



## INDEPENDENT AUDITOR'S REPORT

To the Members of Alkem Foundation

Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of Alkem Foundation ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2021, the statement of income and expenditure (Including Other Comprehensive Income), the statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2021, and its excess of income over expenditure, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report and Company's Information, 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 or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When the other information as identified above will be available to us and upon reading, if we conclude that there is material misstatement thereon, we are required and shall communicate the matter to those charged with governance.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 (Ind AS) of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

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

1. The requirements of the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 are not applicable to the Company in terms of Clause 1(2)(iii) of the said order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the statement of income and expenditure, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 & 4 of the Companies (Indian Accounting Standards) Rules, 2015.
  - e) On the basis of the written representations received from the directors as on 31st March, 2021 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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



g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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

For **R.S. SANGHAI & ASSOCIATES**  
**Chartered Accountants**  
Firm's registration number: 109094W



Digitally signed by  
Ramashankar  
Sanghai  
Date: 2021.05.21  
16:21:39 +05'30'

**R.S. SANGHAI**  
Partner  
M. No.: 036931

Place: - Mumbai  
Date: - 21<sup>st</sup> May, 2021

UDIN No.	2	1	0	3	6	9	3	1	A	A	A	A	R	K	8	5	8	3
----------	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**ALKEM FOUNDATION**  
**BALANCE SHEET AS AT 31ST MARCH, 2021**

(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>I. ASSETS</b>			
(a) Financial Assets			
(i) Cash and cash equivalents	2.1	153,634	574,746
<b>Total current assets</b>		153,634	574,746
<b>TOTAL ASSETS</b>		153,634	574,746
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	2.2	100,000	100,000
(b) Other equity (Refer statement of changes in equity)		53,634	(817,953)
<b>Total equity</b>		153,634	(717,953)
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Other financial liabilities	2.3	-	1,292,699
<b>Total Current Liabilities</b>		-	1,292,699
<b>TOTAL EQUITY AND LIABILITIES</b>		153,634	574,746

**Significant Accounting Policies**

**1B**

**Notes to Accounts**

**2**

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

As per our Report of even date  
For **R.S.Sanghai & Associates**  
Chartered Accountants  
Firm's registration number: 109094W

For and on behalf of the Board of  
**Alkem Foundation**  
CIN No: U85100MH2010NPL206161

**Ramashankar Sanghai**  
Digitally signed by  
Ramashankar  
Sanghai  
Date: 2021.05.21  
16:07:44 +05'30'

**DHANANJAY KUMAR SINGH**  
Digitally signed  
by DHANANJAY  
KUMAR SINGH  
Date: 2021.05.21  
12:55:34 +05'30'

**MRITUNJAY KUMAR SINGH**  
Digitally signed by  
MRITUNJAY KUMAR  
SINGH  
Date: 2021.05.21  
14:22:17 +05'30'

**R.S.Sanghai**  
Partner  
Membership number: 036931  
Place: Mumbai  
Date: 21st May, 2021

**Dhananjay Kumar Singh**  
Director  
DIN No.: 00739153

**Mritunjay Kumar Singh**  
Director  
DIN No.: 00881412

**ALKEM FOUNDATION**  
**STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2021**

(Amount in Rs.)

Particulars	Note No.	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
<b>1 Income</b>			
(a) Contribution received towards CSR Expenses	2.4	40,500,000	25,000,000
<b>Total Income</b>		40,500,000	25,000,000
<b>2 Expenses</b>			
(a) Finance Costs	2.5	3,009	22,030
(b) Corporate Social Responsibility (CSR) expenditure		39,608,649	25,467,893
(c) Other expenses	2.6	16,756	228,030
<b>Total Expenses</b>		39,628,414	25,717,953
<b>3 Excess of income over expenditure for the year (1) - (2)</b>		871,586	(717,953)

**Significant Accounting Policies**

1B

**Notes to Accounts**

2

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

As per our Report of even date  
For **R.S.Sanghai & Associates**  
Chartered Accountants  
Firm's registration number: 109094W

For and on behalf of the Board of  
**Alkem Foundation**  
CIN No: U85100MH2010NPL206161

Ramashan  
kar  
Sanghai

Digitally signed by  
Ramashankar  
Sanghai  
Date: 2021.05.21  
16:10:32 +05'30'

**R.S.Sanghai**

Partner

Membership number: 036931

Place: Mumbai

Date: 21st May, 2021

DHANANJAY  
AY KUMAR  
SINGH

Digitally signed by  
DHANANJAY  
KUMAR SINGH  
Date: 2021.05.21  
12:56:41 +05'30'

**Dhananjay Kumar Singh**

Director

DIN No.: 00739153

MRITUNJAY  
KUMAR  
SINGH

Digitally signed by  
MRITUNJAY KUMAR  
SINGH  
Date: 2021.05.21  
14:23:35 +05'30'

**Mritunjay Kumar Singh**

Director

DIN No.: 00881412

**ALKEM FOUNDATION**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021**

(Amount in Rs.)

(a) Equity share capital	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	10,000	100,000	10,000	100,000
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	10,000	100,000	10,000	100,000

**(b) Other equity**

(Amount in Rs.)

Particulars	Retained Earnings	Other comprehensive income	Total
Balance at 1st April, 2019	(100,000)	-	(100,000)
Excess of income over expenditure	(717,953)	-	(717,953)
Balance at 31st March, 2020	(817,953)	-	(817,953)
Excess of income over expenditure	871,587	-	871,587
Balance at the end of the reporting period	53,634	-	53,634

As per our Report of even date  
For **R.S.Sanghai & Associates**  
Chartered Accountants  
Firm's registration number: 109094W

Ramashan  
kar  
Sanghai

Digitally signed by  
Ramashankar  
Sanghai  
Date: 2021.05.21  
16:13:08 +05'30'

**R.S.Sanghai**

Partner

Membership number: 036931

Place: Mumbai

Date: 21st May, 2021

For and on behalf of the Board of  
**Alkem Foundation**  
CIN No: U85100MH2010NPL206161

DHANANJAY  
KUMAR  
SINGH

Digitally signed by  
DHANANJAY  
KUMAR SINGH  
Date: 2021.05.21  
12:57:12 +05'30'

**Dhananjay Kumar Singh**

Director

DIN No.: 00739153

MRITUNJAY  
KUMAR  
SINGH

Digitally signed by  
MRITUNJAY KUMAR  
SINGH  
Date: 2021.05.21  
14:24:14 +05'30'

**Mritunjay Kumar Singh**

Director

DIN No.: 00881412



**ALKEM FOUNDATION**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

(Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>A. Cash flow from operating activities</b>		
Profit before tax	871,586	(717,953)
Operating profit before working capital changes	871,586	(717,953)
<b>Adjustments for :</b>		
Other Current Liabilities	(1,292,699)	1,005,096
<b>Cash (used in) / generated from operations</b>	<b>(421,113)</b>	287,143
<b>Net cash (used in) /generated from operating activities</b>	<b>(421,113)</b>	287,143
<b>B. Cash flow from investing activities</b>	-	-
<b>Net cash (used in) /generated from investing activities</b>	-	-
<b>C. Cash Flow from financing activities</b>	-	-
<b>Net cash (used in) /generated from financing activities</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(421,113)</b>	287,143
Cash and cash equivalents at the beginning of the year	574,746	287,603
Cash and cash equivalents at the end of the year	153,634	574,746

Notes:

The above Cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) on Cash Flow Statement.

As per our Report of even date

**For R.S.Sanghai & Associates**

Chartered Accountants

Firm's registration number: 109094W

Ramashan  
kar  
Sanghai

Digitally signed  
by Ramashankar  
Sanghai  
Date: 2021.05.21  
16:15:38 +05'30'

**R.S.Sanghai**

Partner

Membership Number: 036931

Place : Mumbai

Date: 21st May, 2021

For and on behalf of the Board of

**Alkem Foundation**

CIN No: U85100MH2010NPL206161

DHANANJAY  
AY KUMAR  
SINGH

Digitally signed  
by DHANANJAY  
KUMAR SINGH  
Date: 2021.05.21  
12:57:39 +05'30'

MRITUNJAY  
Y KUMAR  
SINGH

Digitally signed by  
MRITUNJAY  
KUMAR SINGH  
Date: 2021.05.21  
14:24:56 +05'30'

**Dhananjay Kumar Singh**

Director

DIN No.: 00739153

**Mritunjay Kumar Singh**

Director

DIN No.: 00881412

## ALKEM FOUNDATION

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

#### 1A General Information

Alkem Foundation ('the Company') was incorporated in India on 31st July, 2010 as a limited company under Section 25 of the Companies Act, 1956 (now Section 8 of the Companies Act, 2013). The Company is engaged in promoting and funding projects and / or programs, relating to Corporate Social Responsibility (CSR) as required by Section 135 read with Schedule VII to the Companies Act, 2013.

The Company is 100% subsidiary of Alkem Laboratories Limited.

#### 1B SIGNIFICANT ACCOUNTING POLICIES:

##### 1.1 Basis of preparation of Financial Statements:

###### a) Statement of compliance

The financial statements of the Company as at and for the year ended 31st March, 2021 have been prepared in accordance with Indian Accounting standards ('Ind AS') notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

The Financial statement are prepared in Indian rupees.

###### b) Basis of preparation and presentation

The preparation of financial statements in accordance with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period,
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

##### 1.2 Financial instruments:

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

###### Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

###### Financial assets at amortised cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income:**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**Financial liabilities:**

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

**1.3 Revenue Recognition:**

Revenue from Contribution towards CSR activities recognized when the unconditional right to receive contribution is established.

**1.4 Cost recognition:**

Costs and expenses are recognised when incurred and have been classified according to their primary nature.

The costs of the Company are broadly categorised as grants, project expenses and other operating expenses. Other operating expenses majorly include sub-contracting costs, travel expenses and other expenses. Other expenses is an aggregation of costs which are individually not material such as rates and taxes, bank charges etc.

**1.5 Taxes on Income:**

The Company is registered under section 12AA of the Income tax Act, 1961 which entitles it to claim an exemption from income tax, provided certain conditions laid down in the Income tax Act, 1961 are complied with. Provision for income tax would be made only in the year in which the Company is unable to establish reasonable certainty of its ability to fulfill these conditions. The Company has also obtained a certificate under Section 80 G of the Income tax Act, 1961.

**1.6 Provision, Contingent Liabilities and Contingent Assets:**

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

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 can not be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

**ALKEM FOUNDATION**
**NOTE 2: NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

(Amount in Rs.)

Particulars	As at	
	31st March, 2021	31st March, 2020
<b>2.1 : CASH AND CASH EQUIVALENTS:</b>		
Balance with Banks:		
In Current Accounts	153,634	574,746
<b>TOTAL</b>	<b>153,634</b>	<b>574,746</b>
<b>2.2 : EQUITY SHARE CAPITAL:</b>		
<b>Authorised:</b>		
10,000 equity shares of Rs.10/- each (31st March, 2020: 10,000 equity shares of Rs.10/- each)	100,000	100,000
	100,000	100,000
<b>Issued, Subscribed and Paid up:</b>		
10,000 equity shares of Rs.10/- each fully paid up (31st March, 2020: 10,000 equity shares of Rs.10/- each fully paid up)	100,000	100,000
<b>TOTAL</b>	<b>100,000</b>	<b>100,000</b>

**(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:**

Particulars	As at		As at	
	31st March, 2021		31st March, 2020	
	Number of Shares	Rs.	Number of Shares	Rs.
At the commencement of the year	10,000	100,000	10,000	100,000
Add: Shares issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>10,000</b>	<b>100,000</b>	<b>10,000</b>	<b>100,000</b>

**(b) Rights, preferences and restrictions attached to Equity Shares:**

The Company has issued one class of equity shares with voting rights having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held.

On winding up of the Company, the holders of equity shares will be entitled to receive residual assets of the Company remaining after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% shares in the Company:**

Name of the shareholders	As at		As at	
	31st March, 2021		31st March, 2020	
	Number of Shares	Percentage of Holding	Number of Shares	Percentage of Holding
Equity Shares of Rs.10 Each (Previous Year Rs.10 Each) held by:				
Alkem Laboratories Limited (Holding Company)	9,999	99.99%	9,999	99.99%
Sandeep Singh - Nominee of Alkem Laboratories Limited	1	0.01%	1	0.01%
<b>Total</b>	<b>10,000</b>	<b>100.00%</b>	<b>10,000</b>	<b>100.00%</b>

(Amount in Rs.)

Particulars	As at	
	31st March, 2021	31st March, 2020
<b>OTHER EQUITY</b>		
<b>Retained Earnings:</b>		
At the commencement of the year	(817,953)	(100,000)
Add: Excess of income over expenditure	871,587	(717,953)
At the end of the year	<b>53,634</b>	<b>(817,953)</b>
<b>2.3 : OTHER CURRENT FINANCIAL LIABILITIES:</b>		
Accrual for Expenses	-	1,292,699
<b>TOTAL</b>	<b>-</b>	<b>1,292,699</b>

**ALKEM FOUNDATION**

**NOTE 2: NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

(Amount in Rs.)

<b>Particulars</b>	<b>For the Year ended 31st March, 2021</b>	<b>For the Year ended 31st March, 2020</b>
<b>2.4: OTHER INCOME:</b>		
Contribution received towards CSR Expenses	<b>40,500,000</b>	25,000,000
<b>TOTAL</b>	<b>40,500,000</b>	25,000,000
<b>2.5 : FINANCE COST:</b>		
Other borrowing cost	<b>3,009</b>	22,030
<b>TOTAL</b>	<b>3,009</b>	22,030
<b>2.6 : OTHER EXPENSES:</b>		
Legal and professional Fees	<b>16,756</b>	28,030
Miscellaneous expenses	-	200,000
<b>TOTAL</b>	<b>16,756</b>	228,030

**ALKEM FOUNDATION****NOTE 2: NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021****2.7 Financial instruments**

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the financial statements.

**A. Accounting classification and fair values**

(Amount in Rs)

	As at 31st March, 2021		As at 31st March, 2020	
	Amortised Cost	Carrying amount	Amortised Cost	Carrying amount
<b>Financial assets</b>				
Cash and cash equivalents	153,634	153,634	574,746	574,746
	153,634	153,634	574,746	574,746
<b>Financial liabilities</b>				
Other Current financial liabilities	-	-	1,292,699	1,292,699
	-	-	1,292,699	1,292,699

**▪ Credit risk**

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash/bank balances. The carrying amount of financial assets represents the maximum credit exposure.

**2.8: Segment Reporting**

The Company is engaged in promoting and funding projects and / or programs, relating to Corporate Social Responsibility (CSR) in India, which in the context of Ind AS 108 Operating Segments is considered as the only reportable segment. The Company does not have any geographical segments.

**2.9: Contingent Liabilities & Commitments**

There are no contingent liabilities & commitments as on 31st March, 2021.

**ALKEM FOUNDATION**

**NOTE 2: NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

2.10 Information on related party transactions as required by Indian Accounting Standard 24 (Ind AS 24) on related party disclosures for the year ended 31st March, 2021.

**List of related parties and their relationship**

**A Company whose control exists**

Name of the Company	Country of Incorporation
Alkem Laboratories Limited	India

**B Fellow Subsidiaries**

Name of the Companies	Country of Incorporation
Cachet Pharmaceuticals Pvt. Ltd	India
Indchemie Health Specialities Pvt. Ltd.	India
Enzene Biosciences Ltd.	India
Connect 2 Clinic Private Limited (w.e.f. 12th June, 2020)	India
The PharmaNetwork, LLC (wholly owned subsidiary of S & B Holdings B.V.)	United States of America
Ascend Laboratories, LLC (wholly owned by The PharmaNetwork, LLC)	United States of America
S & B Pharma LLC (wholly owned by The PharmaNetwork, LLC) (w.e.f. 8th April, 2020)	United States of America
S & B Pharma Inc.	United States of America
Ascend Laboratories (UK) Ltd.	United Kingdom
S & B Holdings B.V.	Netherlands
Ascend Laboratories (PTY) Limited (formerly known as Alkem Laboratories (PTY) Limited)	South Africa
Pharmacor Pty Limited	Australia
The Pharma Network, LLP	Kazakhstan
Ascend Laboratories SpA	Chile
Pharma Network SpA (Wholly owned by Ascend Laboratories SpA)	Chile
Alkem Laboratories Corporation	Philippines
Ascend GmbH (formerly known as Alkem Pharma GmbH)	Germany
Ascend Laboratories Ltd	Canada
Ascend Laboratories SDN BHD.	Malaysia
Alkem Laboratories Korea Inc	Korea
Pharmacor Ltd.	Kenya
Ascend Laboratories SAS (w.e.f. 4th June, 2019)	Colombia

**C Key Managerial Personnel ("KMP")**

Name of KMP	Designation
Dhananjay Kumar Singh	Director
Balmiki Prasad Singh	Director
Sandeep Singh	Director
Mritunjay Kumar Singh	Director

**Details of transactions with related parties**

Sr. No.	Particulars	Amount
1	Contribution received towards CSR Expenses - Holding Company	<b>40,500,000</b> (25,000,000)

Figures in the brackets are the corresponding figures of the previous year.

As per our Report of even date  
For **R.S.Sanghai & Associates**  
Chartered Accountants  
Firm's registration number: 109094W

**Ramashankar Sanghai**  
Digitally signed by  
Ramashankar Sanghai  
Date: 2021.05.21  
16:18:06 +05'30'

**R.S.Sanghai**  
Partner  
Membership number: 036931

Place: Mumbai  
Date: 21st May, 2021

For and on behalf of the Board of  
**Alkem Foundation**  
CIN No: U85100MH2010NPL206161

**DHANANJAY KUMAR SINGH**  
Digitally signed  
by DHANANJAY  
KUMAR SINGH  
Date: 2021.05.21  
12:58:13 +05'30'

**Dhananjay Kumar Singh**  
Director  
DIN No.: 00739153

**MRITUNJAY KUMAR SINGH**  
Digitally signed  
by MRITUNJAY  
KUMAR SINGH  
Date: 2021.05.21  
14:25:41 +05'30'

**Mritunjay Kumar Singh**  
Director  
DIN No.: 00881412