Jay Shah</b> Chief Financial officer PAN No.: CZOPS1007A	Sd/- <b>Samir Shah</b> Managing Director DIN:-03350268 Sd/- <b>Puneeta Sharma</b> Company Secretary PAN No.: CXOPS0548E
<b>Place : Ahmedabad</b> <b>Dated : 29/06/2021</b>			



**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2021**

Particulars	Note	Year ended 31st March 2021 Amt. (Rs.)	Year ended 31st March 2020 Amt. (Rs.)
<b>INCOME</b>			
Revenue From Operations	15	410,220,813.00	469,329,067.92
Other Income	16	1,642,606.00	243,833.33
<b>Total Income</b>		<b>411,863,419.00</b>	<b>469,572,901.25</b>
<b>EXPENSES</b>			
Purchases of Stock in Trade	17	367,811,701.00	438,712,848.55
Changes In Inventories	18	-9,979,411.00	-19,266,732.00
Employee Benefits Expense	19	8,581,282.00	9,858,979.00
Depreciation and Amortization Expense	2	625,891.00	245,018.00
Finance Costs	20	7,790,906.00	6,551,578.45
Other Expenses	21	20,432,094.00	18,109,430.49
<b>Total Expenses</b>		<b>395,262,463.00</b>	<b>454,211,122.49</b>
<b>Profit before Exceptional Items and Tax</b>		<b>16,600,956.00</b>	<b>15,361,778.76</b>
<b>Exceptional Items</b>			
Bad Debts		0	0
<b>Profit before Tax</b>		<b>16,600,956.00</b>	<b>15,361,778.76</b>
Tax Expense:			
- Current Tax		4,702,001.00	4,185,269.00
- Deferred Tax		-50,658.00	-7,342.00
<b>Profit for the year ended (A)</b>		<b>11,949,613.00</b>	<b>11,183,851.76</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified subsequently to profit or loss		0	0
Items that will be reclassified subsequently to profit or loss		0	0
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR (B)</b>		<b>0</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)</b>		<b>11,949,613.00</b>	<b>11,183,851.76</b>
<b>Earnings Per Equity Share of face value of Rs. 10/- each</b>			
Basic and Diluted (Rs.)	22	3.68	3.44
Basis of preparation, measurement and significant accounting policies	1		
The accompanying notes are an integral part of these Financial Statements	1 to 30		

As per our report of even date  
**For V. GOSWAMI & CO,**  
 Chartered Accountants  
 FRN : 0128769W  
 Sd/-  
**Nilesh Purohit**  
 Partner  
 M.No. 162541

**Place : Ahmedabad**  
**Dated : 29/06/2021**

**For and on behalf of the board**  
**Medico Intercontinental Limited**

Sd/-  
**Tanvi Shah**  
 Chairman  
 DIN:-08192047

Sd/-  
**Jay Shah**  
 Chief Financial officer  
 PAN No.: CZOPS1007A

Sd/-  
**Samir Shah**  
 Managing Director  
 DIN:-03350268  
 Sd/-  
**Puneeta Sharma**  
 Company Secretary  
 PAN No.: CXOPS0548E

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

Particulars	As At 31st March 2021 Amt. (Rs.)	As At 31st March 2020 Amt. (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
a) Net Profit/ (Loss) before tax	16600956.00	15361778.76
b) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<b>16600956.00</b>	<b>15361778.76</b>
Adjustments For:		
Depreciation & Amortization	625891.00	245018.00
Finance Costs	7790906.00	0.00
Interest Income	-210384.00	0.00
<b>CASH GENERATED FROM OPERATIONS</b>	<b>24807369.00</b>	<b>15606796.76</b>
Adjustments for:		
Decrease/(Increase) in Inventories	-9979411.00	-19266732.00
Decrease/(Increase) in Trade Receivables	46322614.74	-61977917.74
Decrease/(Increase) in Other Current Assets	9828.00	-717453.00
Increase/(Decrease) in Trade Payables	-1823932.00	3060469.00
Increase/(Decrease) in Current Financial Liabilities-Borrowings	0.00	294153.00
Increase/(Decrease) in Other Current Liabilities	-187968.47	90427.00
<b>CASH GENERATION FROM OPERATING ACTIVITY</b>	<b>59148500.27</b>	<b>-62910256.98</b>
Income tax Paid Net	-4785655	-2600000.00
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)</b>	<b>54362845.27</b>	<b>-65510256.98</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	-1846411.00	-1408675.00
Decrease/(Increase) in Investment	-7799000.00	-35420000.00
Interest income received	210384.00	0.00
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)</b>	<b>-9435027.00</b>	<b>-36828675.00</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) in Loan and advances	0.00	7926475.00
Increase/(Decrease) in Borrowings	-37387773.89	84294787.89
Proceed from /(Repayment) of short term borrowing net	29997.00	0.00
Finance costs paid	-7790906.00	0.00
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)</b>	<b>-45148682.89</b>	<b>92221262.89</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>-220864.62</b>	<b>-10117669.09</b>
CASH AND CASH EQUIVALENTS (At the beginning of the year)	1378847.62	11496516.71
CASH AND CASH EQUIVALENTS (At the end of the year)	1157983.00	1378847.62

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
- Previous Year's figure have been regrouped, rearranged, wherever necessary, to correspond with the current year's classification/disclosure.

As per our report of even date  
**For V. GOSWAMI & CO,**  
 Chartered Accountants  
 FRN : 0128769W  
 Sd/-  
**Nilesh Purohit**  
 Partner  
 M.No. 162541

**Place : Ahmedabad**  
**Dated : 29/06/2021**

**For and on behalf of the board**  
**Medico Intercontinental Limited**

Sd/-  
**Tanvi Shah**  
 Chairman  
 DIN:-08192047  
 Sd/-  
**Jay Shah**  
 Chief Financial officer  
 PAN No.: CZOPS1007A

Sd/-  
**Samir Shah**  
 Managing Director  
 DIN:-03350268  
 Sd/-  
**Puneeta Sharma**  
 Company Secretary  
 PAN No.: CXOPS0548E

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021**

	As at 31st March, 2021 Amount (Rs.)	As at 31st March, 2020 Amount (Rs.)	
<b>A. EQUITY SHARE CAPITAL</b>			
Balance at the beginning of the reporting year			
Equity shares of Rs.10/- each issued, subscribed and paid-up	32,490,000.00	32,490,000.00	
Changes in Equity Share capital during the year	0.00	0.00	
<b>Balance at the end of the reporting year</b>	<b>32,490,000.00</b>	<b>32,490,000.00</b>	
<b>B. OTHER EQUITY</b>			
	<b>Retained Reserves and Surplus</b>	<b>Items of Other Comprehensive Income (OCI)</b>	<b>Total</b>
	<b>Retained Earnings</b>	<b>NA</b>	
<b>Balance As at 1st April, 2019</b>	7,776,694.87	0.00	7,776,694.87
Profit for the year	11,183,851.76	0.00	11,183,851.76
<b>Total comprehensive income for the year</b>	<b>18,960,546.63</b>	<b>0.00</b>	<b>18,960,546.63</b>
<b>Balance As at 31st March, 2020</b>	<b>18,960,546.63</b>	<b>0.00</b>	<b>18,960,546.63</b>
<b>Balance As at 1st April, 2020</b>	<b>18,960,546.63</b>	<b>0.00</b>	<b>18,960,546.63</b>
Profit for the year	11,949,613.00	0.00	11,949,613.00
<b>Total comprehensive income for the year</b>	<b>30,910,159.63</b>	<b>0.00</b>	<b>30,910,159.63</b>
<b>Balance As at 31st March, 2021</b>	<b>30,910,159.63</b>	<b>0.00</b>	<b>30,910,159.63</b>

As per our report of even date  
**For V. GOSWAMI & CO,**  
Chartered Accountants  
FRN : 0128769W  
Sd/-  
**Nilesh Purohit**  
Partner  
M.No. 162541

**Place : Ahmedabad**  
**Dated : 29/06/2021**

**For and on behalf of the board**  
**Medico Intercontinental Limited**

Sd/-  
**Tanvi Shah**  
Chairman  
DIN:-08192047  
Sd/-

**Jay Shah**  
Chief Financial officer  
PAN No.: CZOPS1007A

Sd/-  
**Samir Shah**  
Managing Director  
DIN:-03350268  
Sd/-  
**Puneeta Sharma**  
Company Secretary  
PAN No.: CXOPS0548E

**STANDALONE NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021:**

**NOTE NO. 1:****1.01 Company overview**

**MEDICO INTERCONTINENTAL LIMITED (Formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)** ("the company") was incorporated on August 14, 1984 having its Registered Office at 1-5th Floor, Adit Raj Arcade, Nr Karma Shreshtha Tower, 100 Ft Rd, Satellite, Ahmedabad - 380015, Gujarat. The Company is into the business of trading of pharmaceutical products.

**Basis of preparation and Significant Accounting Policies****1.02 Statement of Compliance**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. The financial statements have been statements are consistent with those followed in the previous year.

**1.03 Basis of preparation and presentation**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

**1.04 Use of estimates**

The preparation of the financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

**1.05 Current versus Non Current classification**

The company presents assets and liabilities in the balance sheet bases on current/non-current classification. An asset is treated as current when it:

- expected to be realized or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve month after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in normal operating cycle,
- held primarily for the purpose of trading,
- dues to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of liability for atleast twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classifies as non-current assets and liabilities.

The operation cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

**1.06 Property, plant and equipment and other intangible assets****Recognition and measurement:**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The residual value, useful life and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit or loss.

**Depreciation and amortization:**

Depreciation, on fixed assets, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, on Written Down Value (WDV) method. Depreciation on additions during the year is provided on prorata time basis.

**1.07 Inventories**

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition, valued and verified by the managements.

**1.08 Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**1.09 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**1.10 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, GST and amounts collected on behalf of third parties.

**Sale of products**

Timing of recognition- Revenue from sale of products is recognized when control of the products is transferred to customers based on the terms of sale.

Measurement of revenue- Revenue from sales is based on the price specified in the sales contracts, net of all expected discounts and returns in relation to sales made until the end of the reporting period.

No element of financing is deemed present as the sales are made with credit terms consistent with market practices. A receivable is recognized when the goods are dispatched, delivered or upon formal customer acceptance depending on terms of contract with the customer.

**Other income**

Interest income is accounted on accrual basis.

All other income is recognized on accrual basis.

**1.11 Employee benefits**

**Short Term Employee Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**Defined contribution plans**

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

**1.12 Borrowing costs**

Borrowing costs include interest; amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs

in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset is added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

### 1.13 Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

### 1.14 Taxes on income

#### Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 1.15 Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. There are no contingent liabilities as disclosed by the managements.

### 1.16 Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements.

### 1.17 Segment Reporting

An operating segment is component of the company that engages in the business activity from which the company earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The company's chief operating decision maker is the Managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

#### **1.18 Leases:**

##### **As a lessee:**

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

##### **As a lessor:**

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature. Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually.

#### **1.19 Impairment of assets:**

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal external factors. An impairment loss on such assessment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

#### **1.20 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 assets and settle the liabilities simultaneously.

## 1.21 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 measured at amortized cost.

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

For assets measured at fair value, gains and losses will either be recorded in Statement of profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through other comprehensive income.

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

### (ii) 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, 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.

### (iii) 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.

### (iv) Amortized 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 amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

### (v) 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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

### (vi) Fair value through profit or loss:

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

### (vii) Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

### (viii) Investments in Subsidiaries:

Investments in subsidiaries, associates and joint ventures are carried at cost in the financial statements.

### (ix) Equity Instruments:

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognized as a deduction from equity instrument net of any tax effects.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**
**NOTE - 2 : PROPERTY, PLANT AND EQUIPMENT:**

Particulars	Furniture and fixtures	Office Equip-ment	Plant & Machinery	Dies, Moulds & Tools	Computer	Vehicle	Total
<b>Year ended March 31, 2020</b>							
<b>Opening Gross Carrying Amount</b>	-	-	-	-	96,240.00	-	96,240.00
Additions	99,000.00	-	-	-	227,070.00	1,082,605.00	1,408,675.00
Disposals	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	99,000.00	-	-	-	323,310.00	1,082,605.00	1,504,915.00
<b>Accumulated Depreciation and Impairment</b>							
Opening Accumulated Depreciation	-	-	-	-	77,519.00	-	77,519.00
Depreciation Charge during the year	6,759.00	-	-	-	66,550.00	171,709.00	245,018.00
<b>Closing Accumulated Depreciation and Impairment</b>	6,759.00	-	-	-	144,069.00	171,709.00	322,537.00
<b>Net Carrying Amount</b>	92,241.00	-	-	-	179,241.00	910,896.00	1,182,378.00
<b>Year ended March 31, 2021</b>							
<b>Opening Gross Carrying Amount</b>	99,000.00	-	-	-	323,310.00	1,082,605.00	1,504,915.00
Additions	-	-	47,200.00	-	1,067,601.00	731,610.00	1,846,411.00
Disposals	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	99,000.00	-	47,200.00	-	1,390,911.00	1,814,215.00	3,351,326.00
<b>Accumulated Depreciation and Impairment</b>							
Opening Accumulated Depreciation	6,759.00	-	-	-	144,069.00	171,709.00	322,537.00
Depreciation Charge during the year	23,880.00	-	572.00	-	183,944.00	417,495.00	625,891.00
<b>Closing Accumulated Depreciation and Impairment</b>	30,639.00	-	572.00	-	328,013.00	589,204.00	948,428.00
<b>Net carrying amount</b>	68,361.00	-	46,628.00	-	1,062,898.00	1,225,011.00	2,402,898.00

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	As At 31.03.2021 Number of Shares	As At 31.03.2021 Amt. Rs.	As At 31.03.2020 Number of Shares	As At 31.03.2020 Amt. Rs.
<b>NOTE - 3 : NON - CURRENT INVESTMENT:</b>				
<b>Investment in Equity Instruments in Subsidiaries Company (Unquoted)</b>				
EVAGRACE PHARMA PVT LTD (Equity Shares of Face Value Rs. 10 each)	10000	100,000.00	10000	100,000.00
RITZ FORMULATIONS PVT LTD (RFPL) (Equity Shares of Face Value Rs. 10 each)	25000	3,295,000.00	10000	100,000.00
SUNGRACE PHARMA PVT LTD (SPPL) Equity Shares of Face Value Rs. 10 each)	26000	3,204,000.00	10000	100,000.00
AZILLIAN HEALTHCARE PVT LTD (Equity Shares of Face Value Rs. 10 each)	220000	35,420,000.00	220000	35,420,000.00
<b>Other Investments</b>				
ICICI BANK FIXED DEPOSIT		1,500,000.00		0.00
		<b>43,519,000.00</b>		<b>35,720,000.00</b>

1 During the year 2020-21 company has made additional investment Rs.3195000 in Equity Shares of RFPL.

2 During the year 2020-21 company has made additional investment Rs.3104000 in Equity Shares of SPPL.

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
<b>NOTE - 4 - DEFFERED TAX ASSETS:</b>		
Deffered tax assets	173,841.00	123,183.00
	<b>173,841.00</b>	<b>123,183.00</b>
<b>NOTE - 5 - INVENTORIES:</b>		
Finished Goods	35,561,101.00	25,581,690.00
	<b>35,561,101.00</b>	<b>25,581,690.00</b>
<b>NOTE - 6 - TRADE RECEIVABLES:</b>		
UNSECURED, CONSIDERED GOOD		
Trade receivable	80,344,565.00	126,667,179.74
	<b>80,344,565.00</b>	<b>126,667,179.74</b>
<b>NOTE - 7 - CASH AND CASH EQUIVALENTS:</b>		
<b>Cash Balance</b>		
Cash on Hand	770,977.00	363,932.50
<b>Balances with Banks</b>		
In Current Account and OD a/c*	387,006.00	1,014,915.12
((*Current Account with ICICI Bank and Standard Chartered Bank)		
	<b>1,157,983.00</b>	<b>1,378,847.62</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
<b>NOTE - 8 - OTHER CURRENT ASSETS:</b>		
SECURITY DEPOSITS - BAJAJ FORMULATIONS	57,000.00	40,000.00
SECURITY DEPOSITS - EMBARK LIFESCIENCE PRIVATE LIMITED	13,000.00	13,000.00
REKHA PRAJAPATI - DEPOSIT	23,000.00	23,000.00
PREPAID EXPENSES	855,379.00	982,475.00
ITC IGST RECEIVABLES	268.00	-
LAXMI SYNTHETICS (SECURITY DEPOSIT, SURAT)	100,000.00	-
	<b>1,048,647.00</b>	<b>1,058,475.00</b>

**NOTE - 9 - EQUITY SHARE CAPITAL:**
**Authorized Capital:**

1,00,00,000 (P.Y. 1,00,00,000) Equity Shares of Rs. 10/- each	<b>100,000,000.00</b>	<b>100,000,000.00</b>
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**Issued, Subscribed and Paid-up Capital:**

32,49,000 (P.Y. 32,49,000) Equity Shares of Rs. 10/- each	<b>32,490,000.00</b>	<b>32,490,000.00</b>
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**a. The Reconciliation of the number of Outstanding Shares as at 31st March 2021 and 31st March, 2020 is set out below:**

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	3,249,000	32,490,000.00	3,249,000	32,490,000.00
Add: Issue during the year	-	-	-	-
Shares outstanding at the end of the year	3,249,000	32,490,000.00	3,249,000	32,490,000.00

**b. The Company has only one class of Equity Shares having Par Value of Rs. 10/- per share. Each holder of equity share is entitled to same Rights based on the number of shares held.**
**c. Shares in the Company held by each shareholders holding more than 5% shares:**

Particulars Name of Shareholders	As at 31.03.2021		As at 31.03.2020	
	No. of Shares Held	Percentage of holding	No. of Shares Held	Percentage of holding
SAMIR SHAH	1,353,500	41.66%	1,353,500	41.66
DILIPKUMAR BHOGILAL SHAH	423,397	13.03%	423,397	13.03

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
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**NOTE - 10 - OTHER EQUITY:**

Retained earnings	30,910,159.63	18,960,546.63
	<b>30,910,159.63</b>	<b>18,960,546.63</b>

**Retained earnings:**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, any transfers from or to other comprehensive income, dividends or other distributions paid to shareholders.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
<b>NOTE - 11 - BORROWINGS:</b>		
<b>11.1 NON-CURRENT LIABILITIES</b>		
<b>Secured</b>		
<b>a. From Standard Chartered Bank</b>		
Overdraft and Cash Credit-Standard Chartered Bank	22,945,302.00	65,073,955.89
Company availed Overdraft and Cash Credit from Standard Chartered Bank of Rs. 8,50,00,000 against Hypothication of Stock & Book Debts		
<b>From Standard Chartered Bank</b>		
Emergency Credit line Term Loan- Standard Chartered Bank	10,000,000.00	-
Company availed Emergency Credit Line Term loan from Standard Chartered Bank against Hypothication of Stock & Book Debts and Director Property as Collateral Security and repayment in 36 equal Installment after a moratorium of 12 months from the date of disbursement.		
<b>b. Term Loan</b>		
ICICI BANK	174,243.00	498,393.00
Vehicle Loan from ICICI Bank of Rs. 9,30,000 for Tenure of 36 Months, Instalments of Rs. 29,876 per month against Hypothication of Vehicles		
<b>Unsecured</b>		
Loans from Directors	14,719,534.00	19,654,504.00
	<b>47,839,079.00</b>	<b>85,226,852.89</b>
<b>11.2 CURRENT-LIABILITES</b>		
<b>Term Loan</b>		
Current maturities of long term debts	324,150.00	294,153.00
	<b>324,150.00</b>	<b>294,153.00</b>
<b>NOTE - 12 - TRADE PAYABLE:</b>		
<b>Unsecured</b>		
<b>Trade Payable*</b>		
- Outstanding dues of Micro and Small Enterprises (Refer note-28)	23,870,745.00	31,783,435.00
- Others for Goods and Expenses	26,310,306.00	20,221,548.00
	<b>50,181,051.00</b>	<b>52,004,983.00</b>
<b>NOTE - 13 - OTHER CURRENT LIABILITIES:</b>		
Statutory Dues - TDS	90,938.00	242,912.25
Provident Fund Payable	33,214.00	38,377.00
Professional Tax Payable	4,690.00	5,980.00
Telephone Exp Payable	6,718.00	7,030.00
GST Payable	192,810.37	255,399.59
Electricity Exp Payable	11,599.00	-
TCS Payable	12,977.00	-
	<b>352,946.37</b>	<b>549,698.84</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	Year ended 31.03.2021 Amt (Rs.)	Year ended 31.03.2020 Amt (Rs.)
<b>NOTE - 14 - PROVISIONS:</b>		
Provisions for Tax	2,110,649.00	2,185,519.00
	<b>2,110,649.00</b>	<b>2,185,519.00</b>
<b>NOTE - 15 - REVENUE FROM OPERATIONS:</b>		
Sales of Pharmaceutical Products	410,220,813.00	469,329,067.92
	<b>410,220,813.00</b>	<b>469,329,067.92</b>
<b>NOTE - 16 - OTHER INCOME:</b>		
Interest Income	210,384.00	205,003.00
Commission Income	1,359,000.00	-
Other Income	73,222.00	38,830.33
	<b>1,642,606.00</b>	<b>243,833.33</b>
<b>NOTE - 17 - PURCHASE OF STOCK IN TRADE:</b>		
Purchases	367,811,701.00	438,712,848.55
	<b>367,811,701.00</b>	<b>438,712,848.55</b>
<b>NOTE - 18 - CHANGE IN INVENTORIES:</b>		
Opening Stock	25,581,690.00	6,314,958.00
Less: Closing Stock	35,561,101.00	25,581,690.00
	<b>-9,979,411.00</b>	<b>-19,266,732.00</b>
<b>NOTE - 19 - EMPLOYEE BENEFIT EXPENSE:</b>		
Bonus	530,342.00	505,086.00
Provident Fund Expenses	197,949.00	216,677.00
Staff Welfare	82,549.00	28,617.00
Leave Encashment Expenses	-	381,701.00
Remuneration of Directors	1,200,000.00	1,200,000.00
Salary	6,570,442.00	7,526,898.00
	<b>8,581,282.00</b>	<b>9,858,979.00</b>
<b>NOTE - 20 - FINANCE COST:</b>		
Interest Expenses	7,789,566.00	6,550,620.00
Bank Charges	1,340.00	958.45
	<b>7,790,906.00</b>	<b>6,551,578.45</b>
<b>NOTE - 21 - OTHER EXPENSES:</b>		
Listing Fees	300,000.00	300,000.00
Professional Fees	520,894.33	350,500.00
Auditors Remuneration (For Statutory audit)	230,000.00	265,000.00
ROC Filing Fees	12,908.00	659,300.00
Office Rent Expenses	876,000.00	571,597.00
Advertisement Expenses	589,121.00	343,466.00
Annual Issuer Fees	18,000.00	19,620.00
BSE Limited (EXPENSE)	198,900.00	15,000.00
EGM/AGM Expenses	23,500.00	72,742.00

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Year ended 31.03.2021 Amt (Rs.)	Year ended 31.03.2020 Amt (Rs.)
<b>NOTE - 21 - OTHER EXPENSES: (CONTD.....)</b>		
Freight Expenses	787,209.36	111,231.00
Freight Exp [OUTWARD] 5%	819,025.78	346,709.74
Freight Exp (OUTWARD)12%	391,769.08	524,392.42
Freight Exp (OUTWARD)18%	-	5,478.90
Godown Maintenance	19,500.00	16,500.00
Godown Rent	246,786.00	120,000.00
Cylinder Charges	32,285.00	-
Product Permission Charges	35,874.00	-
Rounding Off (Other)	22.00	-
Sales Promotion	6,086,352.06	3,110,225.25
Share Transfer Agent Fees	76,000.00	99,507.00
Stationery & Printing Exp	294,601.00	76,822.50
Stationery & Printing Exp	-	105,140.00
Commission Exp	5,602,816.00	6,397,284.00
Conveyance [Petrol] Exp & Petrol & Diesel (BOLERO)	258,359.00	216,798.00
Electricity Expenses	178,849.00	161,225.00
Kasar & Discount	4,946.64	6,992.03
Licence Fees	2,000.00	5,000.00
Loan Process [FINANCE] Charges	-	538,750.00
Office & Canteen Expenses	174,372.00	163,944.00
Office [GODOWN] Misc. Exp.	544,928.00	722,457.25
Professional Tax (Firm)	4,800.00	4,800.00
Legal Exp	75,890.00	21,885.00
Municipal Tax	127,543.00	151,158.00
Trademark (Legal Exp)	19,800.00	453,600.00
Insurance Exp (Marine)	-	130,346.00
Digital Sign Exp	3,000.00	4,000.00
FILM Fees	10,000.00	10,000.00
Other Exp	-	1,180.00
Computer Exp	196,364.00	178,673.40
Donation	-	22,000.00
Office Maintenance Exp	102,168.00	82,554.00
Packing Exp	70,800.00	5,594.00
Postage & Courier Exp	657,222.00	911,991.00
Sales Incentive Exp	75,000.00	30,000.00
Telephone Exp	295,092.00	159,109.00
Electric Repairing Exp	12,588.00	25,956.00
Machinery Repair Maintenance and Service Exp	66,203.00	96,040.00
Maintenance Exp (Software)	11,375.00	7,000.00
Tours & Travels Exp	92,561.00	437,794.00
GST Late Fees	-	25,700.00
Vehicle Exp	48,810.00	24,368.00
Inventory Charges	9,500.00	-
ISO Certification Exp	11,000.00	-
LEI Exp	3,990.00	-
Registration Fees - SOLAR PROJECT	15,340.00	-
Subscription Exp	510.00	-
Income Tax Exp	103,032.75	-
Newspaper & Magazine Exp	25.00	-
Office Safety Exp	31,447.00	-
Membership Fees	5,015.00	-
Mask Repairing Exp	58,000.00	-
	<b>20,432,094.00</b>	<b>18,109,430.49</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	Year ended	Year ended
	31.03.2021	31.03.2020
	Amt (Rs.)	Amt (Rs.)

**NOTE - 22 - EARNINGS PER SHARE (EPS):**

a) Weighted Average Number of Equity Shares Outstanding during the year	3,249,000.00	3,249,000.00
b) Net Profit after tax available for Equity Shareholders (Rs.)	11,949,613.00	11,183,851.76
c) Basic and Diluted Earnings Per Share (Rs.)	3.68	3.44

The Company does not have any outstanding dilutive potential equity shares.

**NOTE - 23 - SEGMENTAL REPORTING:**
**(A) On the basis of Business Segments**

Particulars	As at 31.03.2021		As at 31.03.2020	
	Trading	Total	Trading	Total
External Revenues	411863419.00	411863419.00	469572901.30	469572901.30
Internal Segment Revenues	0.00	0.00	0.00	0.00
Other Non-Allocable Income	0.00	0.00	0.00	0.00
Total Revenues	411863419.00	411863419.00	469572901.30	469572901.30
Less: Elimination	0.00	0.00	0.00	0.00
Total Revenues	411863419.00	411863419.00	469572901.30	469572901.30
External Expenses	395262463.00	395262463.00	454211122.50	454211122.50
Other Non-Allocable Expenses	0.00	0.00	0.00	0.00
Non Reportable Segment Revenue	0.00	0.00	0.00	0.00
Other Income	0.00	0.00	0.00	0.00
Interest Cost	0.00	0.00	0.00	0.00
Total Expenditure	395262463.00	395262463.00	454211122.50	454211122.50
Provision for Taxes/ Deferred Tax	4651343.00	4651343.00	4177927.00	4177927.00
<b>NET PROFIT</b>	<b>11949613.00</b>	<b>11949613.00</b>	<b>11183851.76</b>	<b>11183851.76</b>
Particulars	As at 31.03.2021		As at 31.03.2020	
	Trading	Total	Trading	Total
<b>OTHER INFORMATION</b>				
Segment Assets	164208035.00	164208035.00	191,711,753.40	191,711,753.40
Unallocable Corporate Assets	0.00	0.00	0.00	0.00
<b>TOTAL ASSETS</b>	<b>164208035.00</b>	<b>164208035.00</b>	<b>191,711,753.40</b>	<b>191,711,753.40</b>
Segment Liabilities	100807875.37	100807875.37	140,261,206.70	140,261,206.70
Unallocable Liabilities	0.00	0.00	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>100807875.37</b>	<b>100807875.37</b>	<b>140,261,206.70</b>	<b>140,261,206.70</b>
<b>CAPITAL EXPENDITURE</b>				
Segment Capital Expenditure	1846411.00	1846411.00	1,408,675.00	1,408,675.00
Unallocable Capital Expenses	0.00	0.00	0.00	0.00
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>1846411.00</b>	<b>1846411.00</b>	<b>1408675.00</b>	<b>1408675.00</b>
<b>DEPRECIATION &amp; AMORTIZATION</b>				
Segment Depreciation & Amortisement	625891.00	625891.00	245,018.00	245,018.00
Unallocated Depreciation & Amortisement	0.00	0.00	0.00	0.00
<b>TOTAL DEPRECIATION &amp; AMORTISEMENT</b>	<b>625891.00</b>	<b>625891.00</b>	<b>245,018.00</b>	<b>245,018.00</b>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**
**NOTE - 23 - SEGMENTAL REPORTING: (CONTD.....)****(B) Other Disclosures:-**

1. Segments have been identified in line with the Indian Accounting Standard on Segment Reporting (IND AS-108) taking into account the organization structure as well as the differential risks and returns of these Segments.
2. The Company has disclosed Business Segment as the Primary Segment.
3. The Segment Revenues, Results, Assets and Liabilities include the respective amount identifiable to each of the segment and amounts allocated on a reasonable basis.

**Note:-** Above details compiled by the Management and relied upon by the Auditors.

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**NOTE - 24 - RELATED PARTY DISCLOSURES NATURE OF RELATIONSHIP AND TRANSACTION WITH RELATED PARTIES:****1 Related Parties and their Relationship:****a) Wholly Owned Subsidiary Companies**

- 1 Evagrace Pharma Private Limited
- 2 Ritz Formulations Private Limited
- 3 Sungrace Pharma Private Limited
- 4 Azillian Healthcare Private Limited

**b) Key Management Personnel:**

Mr. Samir D Shah	Managing Director
Mr. Jay S Shah	Chief Financial Officer
Mr. Dilipkumar B Shah	Chief Executive Officer
Ms. Puneeta Sharma	Company Secretary & Compliance Officer

**c) Independent and Non-Executive Directors:**

Mr. Dineshkumar S Shah	Independent Director (Upto 18th June, 2020)
Mr. Vijay J Shah	Independent Director
Mr. Ankur A Dave	Independent Director
Mr. Hiren R Shah	Independent Director (w.e.f. 4th August, 2020)
Mrs. Tanvi S Shah	Non-Executive Director
Mrs. Swati V Shah	Non-Executive Director

**d) Relatives of Key Management Personnel:**

<b>Name</b>	<b>Relationship</b>
Mrs. Tanvi S Shah	Wife of Mr. Samir Shah

**e) Enterprises over which key management personnel are able to exercise significant influence:**

<b>Name of enterprise</b>	<b>Director/Partner/Employee</b>
Medico Healthcare	Partnership firm in which Mr. Samir Shah & Mr. Dilipkumar Shah are Partners
Oxford Pharma	Partnership firm in which Mr. Samir Shah is Partner
Flora Marketing	Proprietorship firm in which Mrs. Tanvi Shah is Proprietor



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**
**NOTE - 24 - RELATED PARTY DISCLOSURES NATURE OF RELATIONSHIP AND TRANSACTION WITH RELATED PARTIES: (CONTD.....)**
**2(a) Related Party Transactions entered during the year:**

Particulars	Enterprises trusts over which significant influence exercised by key management personnel		Subsidiary Company		Key Managerial Personnel		Total	
	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020
Purchase of goods	73556108	120739351	6977283	4731560	0	0	80,533,391	125,470,911
Purchase of fixed assets	847540	0	0	0	0	0	847,540	0
Sale of goods	8969768	27308284	38604728	27539609	0	0	47,574,496	54,847,893
Rent/Vehicle Hire Charges paid	300000	300000	0	0	300000	75000	600,000	375,000
Interest Paid	0	0	0	0	821828	1180487	821,828	1,180,487
Loans Taken	0	0	0	0	41,728,000	48,560,000	41,728,000	48,560,000
loans Repayment	0	0	0	0	47,423,160	30,900,000	47,423,160	30,900,000
Remuneration on A/c of Salary & Perquisites	0	0	0	0	2,069,419	2,027,240	2,069,419	2,027,240

**2(b) Balance Outstanding at the end of the Financial Year:**

Particulars	Enterprises trusts over which significant influence exercised by key management personnel		Subsidiary Company		Key Managerial Personnel		Total	
	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020
Receivable/ (Payable) on account of goods sale / services rendered / received	6854786	21365985	5669844	11210260	0	0	12524630	32576245
Receivable on account of Security deposit / Prepaid Lease	0	0	0	0	0	0	0	0
Payable on account of Loans Taken	0	0	0	0	14719534	19654504	14719534	19654504

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

## NOTE - 25 - FAIR VALUE MEASUREMENTS:

## a. Financial instruments by category:

Particulars	As at March 31, 2021		As at March 31, 2020	
	FVOCI	Amortised cost	FVOCI	Amortised cost
<b>Financial Assets</b>				
Investments				
- Equity / Pref instruments	0.00	43,519,000.00	0.00	35,720,000.00
Trade receivables	0.00	80,344,565.00	0.00	126,667,179.74
Cash and cash equivalents	0.00	1,157,983.00	0.00	1,378,847.62
<b>Total financial assets</b>	<b>0.00</b>	<b>125,021,548.00</b>	<b>0.00</b>	<b>163,766,027.36</b>
<b>Financial Liabilities</b>				
Borrowings	0.00	48,163,229.00	0.00	85,521,005.89
Other Financial Liabilities	0.00	0.00	0.00	0.00
<b>Total financial liabilities</b>	<b>0.00</b>	<b>48,163,229.00</b>	<b>0.00</b>	<b>85,521,005.89</b>

## b. Fair value hierarchy:

Financial assets and liabilities measured at fair value - March 31 2021	Notes	Level 1	Level 2	Level 3	Total
<i>Financial Assets</i>					
Investments					
- Equity / Pref instruments	-	0.00	0.00	0.00	0.00
<b>Total financial assets</b>	-	0.00	0.00	0.00	0.00
Financial assets and liabilities measured at amortised cost - March 31 2021	Notes	Level 1	Level 2	Level 3	Total
<i>Financial Assets</i>					
Investments					
- Equity / Pref instruments	3	0.00	0.00	43,519,000.00	43,519,000.00
Trade receivables	6	0.00	0.00	80,344,565.00	80,344,565.00
Cash and cash equivalents	7	0.00	0.00	1,157,983.00	1,157,983.00
Loans		0.00	0.00	-	-
<b>Total financial assets</b>		<b>0.00</b>	<b>0.00</b>	<b>125,021,548.00</b>	<b>125,021,548.00</b>
<i>Financial Liabilities</i>					
Borrowings	11	0.00	0.00	48,163,229.00	48,163,229.00
Other financial liabilities		-	-	-	-
<b>Total financial liabilities</b>		<b>0.00</b>	<b>0.00</b>	<b>48,163,229.00</b>	<b>48,163,229.00</b>
Financial assets and liabilities measured at fair value - March 31 2020	Notes	Level 1	Level 2	Level 3	Total
<i>Financial Assets</i>					
Investments					
- Equity / Pref instruments		0.00	0.00	0.00	0.00
<b>Total financial assets</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**
**NOTE - 25 - FAIR VALUE MEASUREMENTS: (CONTD.....)**
**b. Fair value hierarchy:**

Financial assets and liabilities measured at amortised cost - March 31 2020	Notes	Level 1	Level 2	Level 3	Total
<i>Financial Assets</i>					
Investments					
- Equity / Pref instruments	3	0.00	0.00	35,720,000.00	35,720,000.00
Trade receivables	6	0.00	0.00	126,667,179.74	126,667,179.74
Cash and cash equivalents	7	0.00	0.00	1,378,847.62	1,378,847.62
Loans		0.00	0.00	-	-
<b>Total financial assets</b>		<b>0.00</b>	<b>0.00</b>	<b>163,766,027.36</b>	<b>163,766,027.36</b>
<i>Financial Liabilities</i>					
Borrowings	11	0.00	0.00	85,521,005.89	85,521,005.89
Other financial liabilities		-	-	-	-
<b>Total financial liabilities</b>		<b>0.00</b>	<b>0.00</b>	<b>85,521,005.89</b>	<b>85,521,005.89</b>

\*Fair Value of Instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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 significant inputs required to fair value an instruments are observable, the instrument is included in Level 2.

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

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

**NOTE - 26 - IMPACT ASSESSMENT OF THE GLOBAL HEALTH PANDEMIC- COVID-19 AND RELATED ESTIMATION UNCERTAINTY:**

During the last few months, the Global Pandemic Covid-19 has had significant impact on the economic activity globally and in India and is disrupting supply chains with closing of national and state borders and also imposing of partial lock down in various states and the economic activity have come to a grinding halt.

In previous year, post announcement by WHO as a global pandemic, numerous steps have been taken by the Government and the companies to contain the spread of virus. The Central and most State governments had lifted the lockdown partially from May 2020 to allow economic activity, the company belongs to trading of essential medicines, there is no big impact on supply chain of the business during the lockdown period because government given special relaxation for operating medicine related business during the lockdown periods.

However the extent to which the business/operations of the company shall be impacted due to various uncertainties arising from Covid-19 shall depend on future developments that are highly uncertain and it may take time for the demand to get to full normalcy.

There may be delays beyond usual credit terms from customers.

The Company as a measure of prudence has initiated the following actions:

- a) focus on reducing costs
- b) managing customer exposure and continuous monitoring of their financial health

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- c) monitoring cash inflows and outflows with specific focus on maintaining liquidity by actively following up for recovery of receivables and managing vendor payments.
- d) Re-engineering the operations to achieve efficiencies.

The Company has made an assessment on measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay its debts for the next one year, and concluded that no material adjustments are considered necessary.

However, the actual impact may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to the assumptions made or future economic conditions.

### NOTE : 27 - FINANCIAL RISK MANAGEMENT:

The Company is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

#### (A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

##### (i) Foreign currency exchange rate risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is exposed to foreign currency risk due to import of materials. The company measures risk through sensitivity analysis. No outstanding amount is payable for purchase of imported material as on March 31, 2021.

##### (ii) 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 change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As the Company has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

#### (B) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk arises primarily from financial assets such as trade receivables, investments in mutual funds, cash and cash equivalent and other balances with banks.

In respect of trade receivables, credit risk is being managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. All trade receivables are also reviewed and assessed for default on a regular basis. The concentration of credit risk is limited due to the fact that the customer base is large.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**
**(C) Liquidity risk**

- a. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.
- b. Management monitors rolling forecasts of the Company 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 it operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities:**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	As at March 31, 2021		
	< 1 year	>1 Year	Total
Non-derivatives financial liabilities			
Borrowings	324150.00	0	324150.00
Trade payables	50181051.00	0	50181051.00
Other financial liabilities	0	0	0
<b>Total</b>	<b>50505201.00</b>	<b>0</b>	<b>50505201.00</b>
Particulars	As at March 31, 2020		
	< 1 year	>1 Year	Total
Non-derivatives financial liabilities			
Borrowings	294153.00	0	294153.00
Trade payables	52004983.00	0	52004983.00
Other financial liabilities	0	0	0
<b>Total</b>	<b>52299136.00</b>	<b>0</b>	<b>52299136.00</b>

**NOTE - 28 - DISCLOSURE REQUIREMENTS UNDER MSMED ACT, 2006:**

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	23870745.00	31783435.00
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-

Particulars	As at March 31, 2021	As at March 31, 2020
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Average credit period allowed to the supplier is generally exceeding the time limit mention under MSMED Act and hence no interest has been charged during the period under consideration.

**NOTE - 29** : The Company has not taken or given any assets on lease during the current year.

**NOTE - 30** : Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification/disclosure.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For V. GOSWAMI & CO,**

Chartered Accountants

FRN : 0128769W

Sd/-

**Nilesh Purohit**

Partner

M.No. 162541

**Place : Ahmedabad**

**Dated : 29/06/2021**

**For and on behalf of the board  
Medico Intercontinental Limited**

Sd/-

**Tanvi Shah**

Chairman

Din:-08192047

Sd/-

**Jay Shah**

Chief Financial officer

PAN No.: CZOPS1007A

Sd/-

**Samir Shah**

Managing Director

Din:-03350268

Sd/-

**Puneeta Sharma**

Company Secretary

PAN No.: CXOPS0548E

**INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

**TO THE MEMBERS OF  
MEDICO INTERCONTINENTAL LIMITED**

(formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **MEDICO INTERCONTINENTAL LIMITED (formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)** ("the Holding company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group", which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2021, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the consolidated profit and total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (hereinafter referred to as "SAs"). 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 (hereinafter referred to as "ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Emphasis of matter**

We draw your attention to Note 35 to the consolidated financial statements which explain the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

**Key audit matters**

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

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
Revenue recognition as per Ind AS 115	Our audit procedures included the following:
Refer to Note - 1 (Significant Accounting Policies) and Note - 1.10 (Revenue from operations) of the financial statements.	We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition including those relating to cut off at year end;
The Company's revenue is principally derived from sale of various medicine products.	We assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers";
In accordance with Ind AS 115, revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are	We performed substantive testing of revenue transactions, recorded during the year by testing the underlying documents

no unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms of contract with the customer. Revenue is measured at fair value of the consideration received or receivable after deduction of any trade/volume discounts and taxes or duties collected.

We identified revenue recognition as a key audit matter since revenue is significant to the financial statements and is required to be recognized as per the requirements of applicable accounting framework.

which included goods dispatch notes, shipping documents and customer acknowledgments, as applicable;

We tested manual journal entries posted to revenue to identify unusual items;

We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date including examination of credit notes issued after the year end to determine whether the revenue has been recognized in the appropriate financial period.

Based on the above stated procedures, no significant exceptions were noted in revenue recognition.

### Other Information

The Holding Company's Board of Directors is responsible for the other information.

The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

### Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India (Indian GAAPs), including the Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, 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.

### Auditor's Responsibility

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



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

- o 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.
- o 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.
- o Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- o 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.
- o Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

We did not audit the annual financial statements of four subsidiaries included in the Statement, whose financial information reflects total assets of Rs. 1810.21 lakhs as at 31st March 2021, total revenues of Rs. 3425.90 lakhs, total net profit after tax of Rs. 138.12 lakhs and cash flows (net) of (Rs. 24.19 lakhs) for the year ended on that date, as considered in the Statement. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph above.

Our opinion is not modified in respect of this with respect to our reliance on the work done by and the reports of the other auditors.

#### **Report on other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, 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.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the holding company and reports of the statutory auditors of its subsidiary company, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure – A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - o The Group has not any pending litigations on its financial position in its standalone financial statements.
  - o The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - o There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

**For, V. GOSWAMI & CO,**  
**Chartered Accountants**  
**(FRN: 0128769W)**

**Sd/-**  
**Nilesh Purohit**  
**(Partner)**  
**Mem. No: 162541**

**Date : 29/06/2021**  
**Place : Ahmedabad**  
**UDIN : 21162541AAAACQ2383**

## **Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph 1 (f) under “Report on Other Legal and Regulatory Requirement of our report of even date)

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

We have audited the internal financial controls over financial reporting of **MEDICO INTERCONTINENTAL LIMITED (formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)** (“the Holding Company”) and its subsidiary as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

The Respective Board of Directors of the Holding Company and its subsidiary management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future

periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company and its subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

**For, V. GOSWAMI & CO,**  
**Chartered Accountants**  
**(FRN: 0128769W)**

**Sd/-**  
**Nilesh Purohit**  
**(Partner)**  
**Mem. No: 162541**

**Date : 29/06/2021**  
**Place : Ahmedabad**  
**UDIN : 21162541AAAACQ2383**

**CONSOLIDATED BALANCE SHEET AS AT 31 March, 2021**

Particulars	Note	As at 31 March, 2021 Amt. (Rs.)	As at 31 March, 2020 Amt. (Rs.)
<b>ASSETS:</b>			
<b>Non-current Assets</b>			
(a) Property, Plant & Equipments	2.1	12,116,730.00	11,355,290.00
(b) Intangible Assets	2.2	11,396,690.00	5,454,112.00
(c) Financial Assests			
(i) Investments	3	1,600,010.00	-
(ii) Loans	4	0.00	3,361,000.00
(c) Deferred Tax Assets(Net)	5	0.00	0.00
(d) Other Non Current Assets	6	111,000.00	0.00
<b>Sub-total - Non-current Assets</b>		<b>25,224,430.00</b>	<b>20,170,402.00</b>
<b>Current Assets</b>			
(a) Inventories	7	91,111,076.00	86,772,699.00
(b) Financial Assests			
(i) Trade Receivables	8	179,782,339.00	227,682,098.57
(ii) Cash and Cash Equivalents	9	5,147,810.00	7,788,076.65
(iii) Loan	10	0.00	11,833,386.48
(c) Other Current Assets	11	5,186,528.00	6,163,986.00
<b>Sub-total - Current Assets</b>		<b>281,227,753.00</b>	<b>340,240,246.70</b>
<b>TOTAL ASSETS</b>		<b>306,452,183.00</b>	<b>360,410,648.70</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
(a) Equity Share capital	12	32,490,000.00	32,490,000.00
(b) Other equity	13	62,864,387.04	31,113,643.04
<b>Sub-total -Shareholders' Funds</b>		<b>95,354,387.04</b>	<b>63,603,643.04</b>
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14.1	65,447,073.00	130,774.62
(ii) Other Financial Liabilities	15	35,000.00	0.00
(b) Provisions		0.00	0.00
(c) Deferred Tax Liabilities (Net)	5	180,662.00	140,689
<b>Sub-total - Non-current Liabilities</b>		<b>65,662,735.00</b>	<b>130,915,311</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14.2	24,164,827.00	5,827,896
(ii) Other Financial Liabilities	16	3,464,336.00	0
(iii) Trade Payables			
Due to micro enterprises and small enterprises	17	23,870,745.00	31,783,435
Due to others		81,647,641.00	107,905,416
(b) Other Current Liabilities	18	6,351,740.96	14,792,428
(c) Provisions	19	5,935,771.00	5,582,519
<b>Sub-total - Current Liabilities</b>		<b>145,435,060.96</b>	<b>165,891,694.19</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>306,452,183.00</b>	<b>360,410,648.70</b>
Basis of preparation, measurement and significant accounting policies	1		
The accompanying notes are an integral part of these Financial Statements	1 to 36		
As per our report of even date <b>For V. GOSWAMI &amp; CO,</b> Chartered Accountants FRN : 0128769W Sd/- <b>Nilesh Purohit</b> Partner M.No. 162541	<b>For and on behalf of the board</b> <b>Medico Intercontinental Limited</b>  Sd/- <b>Tanvi Shah</b> Chairman DIN:-08192047 Sd/- <b>Jay Shah</b> Chief Financial officer PAN No.: CZOPS1007A	Sd/- <b>Samir Shah</b> Managing Director DIN:-03350268 Sd/- <b>Puneeta Sharma</b> Company Secretary PAN No.: CXOPS0548E	
<b>Place : Ahmedabad</b> <b>Dated : 29/06/2021</b>			

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2021**

Particulars	Note	Year ended 31.03.2021 Amt. (Rs.)	Year ended 31.03.2020 Amt. (Rs.)
<b>Income:</b>			
Revenue From Operation	20	697,405,034.00	819,635,431.73
Other Income	21	1,783,822.00	512,106.33
<b>Total Income</b>		<b>699,188,856.00</b>	<b>820,147,538.06</b>
<b>Expenses:</b>			
Purchases of Stock in Trade	22	580,524,049.00	751,806,622.21
Changes In Inventories	23	-4,338,377.00	-58,439,543.43
Employee Benefits Expense	24	21,738,797.00	32,204,867.00
Depreciation and Amortization Expense	2	1,373,943.00	1,049,566.00
Finance Costs	25	12,798,859.00	10,952,862.58
Other Expenses	26	51,770,255.00	50,555,107.53
<b>Total Expenses</b>		<b>663,867,526.00</b>	<b>788,129,481.89</b>
<b>Profit Before Exceptional items and Tax</b>		<b>35,321,330.00</b>	<b>32,018,056.17</b>
<b>Exceptional Items</b>			
Bad Debts		0.00	0.00
<b>Profit Before Tax</b>		<b>35,321,330.00</b>	<b>32,018,056.17</b>
Tax Expense:			
- Current Tax		9,519,613.00	8,342,000.00
- Deferred Tax		39,973.00	108,000.00
<b>Profit For the Year ended (A)</b>		<b>25,761,744.00</b>	<b>23,568,056.17</b>
<b>OTHER COMPREHENSIVE INCOME:</b>			
Items that will not be reclassified subsequently to profit or loss		0.00	0.00
Items that will be reclassified subsequently to profit or loss		0.00	0.00
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR (B)</b>		<b>0.00</b>	<b>0.00</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)</b>		<b>25,761,744.00</b>	<b>23,568,056.17</b>
<b>Earnings per equity share of face value of Rs. 10/-each</b>			
Basic and Diluted (Rs.)	27	7.93	7.25
Basis of preparation, measurement and significant accounting policies	1		
The accompanying notes forms an integral part of these Financial Statements	1 to 36		

As per our report of even date  
**For V. GOSWAMI & CO,**  
 Chartered Accountants  
 FRN : 0128769W  
 Sd/-  
**Nilesh Purohit**  
 Partner  
 M.No. 162541

**Place : Ahmedabad**  
**Dated : 29/06/2021**

**For and on behalf of the board**  
**Medico Intercontinental Limited**

Sd/-  
**Tanvi Shah**  
 Chairman  
 DIN:-08192047  
 Sd/-  
**Jay Shah**  
 Chief Financial officer  
 PAN No.: CZOPS1007A

Sd/-  
**Samir Shah**  
 Managing Director  
 DIN:-03350268  
 Sd/-  
**Puneeta Sharma**  
 Company Secretary  
 PAN No.: CXOPS0548E

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
a) Net Profit/ (Loss) before tax	35,321,330.00	32,018,056.17
b) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<b>35,321,330.00</b>	<b>32,018,056.17</b>
Adjustments For:		
Depreciation and Amortization	1,373,943.00	1,049,566.00
Finance costs	12,798,859.00	0.00
Interest Income	-290,011.00	0.00
<b>CASH GENERATED FROM OPERATIONS</b>	<b>49,204,121.00</b>	<b>30,968,490.17</b>
Adjustments for		
Decrease/(Increase) in Inventories	-4,338,377.00	-80,457,741.00
Decrease/(Increase) in Trade Receivables	47,899,759.57	-162,992,836.57
Decrease/(Increase) in Short Term Loans and Advances	11,833,386.48	0.00
Decrease/(Increase) in Other Current Assets/Non Current Assets	866,458.00	-5,768,422.00
Increase/(Decrease) in Provisions and Other Current Liabilities	-8,779,563.15	0.00
Decrease/(Increase) in Current Assets, Loans	0.00	-11,833,386.48
Increase/(Decrease) in Trade Payables	-34,170,465.08	90,634,439.08
Increase/(Decrease) in Current Financial Liabilities-Borrowings	3,464,336.00	5,827,896.20
Increase/(Decrease) in Other Current Liabilities and Provisions	0.00	46,270,840.07
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>65,979,655.82</b>	<b>-87,350,720.53</b>
Income Tax Paid Net	-7,798,146.00	-50,890,000.00
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)</b>	<b>58,181,509.82</b>	<b>-138,240,720.53</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	-2,088,961.00	-1,628,006.00
Payment to acquire Financial Assets	-1,600,010.00	0.00
Deposits (Net)	-15,000.00	0.00
Interest Income Received	290,011.00	0.00
Purchase of Investments and Intangible assets	-5,989,000.00	-35,420,000.00
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)</b>	<b>-9,402,960.00</b>	<b>-37,048,006.00</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) in Loan and Advances	3,361,000.00	4,565,475.00
Proceeds from / (Repayment) of Borrowings Net	-65,327,549.47	129,653,157.47
Proceeds from / (Repayment) of Short Term Borrowing Net	23,346,592.00	0.00
Finance Costs paid	-12,798,859.00	0.00
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES (C)</b>	<b>-51,418,816.47</b>	<b>134,218,632.47</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>-2,640,266.65</b>	<b>-4,022,088.06</b>
CASH AND CASH EQUIVALENTS (At the beginning of the year)	7,788,076.65	11,810,164.71
CASH AND CASH EQUIVALENTS (At the end of the year)	5,147,810.00	7,788,076.65

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
- Previous Year's figure have been regrouped, rearranged, wherever necessary, to correspond with the current year's classification/disclosure.

As per our report of even date

**For V. GOSWAMI & CO,**

Chartered Accountants

FRN : 0128769W

Sd/-

**Nilesh Purohit**

Partner

M.No. 162541

**Place : Ahmedabad**
**Dated : 29/06/2021**
**For and on behalf of the board**
**Medico Intercontinental Limited**

Sd/-

**Tanvi Shah**

Chairman

DIN:-08192047

Sd/-

**Jay Shah**

Chief Financial officer

PAN No.: CZOPS1007A

Sd/-

**Samir Shah**

Managing Director

DIN:-03350268

Sd/-

**Puneeta Sharma**

Company Secretary

PAN No.: CXOPS0548E

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

	As at 31st March, 2021 Amt. (Rs.)	As at 31st March, 2020 Amt. (Rs.)		
<b>A. EQUITY SHARE CAPITAL</b>				
Balance at the beginning of the reporting year				
Equity shares of Rs.10/- each issued, subscribed and paid-up	32,490,000.00	32,490,000.00		
Changes in Equity Share capital during the year	0.00	0.00		
<b>Balance at the end of the reporting year</b>	<b>32,490,000.00</b>	<b>32,490,000.00</b>		
<b>B. OTHER EQUITY</b>				
Particulars	Reserves and Surplus		Items of Other Comprehensive Income(OCI)	Total
	Securities Premium Account	Retained Earnings	NA	
<b>Balance as at 1st April, 2019</b>		<b>7,545,586.87</b>	0.00	<b>7,545,586.87</b>
Profit for the year		23,568,056.17	0.00	23,568,056.17
<b>Total Comprehensive Income for the year</b>		<b>31,113,643.04</b>	0.00	<b>31,113,643.04</b>
<b>Balance As at 31st March, 2020</b>		<b>31,113,643.04</b>	<b>0.00</b>	<b>31,113,643.04</b>
<b>Balance as at 1st April, 2020</b>		<b>31,113,643.04</b>	0.00	31,113,643.04
Profit for the year		25,761,744.00	0.00	25,761,744.00
Securities Premium Account	5,989,000.00	-		5,989,000.00
<b>Total Comprehensive Income for the year</b>	<b>5,989,000.00</b>	<b>56,875,387.04</b>	0.00	<b>62,864,387.04</b>
<b>Balance as at 31st March, 2021</b>	<b>5,989,000.00</b>	<b>56,875,387.04</b>	<b>0.00</b>	<b>62,864,387.04</b>

As per our report of even date  
**For V. GOSWAMI & CO,**  
 Chartered Accountants  
 FRN : 0128769W  
 Sd/-  
**Nilesh Purohit**  
 Partner  
 M.No. 162541

**Place : Ahmedabad**  
**Dated : 29/06/2021**

**For and on behalf of the board**  
**Medico Intercontinental Limited**

Sd/-  
**Tanvi Shah**  
 Chairman  
 DIN:-08192047  
 Sd/-  
**Jay Shah**  
 Chief Financial officer  
 PAN No.: CZOPS1007A

Sd/-  
**Samir Shah**  
 Managing Director  
 DIN:-03350268  
 Sd/-  
**Puneeta Sharma**  
 Company Secretary  
 PAN No.: CXOPS0548E



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

**NOTE NO. 1:**

**1.01 GROUP Overview**

The Consolidated Financial Statements (hereinafter referred to as “financial statements”) comprise financial statements of The **MEDICO INTERCONTINENTAL LIMITED (formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)** (the Parent), its subsidiaries (collectively referred to as Group) for the year ended March 31, 2021.

**MEDICO INTERCONTINENTAL LIMITED (formerly known as INTERCONTINENTAL LEASING & FINANCE COMPANY LIMITED)** (“the company”) was incorporated on August 14, 1984 having its Registered Office at 1-5th FLOOR, ADIT RAJ ARCADE, NR KARMA SHRESHTHA TOWER, 100 FT RD, SATELLITE, AHMEDABAD - 380015, Gujarat. The Company is into the business of trading of pharmaceuticals products.

**Basis of preparation and Significant Accounting Policies**

**1.02 Statement of Compliance**

The financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (“the Act”) and other relevant provisions of the Act. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**1.03 Basis of preparation and presentation**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

**1.04 Use of estimates**

The preparation of the financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

**1.05 Current versus Non-Current classification**

The Group presents assets and liabilities in the balance sheet bases on current/non-current classification. An asset is treated as current when it:

- expected to be realized or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve month after the reporting period.

All other assets are classified as Non-Current.

A liability is current when it is:

- expected to be settled in normal operating cycle,
- held primarily for the purpose of trading,
- dues to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of liability for atleast twelve months after the reporting period.

The Group classifies all other liabilities as Non-Current.

Deferred tax assets and liabilities are classifies as non-current assets and liabilities.

The operation cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

#### **1.06 Property, Plant and Equipments and other Intangible Assets**

##### **Recognition and measurement:**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit or loss.

##### **Depreciation and Amortization:**

Depreciation, on fixed assets, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, on Written Down Value (WDV) method. Depreciation on additions during the year is provided on prorata time basis.

#### **1.07 Inventories**

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

#### **1.08 Cash and Cash Equivalents (for purposes of Cash Flow Statement)**

Cash comprises Cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### **1.09 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### **1.10 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, GST and amounts collected on behalf of third parties.

##### **Sale of Products**

Timing of recognition - Revenue from sale of products is recognized when control of the products is transferred to customers based on the terms of sale.

Measurement of revenue - Revenue from sales is based on the price specified in the sales contracts, net of all expected discounts and returns in relation to sales made until the end of the reporting period.

No element of financing is deemed present as the sales are made with credit terms consistent with market practices. A receivable is recognized when the goods are dispatched, delivered or upon formal customer acceptance depending on terms of contract with the customer.

##### **Other Income**

Interest income is accounted on accrual basis.

All other income is recognized on accrual basis.

#### **1.11 Employee benefits**

##### **Short Term Employee Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has

a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**Defined contribution plans**

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

**1.12 Borrowing Costs**

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset is added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

**1.13 Earnings Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

**1.14 Taxes on income**

**Current tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**1.15 Contingent Liabilities**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

**1.16 Contingent Asset**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements.

### 1.17 Segment Reporting

An operating segment is component of the Group that engages in the business activity from which the Group earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The Parent Company's chief operating decision maker is the Managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

### 1.18 Leases:

#### As a lessee:

The Group assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases are recognized as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognized at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

#### As a lessor:

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Income from operating leases where the Group is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature. Leases of property, plant and equipment where the Group as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually.

**1.19 Impairment of assets:**

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal external factors. An impairment loss on such assessment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognized.

**1.20 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 recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously.

**1.21 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 measured at amortized cost.

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

For assets measured at fair value, gains and losses will either be recorded in Statement of profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through other comprehensive income.

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

**(ii) Measurement**

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.

**(iii) 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 Group classifies its debt instruments.

**(iv) Amortized 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 amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**(v) 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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the

cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**(vi) Fair value through profit or loss:**

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

**(vii) Financial Liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

**(viii) Investments in Subsidiaries**

Investments in subsidiaries, associates and joint ventures are carried at cost in the separate financial statements.

**(ix) Equity Instruments**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognized as a deduction from equity instrument net of any tax effects.

## 1.22 Basis of Consolidation

The Parent Company consolidates entities which it owns or controls and applies equity method of accounting where the Company has significant influence over the other entity.

### Consolidation of Subsidiary

The Parent Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the current ability to direct the relevant activities of the entity that significantly affect the entity's returns.

### Subsidiary is consolidated from the date control commences until the date control ceases.

Consolidated Financial Statements combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of the subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date. Offset the carrying amount of the Parent Company's investment in subsidiary and the Parent Company's portion of the equity of each subsidiary. Intragroup transactions, balances and unrealized gains and losses on transactions between entities of group are eliminated. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. IND AS 12, Income taxes, applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and events in similar circumstances.

Non-Controlling Interests in the profit or loss and equity of subsidiary are shown separately in the consolidated financial statements of profit and loss and consolidated statement of changes in equity respectively.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021**
**NOTE - 2.1 : PROPERTY, PLANT AND EQUIPMENTS:**

Particulars	Furniture and fixtures	Office Equipment	Godown Building	Plant and Machinery	Computer	Vehicle	Total
<b>Year ended March 31, 2020</b>							
<b>Opening Gross Carrying Amount</b>	1,765,538	447,042	7,578,486	1,116,461	723,385	5,526,313	<b>17,157,225</b>
Additions	99,000	0	0	134,055	312,346	1,082,605	1,628,006
<b>Closing Gross Carrying Amount</b>	<b>1,864,538</b>	<b>447,042</b>	<b>7,578,486</b>	<b>1,250,516</b>	<b>1,035,731</b>	<b>6,608,918</b>	<b>18,785,231</b>
<b>Accumulated Depreciation and Impairment</b>							
<b>Opening Accumulated Depreciation</b>	993,002	160,806	1,428,236	547,704	672,557	2,639,966	<b>6,442,271</b>
Depreciation Charge during the year	80,150	42,255	194,963	61,336	93,092	515,874	987,670
<b>Closing Accumulated Depreciation and Impairment</b>	<b>1,073,152</b>	<b>203,061</b>	<b>1,623,199</b>	<b>609,040</b>	<b>765,649</b>	<b>3,155,840</b>	<b>7,429,941</b>
Net Carrying Amount	791,386	243,981	5,955,287	641,476	270,082	3,453,078	11,355,290
<b>Year ended March 31, 2021</b>							
<b>Opening Gross Carrying Amount</b>	1,864,538	447,042	7,578,486	1,250,516	1,035,731	6,608,918	<b>18,785,231</b>
Additions	0	156,900	0	120,342	1,080,109	731,610	2,088,961
<b>Closing Gross Carrying Amount</b>	<b>1,864,538</b>	<b>603,942</b>	<b>7,578,486</b>	<b>1,370,858</b>	<b>2,115,840.00</b>	<b>7,340,528.00</b>	<b>20,874,192.00</b>
<b>Accumulated depreciation and impairment</b>							
<b>Opening Accumulated Depreciation</b>	1,073,152.00	203,061.00	1,623,199.00	609,040.00	765,649.00	3,155,840.00	<b>7,429,941.00</b>
Depreciation Charge during the year	<b>90,299.00</b>	<b>38,234.00</b>	<b>188,783.00</b>	<b>64,869.00</b>	<b>224,848.00</b>	<b>720,488.00</b>	1,327,521.00
<b>Closing Accumulated Depreciation and Impairment</b>	<b>1,163,451.00</b>	<b>241,295.00</b>	<b>1,811,982.00</b>	<b>673,909.00</b>	<b>990,497.00</b>	<b>3,876,328.00</b>	<b>8,757,462.00</b>
Net Carrying Amount	<b>701,087</b>	<b>362,647</b>	<b>5,766,504</b>	<b>696,949</b>	<b>1,125,343</b>	<b>3,464,200</b>	<b>12,116,730</b>

**2.2 INTANGIBLE ASSETS**

						Goodwill	Total
<b>Year ended March 31, 2020</b>							
<b>Opening Gross Carrying Amount</b>	-	-	-	-	-	7,268,426	<b>7,268,426</b>
Additions	-	-	-	-	-	0	<b>0</b>
Disposals	-	-	-	-	-	0	<b>0</b>
<b>Closing Gross Carrying Amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,268,426</b>	<b>7,268,426</b>
<b>Accumulated Depreciation and Impairment</b>							
Opening Accumulated Depreciation	-	-	-	-	-	1,752,418	<b>1,752,418</b>
Depreciation Charge during the year	-	-	-	-	-	61,896	61,896
<b>Closing Accumulated Depreciation and Impairment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,814,314</b>	<b>1,814,314</b>
Net Carrying Amount	-	-	-	-	-	<b>5,454,112</b>	<b>5,454,112</b>
<b>Year ended March 31, 2021</b>							
<b>Opening Gross Carrying Amount</b>	-	-	-	-	-	7,268,426	<b>7,268,426</b>
Additions	-	-	-	-	-	5,989,000	5,989,000
Disposals	-	-	-	-	-	0	<b>0</b>
Closing Gross Carrying Amount	-	-	-	-	-	13,257,426	13,257,426
<b>Accumulated Depreciation and Impairment</b>							
Opening Accumulated Depreciation	-	-	-	-	-	1,814,314	<b>1,814,314</b>
Depreciation Charge during the year	-	-	-	-	-	46,422	46,422
<b>Closing Accumulated Depreciation and Impairment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,860,736</b>	<b>1,860,736</b>
Net Carrying Amount	-	-	-	-	-	<b>11,396,690</b>	<b>11,396,690</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
<b>NOTE - 3 - NON-CURRENT INVESTMENTS:</b>		
<b>Other Investments</b>		
ICICI Bank Fixed Deposit	1,500,000.00	0.00
In AMCO Bank Shares	100,010.00	0.00
	<b>1,600,010.00</b>	<b>0.00</b>
<b>NOTE - 4 - NON-CURRENT LOANS:</b>		
<b>(Unsecured, Considered Good except stated otherwise)</b>		
Advance recoverable in cash or kind or for value to be received		
Pure and Cure Healthcare Private Limited	0.00	30,000.00
Rent Deposit A/c (D), Ahmedabad	0.00	36,000.00
Royal Labs Deposit	0.00	3,250,000.00
Godown Deposit	0.00	15,000.00
Packing Material Deposit	0.00	12,000.00
Akums Drugs and Pharma Limited	0.00	18,000.00
	<b>0.00</b>	<b>3,361,000.00</b>
<b>NOTE - 5 - DEFERRED TAX:</b>		
Deferred Tax Liabilities	355997.00	263,872.00
Deferred Tax Assets	175335.00	123,183.00
<b>Deferred Tax Liabilities - Net</b>	<b>180,662.00</b>	<b>140,689.00</b>
<b>NOTE - 6 - OTHER NON-CURRENT ASSETS:</b>		
Security Deposits	111,000.00	0.00
	<b>111,000.00</b>	<b>0.00</b>
<b>NOTE - 7 - INVENTORIES:</b>		
Finished Goods	91,111,076.00	86,772,699.00
	<b>91,111,076.00</b>	<b>86,772,699.00</b>
<b>NOTE - 8 - TRADE RECEIVABLES:</b>		
<b>UNSECURED, CONSIDERED GOOD</b>		
Trade receivable	179,782,339.00	227,682,098.57
	<b>179,782,339.00</b>	<b>227,682,098.57</b>
<b>NOTE - 9 - CASH AND CASH EQUIVALENTS:</b>		
Cash on Hand	1,544,483.00	815,776.50
<b>Balances with Banks</b>		
- IN Current Accounts and OD A/c*	3,603,327.00	6,972,300.15
(*Current account with ICICI BANK AND STANDARD CHARTERED BANK)		
	<b>5,147,810.00</b>	<b>7,788,076.65</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	As At	As At
	31.03.2021	31.03.2020
	Amt. (Rs.)	Amt. (Rs.)
<b>NOTE - 10 - FINANCIAL ASSETS-LOAN:</b>		
Advances given for For Purchase	0.00	11,759,552.48
Advances given for For Expenses	0.00	73,834.00
	<b>0.00</b>	<b>11,833,386.48</b>

**NOTE - 11 - OTHER CURRENT ASSETS:**

SECURITY DEPOSITS BAJAJ FORMULATIONS	60,000.00	40,000.00
SECURITY DEPOSITS -EMBARK LIFESCENCE PRIVATE LIMITED	13,000.00	13,000.00
REKHA PRAJAPATI -DEPOSIT	23,000.00	23,000.00
TDS [INTEREST] RECEIVABLES	12,576.00	33,622.00
PREPAID EXPENSES	890,274.00	1,003,016.00
ADVANCE TAX	1,500,000.00	1,400,000.00
ADVANCE TO SUPPLIERS FOR GOODS AND SERVICES	1,741,034.00	1,541,315.00
GST RECEIVABLES	434,703.00	2,110,033.00
LAXMI SYNTHETICS (SECURITY DEPOSIT), SURAT	100,000.00	0.00
TCS RECEIVABLES	14,105.00	0.00
ADVANCES GIVEN FOR PURCHASE	150,810.00	0.00
ADVANCES GIVEN FOR EXPENSES	247,021.00	0.00
	<b>5,186,523.00</b>	<b>6,163,986.00</b>

**NOTE - 12 - EQUITY SHARE CAPITAL:**
**Authorized Share Capital :**

10000000(P.Y. 10000000) Equity Shares of Rs. 10/- each	10,00,00,000	10,00,00,000
<b>Issued, Subscribed and Paid-up:*</b>		
32,49,000 (P.Y. 32,49,000) Equity Shares Capital of Rs. 10/- each	32,490,000.00	32,490,000.00
	<b>32,490,000.00</b>	<b>32,490,000.00</b>

**a. The Reconciliation of the number of Outstanding Shares as at 31st March, 2021 and 31st March, 2020 is set out below:**

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	3,249,000	32,490,000.00	3,249,000	32,490,000.00
Add: issue during the year	0.00	0.00	0.00	0.00
Shares outstanding at the end of the year	3,249,000	32,490,000.00	3,249,000	32,490,000.00

**b. The Company has only one class of Equity Shares having a par value of Rs. 10/- per Share. Each holder of equity share is entitled to same rights based on the number of shares held.**
**c. Shares in the Company held by each Shareholders holding more than 5% Shares:**

Name of Shareholders	As at 31.03.2021		As at 31.03.2020	
	No. of Shares Held	Percentage of holding	No. of Shares Held	Percentage of holding
SAMIR SHAH	1,353,500	41.66%	1,353,500	41.66%
DILIPKUMAR BHOGILAL SHAH	423,397	13.03%	423,397	13.03%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
<b>NOTE - 13 - OTHER EQUITY:</b>		
Retained Earnings	56,875,387.04	31,113,643.04
Securities premium	5,989,000.00	
	<b>62,864,387.04</b>	<b>31,113,643.04</b>
<b>a Retained earnings</b>		
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, any transfers from or to other comprehensive income, dividends or other distributions paid to shareholders.		
<b>b Securities premium</b>		
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.		
<b>NOTE - 14 - BORROWINGS:</b>		
<b>14.1 Non-Current (Secured)</b>		
<b>a. From</b>		
<b>Standard Chartered Bank</b>	22,945,302.00	65,073,955.89
Company has availed Overdraft and Cash Credit from Standard Chartered Bank of Rs. 8,50,00,000 against Hypothecation of Stock & Book debts		
<b>From Standard Chartered Bank</b>		
Emergency Credit line Term Loan- Standard Chartered Bank	10,000,000.00	0.00
Company availed Emergency Credit Line Term loan from Standard Chartered Bank against Hypothecation of Stock & Book Debts and Director Property as Collateral Security and repayment in 36 equal Installment after a moratorium of 12 months from the date of disbursement.		
<b>b. Term Loan</b>		
ICICI Bank (Refer Note No. (i) Below)	174,243.00	498,393.00
HDFC Bank - Car Loan (Refer Note No. (iii) Below)	176,192.00	600,639.39
Kotak Mahindra Prime Limited (Refer Note No. (ii) Below)	0.00	19,879.00
Kotak Mahindra Bank (Refer Note No. (iv) Below)	626,137.00	3,075,154.80
Kotak Mahindra Bank (Refer Note No. (iv) Below)	0.00	9,208,403.39
(i) Loan from ICICI Bank of Rs. 9,30,000 for Tenure of 36 Months, Instalments of Rs. 29,876/- Per Month against Hypothecation of Vehicles		
(ii) Loan from Kotak Mahindra Prime Limited of Rs. 5,00,000/- for Tenure of 36 Months, Installments of Rs.15,800/- per Month against Hypothecation of Vehicles.		
(iii) Loan from HDFC Bank of Rs. 22,00,000/- for Tenure of 36 Months, Installments of Rs. 44,610/- Per Month against Hypothecation of Vehicles.		
(iv) Company has availed Cash Credit Facility and Term loan from Kotak Mahindra Bank Limited of Rs. 2,00,00,000/- against Hypothecation of Stock & Book Debts.		
<b>Non-Current (Unsecured)</b>		
Loans from Director	31,525,199.00	52,298,197.00
	<b>65,447,073.00</b>	<b>130,774,622.47</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
<b>NOTE - 14.2 - CURRENT (SECURED)</b>		
<b>Term Loan</b>		
Current Maturities of Long Term Debts	324,150.00	5,303,814.20
Kotak Mahindra Bank (Refer Note No. (i) Below)	2,120,255.00	0.00
The Ahmedabad Mercantile Co-op Bank Limited (Refer Note No. (ii) and (iii) Below)	21,720,422.00	0.00
(i) Company has availed Cash Credit Limit and Term Loan from Kotak Mahindra Bank Limited of Rs. 2,00,00,000/- against Hypothecation of Stock & Book Debts.		
(ii) Company has availed Cash Credit and Term Loan from The Ahmedabad Mercantile Co-Operative Bank Limited of Rs. 1,09,00,000/- against Hypothecation of Stock & Book Debts.		
(iii) Company has availed Cash Credit and Term Loan from The Ahmedabad Mercantile Co-Operative Bank Limited of Rs. 1,42,00,000/- against Hypothecation of Stock & Book Debts.		
Borrowing from Others	0.00	524,082.00
	<b>24,164,827.00</b>	<b>5,827,896.20</b>
<b>NOTE - 15 - OTHER NON-CURRENT FINANCIAL LIABILITIES:</b>		
Trade / Security Deposits Received	35,000.00	0.00
	<b>35,000.00</b>	<b>0.00</b>
<b>NOTE - 16 - Other Financial Liabilities - Current:</b>		
HDFC Fortuner Car Loan	499,369.00	0.00
Kotak Mahindra Bank Term Loan	2,933,712.00	0.00
Kotak Mahindra Prime Limited (TUV Loan)	31,255.00	0.00
	<b>3,464,336.00</b>	<b>0.00</b>
<b>NOTE - 17 - TRADE PAYABLE:</b>		
<b>Unsecured</b>		
<b>Trade Payable*</b>		
- Outstanding dues of Micro and Small Enterprises (Refer Note 33)	23,870,745.00	31,783,435.00
- Others for Goods and Expenses	81,647,641.00	107,905,416.08
	<b>105,518,386.00</b>	<b>139,688,851.08</b>
<b>NOTE - 18 - OTHER CURRENT LIABILITIES:</b>		
Statutory dues - TDS	241,645.00	818,463.25
Provident Fund Payable	54,684.00	38,377.00
Professional Tax Payable	9,350.00	8,450.00
Telephone Exp Payable	6,718.00	7,030.00
GST Payable	652,544.96	593,448.99
Payable for Expenses	4,987,529.00	12,391,382.67
Advances from Customers	324,160.00	885,276.00
Payable to Others	50,000.00	50,000.00
Electricity Expenses Payable	11,599.00	-
TCS Payable	13,511.00	-
	<b>6,351,740.96</b>	<b>14,792,427.91</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

<b>Particulars</b>	<b>As At 31.03.2021 Amt. (Rs.)</b>	<b>As At 31.03.2020 Amt. (Rs.)</b>
<b>NOTE - 19 - PROVISIONS:</b>		
Provision for Tax	5,935,771.00	5,582,519.00
	<b>5,935,771.00</b>	<b>5,582,519.00</b>
<b>NOTE - 20 - REVENUE FROM OPERATIONS:</b>		
Sales of Pharmaceutical Products	697,405,034.00	819,635,431.73
	<b>697,405,034.00</b>	<b>819,635,431.73</b>
<b>NOTE - 21 - OTHER INCOME:</b>		
Interest Income	290,011.00	473,276.00
Commission Income	1,359,000.00	0.00
Other Income	134,811.00	38,830.33
	<b>1,783,822.00</b>	<b>512,106.33</b>
<b>NOTE - 22 - PURCHASE OF STOCK IN TRADE:</b>		
Purchases	580,524,049.00	751,806,622.21
	<b>580,524,049.00</b>	<b>751,806,622.21</b>
<b>NOTE - 23 - CHANGE IN INVENTORIES:</b>		
Opening Stock	86,772,699.00	28,333,155.57
Less: Closing Stock	91,111,076.00	86,772,699.00
	<b>-4,338,377.00</b>	<b>-58,439,543.43</b>
<b>NOTE - 24 - EMPLOYEE BENEFIT EXPENSE:</b>		
Bonus	1,146,885.00	882,801.00
Provident Fund Exp	377,361.00	658,667.00
Staff Welfare	147,899.00	134,302.00
Leave Encashment Expenses	165,911.00	685,751.00
<b>Remuneration of Directors</b>	3,644,100.00	2,100,000.00
Salary	16,194,641.00	27,743,346.00
Arrears (Salary)	62,000.00	0.00
	<b>21,738,797.00</b>	<b>32,204,867.00</b>
<b>NOTE - 25 - FINANCE COSTS:</b>		
Interest Expenses	12,673,562.00	10,651,969.13
Bank Charges	1,340.00	958.45
Processing Charges	123,957.00	299,935.00
	<b>12,798,859.00</b>	<b>10,952,862.58</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
<b>NOTE - 26 - OTHER EXPENSES:</b>		
Listing Fees	300,000.00	300,000.00
Professional Fees	872,794	1,117,035.00
<b>Auditors Remuneration (For statutory audit)</b>	385,000.00	415,000.00
ROC Filing Fees	21,708.00	702,586.00
Office Rent Expenses	1,650,000.00	571,597.00
Advertisement Expenses	837,689.00	475,326.00
Annual Issuer Fees	18,000.00	19,620.00
BSE Limited (EXPENSE)	198,900.00	15,000.00
EGM/AGM Expenses	23,500.00	72,742.00
Freight Expenses	4,698,990.00	948,859.00
Freight Exp [OUTWARD] 5%	846,954.00	2,602,055.40
Freight Exp (OUTWARD)12%	690,751.08	524,392.42
Freight Exp (OUTWARD)18%	8,023.00	5,478.90
Godown Maintenance	45,500.00	61,300.00
Godown Rent	1,729,029.00	120,000.00
Plate Charges	700.00	0.00
Product Permission Charges	44,374.00	59,000.00
Rounding Off (Other)	1,232.00	0.00
Sales Promotion	13,065,589.00	12,712,857.00
Share Transfer Agent Fees	76,000.00	99,507.00
Stationery & Printing Exp	353,950.60	158,938.50
Stationery & Printing Exp	5,191.00	149,089.00
Commission Exp	14,966,308.00	13,054,259.00
Conveyance Petrol Exp	658,753.00	556,267.35
Travelling and Conveyance	0.00	3,401,745.00
Electricity Expenses	544,198.59	500,878.11
Kasar & Discount	3,382.60	6,994.03
Licence Fees	6,000.00	5,000.00
Loan Process [FINANCE] Charges	0.00	538,750.00
Office & Canteen Expenses	2,21,747.00	163,944.00
Office [GODOWN] Misc. Exp.	1,013,331.30	722,457.25
Professional Tax (Firm)	12,000.00	4,800.00
Legal Exp	409,090.00	21,885.00
Municipal Tax	273,247.00	151,158.00
Trademark (Legal Exp)	514,300.00	453,600.00
Insurance Expenses	232,851.04	251,512.00
Digital Sign Exp	5,000.00	4,000.00
FILM Fees	10,000.00	10,000.00
Other Exp	45,985.00	398,218.00
Computer Exp	366,163.00	267,473.40
Donation	0.00	64,000.00
Office Maintenance Exp	254,184.00	82,554.00
Packing Exp	296,701.55	320,294.00
Postage & Courier Exp	2,360,637.00	2,808,278.00

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	As At 31.03.2021 Amt. (Rs.)	As At 31.03.2020 Amt. (Rs.)
<b>NOTE - 26 - OTHER EXPENSES: (CONTD.....)</b>		
Sales Incentive Exp	274,344.00	261,621.00
Telephone Exp	526,345.00	599,690.32
Electric Repairing Exp	15,768.00	25,956.00
Machinery Repair Maintenance and Service Exp	71,103.00	258,329.00
Maintenance Exp (Software)	27,895.00	7,000.00
Repairs and Maintenance	4,050.00	154,548.00
Tours & Travels Exp	404,548.00	437,794.00
GST Late Fees	450.00	25,700.00
Vehicle Exp	470,063.00	24,368.00
Office Expenses	201,008.12	0.00
Rent Expenses	0.00	1,995,000.00
Rates and Taxes	564,164.00	88,126.00
Cylinder Expenses	55,288.00	29,150.00
Expired and Damaged Goods	87,325.00	0.00
Bad Debts	524,399.25	699,975.00
Discount	0.00	337,942.34
Drug Books Expenses	20,000.00	70,000.00
Food Expenses	0.00	1,934.00
Interest and Late Fees	0.00	1,500.00
Interest on TDS	0.00	14,649.00
Inventory Charges	16,500.00	5,000.00
Testing Expenses	2,500.00	9,660.00
Internet Expenses	0.00	84,000.00
Rate Different Expense	152,237.75	387,784.06
Stamp Duty	0.00	99,045.00
Bank Charges	20,597.14	17,885.45
ISO Certification Exp	11,000.00	0.00
LEI Exp	3,990.00	0.00
Registration Fees - SOLAR PROJECT	15,340.00	0.00
Subscription Exp	510.00	0.00
Income Tax Exp	110,622.75	0.00
Newspaper & Magazine Exp	25.00	0.00
Office Safety Exp	59,413.00	0.00
Membership Fees	5,015.00	0.00
Mask Repairing Exp	58,000.00	0.00
	<b>51,770,255.00</b>	<b>50,555,107.53</b>

**NOTE - 27 - EARNINGS PER SHARE (EPS):**

a) Weighted Average Number of Equity Shares outstanding during the year	3,249,000.00	3,249,000.00
b) Net Profit after tax available for Equity Shareholders (Rs.)	25,761,744.00	23,568,056.17
c) Basic and Diluted Earnings Per Share (Rs.)	7.93	7.25

The Company does not have any outstanding dilutive potential Equity Shares.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**
**NOTE - 28 - SEGMENTAL REPORTING:**
**(A) On the basis of Business Segments:**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Trading	Total	Trading	Total
External Revenues	699,188,856.00	699,188,856.00	820,147,538.06	820,147,538.06
Internal Segment Revenues	0.00	0.00	0.00	0.00
Other Non-allocable Income	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>699,188,856.00</b>	<b>699,188,856.00</b>	<b>820,147,538.06</b>	<b>820,147,538.06</b>
Less: Elimination	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>699,188,856.00</b>	<b>699,188,856.00</b>	<b>820,147,538.06</b>	<b>820,147,538.06</b>
External Expenses	663,867,526.00	663,867,526.00	788,129,481.89	788,129,481.89
Other Non-Allocable Expenses	0.00	0.00	0.00	0.00
Non Reportable Segment Revenue	0.00	0.00	0.00	0.00
Other Income	0.00	0.00	0.00	0.00
Interest Cost	0.00	0.00	0.00	0.00
<b>Total Expenditure</b>	<b>663,867,526.00</b>	<b>663,867,526.00</b>	<b>788,129,481.89</b>	<b>788,129,481.89</b>
Provision for Taxes/ Deferred Tax	9,559,586.00	9,559,586.00	8,450,000.00	8,450,000.00
<b>NET PROFIT</b>	<b>25,761,744.00</b>	<b>25,761,744.00</b>	<b>23,568,056.17</b>	<b>23,568,056.17</b>

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Trading	Total	Trading	Total
<b>OTHER INFORMATION</b>				
Segment Assets	306,452,183.00	306,452,183.00	360,410,648.70	360,410,648.70
Unallocable Corporate Assets	0.00	0.00	0.00	0.00
<b>TOTAL ASSETS</b>	<b>306,452,183.00</b>	<b>306,452,183.00</b>	<b>360,410,648.70</b>	<b>360,410,648.70</b>
Segment Liabilities	211,097,795.96	211,097,795.96	296,807,005.66	296,807,005.66
Unallocable Liabilities	0.00	0.00	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>211,097,795.96</b>	<b>211,097,795.96</b>	<b>296,807,005.66</b>	<b>296,807,005.66</b>
<b>CAPITAL EXPENDITURE</b>				
Segment Capital Expenditure	2,088,961.00	2,088,961.00	1,628,006.00	1,628,006.00
Unallocable Capital Expenses	0.00	0.00	0.00	0.00
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>2,088,961.00</b>	<b>2,088,961.00</b>	<b>1,628,006.00</b>	<b>1,628,006.00</b>
<b>DEPRECIATION &amp; AMORTIZATION</b>				
Segment Depreciation & Amortization	1,373,943.00	1,373,943.00	1,049,566.00	1,049,566.00
Unallocated Depreciation & Amortization	0.00	0.00	0.00	0.00
<b>TOTAL DEPRECIATION &amp; AMORTIZATION</b>	<b>1,373,943.00</b>	<b>1,373,943.00</b>	<b>1,049,566.00</b>	<b>1,049,566.00</b>

**(B) Other Disclosures:**

1. Segments have been identified in line with the Indian Accounting Standard on Segment Reporting (IND AS-108) taking into account the organization structure as well as the differential risks and returns of these segments.
2. The Company has disclosed Business Segment as the primary segment.
3. The Segment Revenues, Results, Assets and Liabilities include the respective amount identifiable to each of the segment and amounts allocated on a reasonable basis.

**Note:-** Above details compiled by the Management and relied upon by the Auditors.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

## NOTE - 29 - FAIR VALUE MEASUREMENTS:

## a. Financial instruments by category:

Particulars	As at March 31, 2021		As at March 31, 2020	
	FVOCI	Amortised cost	FVOCI	Amortised cost
<b>Financial Assets</b>				
Investments				
- Equity / Pref instruments	0.00	100,010.00	0.00	0.00
Fixed Deposits with Bank	0.00	1,500,000.00	0.00	0.00
Trade receivables	0.00	179,782,339.00	0.00	227,682,098.57
Cash and cash equivalents	0.00	5,147,810.00	0.00	7,788,076.65
Loans	0.00	0.00	0.00	3,361,000.00
<b>Total financial assets</b>	<b>0.00</b>	<b>186,530,159.00</b>	<b>0.00</b>	<b>238,831,175.22</b>
<b>Financial Liabilities</b>				
Borrowings	0.00	89,611,900.00	0.00	136,602,518.67
Other Financial Liabilities	0.00	3,499,336.00	0.00	0.00
<b>Total financial liabilities</b>	<b>0.00</b>	<b>93,111,236.00</b>	<b>0.00</b>	<b>136,602,518.67</b>

## b. Fair value hierarchy:

Financial assets and liabilities measured at fair value - March 31 2021	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments					
- Equity / Pref Instruments		0.00	0.00	0.00	0.00
<b>Total Financial Assets</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial Assets and Liabilities measured at Amortised Cost - 31st March, 2021</b>	<b>Notes</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial Assets</b>					
Investments					
- Equity / Pref Instruments	3	0.00	0.00	100,010.00	100,010.00
- Fixed Deposits with Bank	3	0.00	0.00	1,500,000.00	1,500,000.00
Trade Receivables	8	0.00	0.00	179,782,339.00	179,782,339.00
Cash and Cash Equivalents	9	0.00	0.00	5,147,810.00	5,147,810.00
<b>Total Financial Assets</b>		<b>0.00</b>	<b>0.00</b>	<b>186,530,159.00</b>	<b>186,530,159.00</b>
<b>Financial Liabilities</b>					
Borrowings	14.1	0.00	0.00	89,611,900.00	89,611,900.00
Other Financial Liabilities	15	0.00	0.00	3,499,336.00	3,499,336.00
<b>Total Financial Liabilities</b>		<b>0.00</b>	<b>0.00</b>	<b>93,111,236.00</b>	<b>93,111,236.00</b>
<b>Financial Assets and Liabilities measured at Fair Value - 31st March, 2020</b>	<b>Notes</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial Assets</b>					
Investments					
- Equity / Pref Instruments		0.00	0.00	0.00	0.00
<b>Total Financial Assets</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**
**NOTE - 29 - FAIR VALUE MEASUREMENTS: (CONTD.....)**
**b. Fair value hierarchy:**

Financial Assets and Liabilities measured at Amortised Cost - 31st March, 2020	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
<b>Investments</b>					
- Equity / Pref Instruments	3	-	-	-	-
Trade Receivables	8	-	-	227,682,098.57	227,682,098.57
Cash and Cash Equivalents	9	-	-	7,788,076.65	7,788,076.65
Loans	4	-	-	3,361,000.00	3,361,000.00
<b>Total Financial Assets</b>		-	-	<b>238,831,175.22</b>	<b>238,831,175.22</b>
<b>Financial Liabilities</b>					
Borrowings	14.1	-	-	136,602,518.67	136,602,518.67
Other Financial Liabilities	15	-	-	-	-
<b>Total Financial Liabilities</b>		-	-	<b>136,602,518.67</b>	<b>136,602,518.67</b>

\* Fair value of Instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**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 significant inputs required to fair value an instruments are observable, the instrument is included in Level 2.

**Level 3:** If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

**NOTE - 30 - RELATED PARTY DISCLOSURES, NATURE OF RELATIONSHIP AND TRANSACTION WITH RELATED PARTIES:**
**1 Related Parties and their Relationship:**

a) **Holding Company** Medico Intercontinental Limited

b) **Key Management Personnel:**

Mr. Samir D Shah	Managing Director
Mr. Jay S Shah	Chief Financial Officer
Mr. Dilipkumar B Shah	Chief Executive Officer
Ms. Puneeta Sharma	Company Secretary & Compliance Officer
Mr. Dilipkumar B Shah	Director
Mr. Sharad B Shah	Director
Mr. Ronak K Shah	Director
Mrs. Khushboo R Shah	Director
Mrs. Tanvi S Shah	Director

c) **Independent and Non-Executive Directors:**

Mr. Dineshkumar S Shah	Independent Director (Upto 18th June, 2020)
Mr. Vijay J Shah	Independent Director
Mr. Ankur A Dave	Independent Director
Mr. Hireen R Shah	Independent Director (w.e.f. 4th August, 2020)
Mrs. Tanvi S Shah	Non-Executive Director
Mrs. Swati V Shah	Non-Executive Director

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

## NOTE - 30 - RELATED PARTY DISCLOSURES, NATURE OF RELATIONSHIP AND TRANSACTION WITH RELATED PARTIES: (Contd.....)

## 1 d) Enterprises over which key management personnel are able to exercise significant influence:

Name of enterprise	Director/Partner/Employee
Sungrace Pharma	Proprietorship Firm in which Mr. Ronak Shah is Proprietor
Oxford Pharma	Partnership Firm in which Mr. Samir Shah is Partner
Ritz Formulations Private Limited	Wholly Owned Subsidiary of Holding Company
Evagrace Pharma Private Limited	Wholly Owned Subsidiary of Holding Company
Azillian Healthcare Private Limited	Wholly Owned Subsidiary of Holding Company
Sungrace Pharma Private Limited	Wholly Owned Subsidiary of Holding Company
Flora Marketing	Proprietorship Firm in which Mrs. Tanvi Shah is Proprietor
Kingston Infracon	Partnership Firm in which Mr. Samir Shah & Mr. Dilipkumar Shah are Partners
Medico Healthcare	Partnership Firm in which Mr. Samir Shah & Mr. Dilipkumar Shah are Partners
Ritz Pharma	Partnership Firm in which Mr. Samir Shah & Mr. Dilipkumar Shah are Partners

## 2(a) Related Party Transactions entered during the year:

Particulars	Enterprises trusts over which significant influence exercised by key management personnel		Key Managerial Personnel		Other Related Parties		Total	
	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020
Purchase of Goods	90,340,406	200,696,884	0	0	0	0	90,340,406	200,696,884
Purchase of Fixed Assets	847,540	0	0	0	0	0	847,540	0
Sale of goods	13,122,866	27,758,966	0	0	0	0	13,122,866	27,758,966
Rent/Vehicle Hire Charges paid	1,588,500	1,500,000	660,000	435,000	0	0	2,248,500	1,935,000
Interest Paid	0	0	3,646,640	3,911,717	0	0	3,646,640	3,911,717
Sale Promotion Exp	0	3,085,200	0	0	0	0	0	3,085,200
Loans Taken	0	0	49,253,000	76,510,000	0	0	49,253,000	76,510,000
loans Repayment	0	0	73,399,143	31,977,900	0	0	73,399,143	31,977,900
Remuneration on A/c of Salary & Perquisites	0	0	4,513,519	4,236,169	217,360	183,086	4,730,879	4,419,255

## 2(b) Balance Outstanding at the end of the Financial Year:

Particulars	Enterprises trusts over which significant influence exercised by key management personnel		Key Managerial Personnel		Other Related Parties		Total	
	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020
Receivable/ (Payable) on account of goods sale/services rendered/received	1,593,309	-11,086,619	0	0	0	0	1,593,309	-11,086,619
Receivable on account of Security deposit/Prepaid Lease	0	0	0	0	0	0	0	0
Payable on account of Loans Taken	0	0	31,525,199	52,337,008	0	0	31,525,199	52,337,008

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

## NOTES - 31 - ADDITIONAL INFORMATION REGARDING SUBSIDIARIES COMPANIES:

YEAR 2019-20								
Name of the Entity	Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)
<b>PARENT COMPANY</b>								
Medico Intercontinental Limited	45.40%	28876477.00	47.45%	11183986.17	0	0	47.45%	11183986.17
<b>SUBSIDIARY COMPANIES</b>								
Ritz Formulations Private Limited	15.41%	9798392.00	8.78%	2068672.00	0	0	8.78%	2068672
Evagrace Pharma Private Limited	0.27%	171490.00	3.88%	913764.00	0	0	3.88%	913764
Sungrace Pharma Private Limited	20.16%	12823446.00	7.99%	1883685.00	0	0	7.99%	1883685
Azillian Healthcare Private Limited	18.76%	11933838.04	31.90%	7517949.00	0	0	31.90%	7517949
<b>MINORITY RESERVE SUBSIDIARY COMPANIES</b>								
<b>TOTAL</b>	<b>100.00%</b>	<b>63603643.04</b>	<b>100.00%</b>	<b>23568056.17</b>			<b>100.00%</b>	<b>23568056.17</b>

YEAR 2020-21								
Name of the Entity	Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)
<b>PARENT COMPANY</b>								
Medico Intercontinental Limited	66.49%	63400159.63	46.39%	11949613.00	0	0	46.39%	11949613.00
<b>SUBSIDIARY COMPANIES</b>								
Ritz Formulations Private Limited	7.80%	7438958.00	9.19%	2368684.00	0	0	9.19%	2368684.00
Sungrace Pharma Private Limited	7.42%	7075009.41	8.93%	2300184.86	0	0	8.93%	2300184.86
Evagrace Pharma Private Limited	1.72%	1641673.00	3.35%	862816.14	0	0	3.35%	862816.14
Azillian Healthcare PVT LTD	16.57%	15798587.00	32.14%	8280446.00	0	0	32.14%	8280446.00
<b>MINORITY RESERVE SUBSIDIARY COMPANIES</b>								
<b>TOTAL</b>	<b>100.00%</b>	<b>95354387.04</b>	<b>100%</b>	<b>25761744.00</b>			<b>100%</b>	<b>25761744.00</b>

**NOTE - 32 - FINANCIAL RISK MANAGEMENT**

The Group is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

**(A) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2021 and 31st March, 2020.

**(i) Foreign Currency Exchange rate risk**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is exposed to foreign currency risk due to import of materials. The company measures risk through sensitivity analysis. No outstanding amount is payable for purchase of imported material as on March 31, 2021.

**(ii) 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 change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As the Group has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Group has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

**(B) Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk arises primarily from financial assets such as trade receivables, investments in mutual funds, cash and cash equivalent and other balances with banks.

In respect of trade receivables, credit risk is being managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. All trade receivables are also reviewed and assessed for default on a regular basis. The concentration of credit risk is limited due to the fact that the customer base is large.

**(C) Liquidity risk**

- a. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.
- b. Management monitors rolling forecasts of the Company 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 it operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities:**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	As at March 31, 2021		
	< 1 year	>1 Year	Total
Non-derivatives financial liabilities			
Borrowings	24164827.00	0	24164827.00
Trade payables	105518386.00	0	105518386.00
Other financial liabilities	3464336.00	0	3464336.00
<b>Total</b>	<b>133147549.00</b>	<b>0</b>	<b>133147549.00</b>
Particulars	As at March 31, 2020		
	< 1 year	>1 Year	Total
Non-derivatives financial liabilities			
Borrowings	5827896.00	0	5827896.00
Trade payables	139688851.00	0	139688851.00
Other financial liabilities	0	0	0
<b>Total</b>	<b>145516747.00</b>	<b>0</b>	<b>145516747.00</b>

**NOTE - 33 - DISCLOSURE REQUIREMENT UNDER MSMED ACT, 2006**

The Group has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	23870745.00	31783435.00
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Average credit period allowed to the supplier is generally exceed the time limit mention under MSMED Act and hence no interest has been charged during the period under consideration.

**NOTE - 34** - The Group has not taken or given any assets on lease during the current year.

**NOTE - 35 - Impact assessment of the global health pandemic- COVID-19 and related estimation uncertainty**

During the last few months, the Global Pandemic Covid-19 has had significant impact on the economic activity globally and in India and is disrupting supply chains with closing of national and state borders and also imposing of partial lock down in various states and the economic activity have come to a grinding halt.

In previous year, post announcement by WHO as a global pandemic, numerous steps have been taken by the Government and the companies to contain the spread of virus. The Central and most State governments had lifted the lockdown partially from May 2020 to allow economic activity, the company belongs to trading of essential medicines, there is no big impact on supply chain of the business during the lockdown period because government given special relaxation for operating medicine related business during the lockdown periods.

However the extent to which the business/operations of the Group shall be impacted due to various uncertainties arising from Covid-19 shall depend on future developments that are highly uncertain and it may take time for the demand to get to full normalcy.

There may be delays beyond usual credit terms from customers.

The Group as a measure of prudence has initiated the following actions:

- a) focus on reducing costs
- b) managing customer exposure and continuous monitoring of their financial health
- c) Monitoring cash inflows and outflows with specific focus on maintaining liquidity by actively following up for recovery of receivables and managing vendor payments.
- d) Re-engineering the operations to achieve efficiencies.

The Group has made an assessment on measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay its debts for the next one year, and concluded that no material adjustments are considered necessary.

However, the actual impact may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to the assumptions made or future economic conditions.

**NOTE - 36** - Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification/disclosure.

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
**For V. GOSWAMI & CO,**  
 Chartered Accountants  
 FRN : 0128769W  
 Sd/-  
**Nilesh Purohit**  
 Partner  
 M.No. 162541

**Place : Ahmedabad**  
**Dated : 29/06/2021**

**For and on behalf of the board**  
**Medico Intercontinental Limited**

Sd/-  
**Tanvi Shah**  
 Chairman  
 Din:-08192047

Sd/-  
**Jay Shah**  
 Chief Financial officer  
 PAN No.: CZOPS1007A

Sd/-  
**Samir Shah**  
 Managing Director  
 Din:-03350268  
 Sd/-  
**Puneeta Sharma**  
 Company Secretary  
 PAN No.: CXOPS0548E

