Group Strategic Report, Report of the Directors and

Consolidated Financial Statements for the Year Ended 31 March 2021

for

Marksans Pharma U.K. Limited

Marksans Pharma U.K. Limited

Contents of the Consolidated Financial Statements for the Year Ended 31 March 2021

Marksans Pharma U.K. Limited

Company Information
for the Year Ended 31 March 2021

DIRECTORS:	Mr S Jayanna Mr. M Saldanha Mrs. S Saldanha Mr.J Sharma Mr Colin Hunter Mr. Buddharaju, Seetharama Raju
SECRETARY:	Mrs G Jacks
REGISTERED OFFICE:	Cheshire House Gorsey Lane Widnes WA8 ORP
REGISTERED NUMBER:	05467597 (England and Wales)
AUDITORS:	PBG Associates Limited Chartered Accountants and Statutory Auditors 65 Delamere Road Hayes, Middx UB4 0NN

Marksans Pharma U.K. Limited

Group Strategic Report
for the Year Ended 31 March 2021

The directors present the strategic report and financial statements for the year ended 31 March 2021.

FAIR REVIEW OF BUSINESS
The company holds entire ordinary share capital of Marksans Holdings Limited and Relonchem Limited. Marksans Holdings Limited owns 100% of the ordinary share capital of Bell, Sons & Co. (Druggists) Limited.

The directors consider the results of Bell, Sons & Co. (Druggists) Limited for the year to be satisfactory. During the year sales increased from £32,940,253 to £38,778,680 and the profit on ordinary activities before taxation was £10,707,961 (2020:£3,698,905). The directors expect an increase in the level of activity in the forthcoming year.
The directors consider the results of Relonchem Limited for the year to be satisfactory. During the period sales decreased from £26,232,789 to £25,483,804 and the profit on ordinary activities before taxation was £8,232,490 (2020: £6,046,746).

The group is able to manage risks by utilising manufacturing capabilities of parent company (Marksans Pharma Limited) which also secures reliable supplies. In addition, production methods are constantly being reviewed to ensure the most efficient operation are in place. The directors there for expect the performance of the company to continue to be improved in the next financial year.

The Directors have acted in a way that they considered, in good faith, would be most likely to promote the success of Company for the benefits of its members as a whole, and in doing so had regard (amongst other matters) to the matters listed in section 172(1)(a) to (f) when performing their duties and comment as follows:

a. the Directors are satisfied that the current business activity is in the long term interest of the Company and its Shareholder;
b. the Directors considers that the employees are one of the key stakeholders and continue to focus on training and supporting of the employees in the understanding that a well informed and trained workforce is essential for the Company's ongoing success,
c. the Directors have adequately fostered the business relationship with the suppliers, customers and others;
d. the Directors are satisfied and have properly responded to the needs of the community and concerns regarding the environment, due to the operation of the company;
e. the Company's business is to continue to becoming holding company whose subsidiaries are into development, registration and distribution of generic prescription Pharmaceuticals , manufacture and sale of Pharmaceuticals in the UK The Directors are satisfied that the Company have maintained a reputation for high standards of business conduct, including its dealing with its customers, employees and the regulators, and
f. The Company has adequately and fairly kept its shareholders fully informed and provided quarterly financial statements and progress of the Company's business.

Energy consumption and Greenhouse gas emissions During the year, the group consumed 0.93 GWH of electricity (Scope 2) and 0.26 GWH of gas (Scope 1). There were no other material emissions as a result of the company's activities. Our gross greenhouse gas (GHG) emissions for the year ended 31 March 2021 were 231 tonnes of CO_2 We have calculated our carbon footprint according to the World Resources Institute ("WRI") and World Business Council for Sustainable Development ("WBCSD") GHG Protocol, which is the internationally recognised standard for corporate carbon reporting. Energy-saving initiatives include considering methods of recycling as well as a continuous programme of switching to more efficient LED lighting

The 2020-21 has been a challenging year due to COVID with disruption to the supply chain from India being impacted at the beginning of the financial year. The demand for cough and cold liquid products dropped significantly due to the lockdown in the UK impacting sales of own manufactured products negatively. Increased demand for a number of prescription and OTC products due to COVID more than offset the shortfall and resulted in overall higher turnover. Overall, business at the company has not been negatively impacted by COVID.

The group will continue to develop its product range through new product development and acquisition of licences, to meet market needs.
The group profit for the year, after taxation before dividend amounted to £14,789,549 (2020:£ 7,601,915)

ON BEHALF OF THE BOARD:

....
Director - Mr Sathish Kumar
Date: 17 May 2021

Report of the Directors
for the Year Ended 31 March 2021

The directors present their group annual report and financial statements for the year ended 31 March 2021.

PRINCIPAL ACTIVITIES
The principle activity of the company continued to be that of a holding company.

The principal activity of Bell, sons & Co. (Druggists) Limited is the manufacture and sale of pharmaceuticals, while the principal activity of Relonchem Limited continued to be the development, registration and distribution of generic prescription pharmaceuticals in the UK.

DIVIDENDS
Dividend declared during the year amounting £ 1 million for the year 2020-2021.

DIRECTORS
The directors who held office during the year and up to the date of signature of financial statements were as follow:

Mr. M Saldanha
Mr. J Sharma
Mrs. S Saldanha
Mr S Jayanna
Mr Colin Hunter
Mr. Buddharaju, Seetharama Raju (Appointed on 12th May 2020)

RESULTS AND DIVIDENDS
The results for the year are set out on page 7.

AUDITORS
The auditors PBG Associates Ltd will be proposed for reappointment at the forthcoming Annual General Meeting.

DIRECTORS' RESPONSIBILITIES STATEMENT
The directors are responsible for preparing the group annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:
-select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

....

Director - Mr Sathish Kumar
Date: 17 May 2021

Report of the Independent Auditors to the Members of
Marksans Pharma U.K. Limited

Opinion
We have audited the financial statements of Marksans Pharma U.K. Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information
The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Directors' Responsibilities Statement set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the Company. Our approach was as follows:

• We obtained a general understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are direct laws and regulations, related to continuing approval by MHRA, company's legislation and the financial reporting framework (UK GAAP). We obtained a general understanding of how the Company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.

• For both direct and other laws and regulations, our procedures involved: making enquiry of the directors of the Company for their awareness of any noncompliance of laws or regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees.

• The Group operates in the pharmaceutical industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

• Enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities .This description forms part of our Report of the Auditors.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Devender Arora ACA (Senior Statutory Auditor)
for and on behalf of PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes, Middx
UB4 0NN

Date: 17 May 2021

Marksans Pharma U.K. Limited

Consolidated Income Statement
for the Year Ended 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
TURNOVER	3		59,417,458		54,514,994
Cost of sales			35,410,982		39,819,332
GROSS PROFIT			24,006,476		14,695,662
Distribution costs		1,024,183		1,344,048	
Administrative expenses		4,675,757		3,690,946	
			5,699,940		5,034,994
			18,306,536		9,660,668
Other operating income	4		182,217		16,669
OPERATING PROFIT	6		18,488,753		9,677,337
Interest payable and similar expenses	8		29,284		90,882
PROFIT BEFORE TAXATION			18,459,469		9,586,455
Tax on profit	9		3,669,920		1,984,540
PROFIT FOR THE FINANCIAL YEAR			14,789,549		7,601,915
Profit attributable to:					
Owners of the parent			14,789,549		7,601,915

All amounts relates to continuing operations

Consolidated Other Comprehensive Income for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		14,789,549	7,601,915
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		14,789,549	7,601,915
Total comprehensive income attributable to:			
Owners of the parent		14,789,549	7,601,915

The notes form part of these financial statements

Marksans Pharma U.K. Limited (Registered number: 05467597)

Consolidated Balance Sheet
31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Intangible assets	12		5,307,616		6,138,574
Tangible assets	13		3,532,479		3,187,049
Investments	14		-		-
			8,840,095		9,325,623
CURRENT ASSETS					
Stocks	15	13,901,119		7,835,740	
Debtors	16	12,459,587		10,838,012	
Cash in hand		9,367,217		7,642,751	
		35,727,923		26,316,503	
CREDITORS					
Amounts falling due within one year	17	10,144,252		14,966,312	
NET CURRENT ASSETS			25,583,671		11,350,191
TOTAL ASSETS LESS CURRENT LIABILITIES			34,423,766		20,675,814
PROVISIONS FOR LIABILITIES	18		148,488		190,085
NET ASSETS			34,275,278		20,485,729
CAPITAL AND RESERVES					
Called up share capital	19		8,596,941		8,596,941
Retained earnings			25,678,337		11,888,788
SHAREHOLDERS' FUNDS			34,275,278		20,485,729

The financial statements were approved by the Board of Directors and authorised for issue on 17 May 2021 and were signed on its behalf by:

....
Director - Mr Sathish Kumar

The notes form part of these financial statements

Marksans Pharma U.K. Limited (Registered number: 05467597)

Company Balance Sheet
31 March 2021

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		-		-
Investments	14		20,326,514		20,326,514
			20,326,514		20,326,514
CURRENT ASSETS					
Debtors	16	34,957		34,957	
CREDITORS					
Amounts falling due within one year	17	5,204,482		5,197,272	
NET CURRENT LIABILITIES			(5,169,525)		(5,162,315)
TOTAL ASSETS LESS CURRENT LIABILITIES			15,156,989		15,164,199
CAPITAL AND RESERVES					
Called up share capital	19		8,596,941		8,596,941
Retained earnings			6,560,048		6,567,258
SHAREHOLDERS' FUNDS			15,156,989		15,164,199
Company's loss for the financial year			(7,210)		(4,131)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small Companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 17 May 2021 and were signed on its behalf by:

....
Director - Mr Sathish Kumar

The notes form part of these financial statements

Marksans Pharma U.K. Limited

Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2019	8,596,941	7,286,873	15,883,814
Changes in equity			
Dividend declared	-	(3,000,000)	(3,000,000)
Total comprehensive income after dividend	-	7,601,915	7,601,915
Balance at 31 March 2020	8,596,941	11,888,788	20,485,729
Changes in equity			
Dividend declared	-	(1,000,000)	(1,000,000)
Total comprehensive income after dividend	-	14,789,549	14,789,549
Balance at 31 March 2021	8,596,941	25,678,337	34,275,278

The notes form part of these financial statements

Marksans Pharma U.K. Limited

Company Statement of Changes in Equity for the Year Ended 31 March 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2019	8,596,941	6,571,389	15,168,330
Changes in equity			
Total comprehensive income	-	(4,131)	(4,131)
Balance at 31 March 2020	8,596,941	6,567,258	15,164,199
Changes in equity			
Total comprehensive income	-	(7,210)	(7,210)
Balance at 31 March 2021	8,596,941	6,560,048	15,156,989

The notes form part of these financial statements

1. STATUTORY INFORMATION

Marksans Pharma U.K. Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standards applicable in UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.
As permitted by Section 408 of the Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £7,210 (2020- £4,131 loss).

Basis for consolidation
The consolidated financial statements incorporate those of Marksans Pharma U.K. Limited and all of its subsidiaries (i.e. entities that Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 March 2021.

All intra group transactions, balances and unrealized gains on transactions between group companies are eliminated on consolidation. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued, and liabilities incurred and assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognized as goodwill.

Going concern
At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing financial statements.

Turnover
Turnover comprises revenue recognized by company in respect of goods supplied during the year, exclusive of Value Added Taxes and trade discounts based on the date goods are dispatched.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership of goods have passed to the buyer (usually on dispatch of goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transactions will flow to the entity and the costs incurred or to be incurred in respect of transactions can be measured reliably.

2. **ACCOUNTING POLICIES – continued**

Intangible fixed assets - goodwill

Goodwill is provided as the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortized to the profit and loss account over its estimated economic life of 20 years.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognized at cost and are subsequently measured at cost less accumulated amortization and accumulated impairment losses. Intangible assets acquired on business combinations are recognized separately from goodwill at acquisition date if the fair value can be measured reliably.

Amortization is recognized so as to write off the cost or valuation of the assets less their residual values over their useful lives on the following basis

Patents, Prescription product licenses & Development costs	5-10 year Straight Line

Intangible work in progress
Capital work in progress represents costs incurred for which the marketing authorisation is yet to be obtained. Once the marketing authorisation is obtained, the accumulated cost is transferred to intangible assets. In circumstances where marketing authorisations are not granted or the applications are withdrawn, the accumulated costs are charged to the profit and loss account

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on free hold land. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each assets over its expected useful life, as follows;

Freehold Building	2% straight-line method
Plant and machinery	20% reducing method
Fixtures and Fittings	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Capital work in progress consists of asset under construction. It will be capitalized when the property is ready to use and will be depreciated over its expected useful life.

Impairment of Fixed Asset

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of impairment loss (if any).

Where it is not possible to estimate recoverable amount of an individual asset, the company estimates the recoverable amount of cash generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

2. ACCOUNTING POLICIES - continued

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discontinued to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount.

An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease.

Stocks

Stocks are stated at lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognized as an impairment loss in profit or loss. Reversals of impairment losses are also recognized in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The group has elected to apply the provisions of section 11 "Basic Financial Instruments" and section 12 "other Financial Instruments Issues" of FRS 102 to all of its financial instruments.

Financial instruments are recognized in company's statement of financial position when the group became party to the contractual provisions of the instruments.
Financial assets and liabilities are offset, with the net amount presented in the financial statements, when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Basic Financial Assets
Basic financial assets which include trade and other receivables, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortized cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Other Financial Assets
Other financial assets including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognized in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in active market are classified as "loans and receivables". Loans and receivables are measured at amortized cost using the effective interest method, less any impairment.

2. **ACCOUNTING POLICIES – continued**

Impairment of Financial Assets
Financial Assets other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial Assets are impaired where there is objective evidence that, as a result of one or more events that accrued after the initial recognition of the financial assets, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognized in profit or loss.

De-recognition of Financial Asset
Financial assets are derecognized only when contractual rights to the cash flow from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risk and reward of ownership to another entity, or if some of significant risk and rewards of ownership are retained but control of asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of Financial Liabilities
Financial liabilities and equity instruments are classified according to the substances of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic Financial Liabilities
Basic financial liabilities including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognized at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using effective interest rate method.

Trade payables are obligation to pay for goods and services that have been acquired in ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at transaction price and subsequently measured at amortized cost using effective interest method.

Financial liabilities and equity instruments are classified according to the substance to the contractual arrangement entered into. An equity instrument is a contract that evidences a residual interest in the asset of the company after deducting all of its liabilities.

De-recognition of Financial Liability
Financial liabilities are derecognized when the group's contractual obligations expire or are discharged or cancelled.

Equity instruments
Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognized as liabilities once they are no longer at the discretion of the group.

Taxation
The tax expense represent the sum of the tax currently payable and deferred tax.

Current Tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income and expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

2. **ACCOUNTING POLICIES - continued**

Deferred Tax
Deferred tax liability is generally recognized for all timing differences and deferred tax asset is recognized to the extent that it is probable that they will be recovered against the reversal of deferred tax liability or other future taxable profits. Such assets and liabilities are not recognized if the timing differences arises from goodwill or from initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profits.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realized. Deferred tax is charged or credited in profit and loss account, except when it relates to items charged or credited directly to equity, in which case deferred tax is also dealt with in equity. Deferred tax assets and liability are offset if, and only if there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Employee benefits
The cost of short term employee benefits is recognized as a liability and an expense, unless those cost are required to be recognized as part of the cost of stock or fixed assets.
The costs of any unused holiday entitlement is recognized in the period in which the employee's services are received. Termination benefits are recognized immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement Benefits
Payment to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases
Rentals payables under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Foreign Exchange
Transactions in currencies other than pounds sterling are recorded at the rate of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains or losses arising on translation are included in the profit and loss account for the period.

Judgement and key sources of estimation uncertainty
In the application of the company's accounting policies, the directors are required to make judgements, estimated and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised where the revision effects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

Critical Judgements
The following judgements (apart from those involving estimates) had the most significant effect on amount recognized in the financial statements.

Amortization of Product Licenses
The annual amortization charge for intangible assets is sensitive to changes in the estimated lives and residual values of assets. The useful economic lives and residual values are reviewed annually. These reviews require an estimation of how long each license is expected to be used based on expected sales of those licensed products. See note 9 for the carrying amount of the intangible assets and note 1 on Accounting Policies for the useful economic lives for each class of assets.

3. **TURNOVER**

An analysis of company's turnover is as follows:

	2021	2020
	£	£
Turnover		
Sale of goods	59,417,458	54,514,994

4. **OTHER OPERATING INCOME**

	2021	2020
	£	£
Sundry income	182,217	16,669
	182,217	16,669

The analysis of turnover by geographical markets has been omitted as the directors consider that this would be prejudicial to the interests of the group.

5. **EMPLOYEES AND DIRECTORS**

The average number of employees (including directors) employed by the company during the year was as follows:

	2021	2020
Production	164	169
Sales and Administration	17	16

Their aggregate remuneration comprised of:

	2021	2020
	£	£
Wages and salaries	5,164,916	4,969,381
Social security costs	455,216	401,254
Other pension costs	193,346	163,789
	5,813,478	5,534,424

During the year, no director (2020-none) of Marksans Pharma U.K. Limited received any emoluments from Marksans Pharma U.K. Limited or any of its subsidiaries

During the year, retirement benefits were accruing to no directors (2020 -none) of Marksans Pharma U.K. Limited in respect of defined contribution pension schemes.

6. **OPERATING PROFIT**

The operating profit is stated after charging/ (crediting):

	2021	2020
	£	£
Depreciation - owned assets	373,008	357,931
Amortisation of intangible assets	502,165	312,686
Foreign exchange difference	(2,205)	-
Impairment of Intangibles	440,820	
Impairment of fixed assets	14,908	21,170

7. **AUDITORS' REMUNERATION**

Fees payable to the company's auditors

	2021	2020
	£	£
For audit services		
Audit of the financial statements of the group and company	4,000	4,000
Audit of the company's subsidiaries	18,000	18,000
For other services	2,000	2,000

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank overdraft and Interest payable	29,284	90,882
	29,284	90,882

9. TAXATION

Analysis of the tax credit
The tax credit on the profit/(loss) for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	3,669,920	1,984,540
Tax on profit/ (loss)	3,669,920	1,984,540

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	3,711,517	1,896,943
Deferred tax	(41,597)	87,597
	3,669,920	1,984,540

The charge for the year can be reconciled to the (loss)/profit per the profit and Loss account as follows:

	2021	2020
	£	£
Profit before Taxation on continued operations	18,459,469	9,586,455
Profit on ordinary activities before taxation multiplied by standard		
Rate of corporation tax of 19% (2020-19%)	3,507,299	1,821,426
Tax effect of expenses that are not deductible in determining taxable profit	120,032	(20,395)
Unutilised tax losses	-	-
Depreciation on assets not qualifying for tax allowances	-	-
Amortisation on assets not qualifying for tax allowances	54,312	54,312
Difference of Capital allowances and depreciation	30,324	37,318
Other tax adjustment	(450)	4,282
Tax Expense for the year	3,711,517	1,896,943

10. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. DIVIDENDS

	2021	2020
	£	£
Dividend declared	1,000,000	3,000,000

12. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Intangible under work in progress £	Development costs £	Totals £
COST				
At 1 April 2020	5,717,140	789,000	6,155,847	12,661,987
Additions	-	112,027	-	112,027
Transfer		(789,000)	789,000	-
At 31 March 2021	5,717,140	112,027	6,944,847	12,774,014
AMORTISATION				
At 1 April 2020	3,463,681	-	3,059,732	6,523,413
Amortisation for year	285,857	-	216,308	502,165
Impairment			440,820	440,820
At 31 March 2021	3,749,538	-	3,716,860	7,466,398
NET BOOK VALUE				
At 31 March 2021	1,967,602	112,027	3,227,987	5,307,616
At 31 March 2020	2,253,459	789,000	3,096,115	6,138,574

13. TANGIBLE FIXED ASSETS

Group

	Freehold Property £	Capital work in progress Property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST					
At 1 April 2020	2,385,365	-	4,829,462	262,089	7,476,916
Additions	-	563,656	61,469	111,038	736,163
Disposals	-	-	(52,253)	-	(52,253)
At 31 March 2021	2,385,365	563,656	4,838,678	373,127	8,160,826
DEPRECIATION					
At 1 April 2020	361,553	-	3,829,016	99,298	4,289,867
Charge for year	53,652	-	262,674	56,682	373,008
Eliminated on disposal	-	-	(49,436)	-	(49,436)
Impairments	-	-	14,908	-	14,908
At 31 March 2021	415,205	-	4,057,162	155,980	4,628,347
NET BOOK VALUE					
At 31 March 2021	1,970,160	563,656	781,516	217,147	3,532,479
At 31 March 2020	2,023,812	-	1,000,446	162,791	3,187,049

14. FIXED ASSET INVESTMENTS

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries		-	-	20,326,514	20,326,514

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Country of incorporation of residency	Nature of business	Class of shareholding	% Held Direct	Indirect
Marksans Holdings Limited	England and Wales	Holding Company	Ordinary	100	
Bell, Sons &Co (Druggists) Limited	England and Wales	Pharmaceuticals	Ordinary	-	100
Relonchem Limited	England and Wales	Pharmaceuticals	Ordinary	100	-

15. STOCKS

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Raw materials and consumables		1,264,653	1,026,901	-	-
Finished goods and goods for resale		12,636,466	6,808,839	-	-
		13,901,119	7,835,740	-	-

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	9,878,054	10,578,696	-	-
Amounts owed by group undertakings	2,076,972	-	34,957	34,957
Other debtors	185,023	40,000	-	-
Prepayments and accrued income	319,538	219,316	-	-
	12,459,587	10,838,012	34,957	34,957

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	2,232,531	2,680,419	-	-
Bank Overdraft	198,054	499,603	-	-
Dividend payable	1,000,000	3,000,000	-	-
Amounts owed to group undertakings	-	3,844,853	5,197,482	5,190,272
Corporation tax Payable	2,246,930	1,253,379	-	-
Social security and other taxes	804,700	826,034	-	-
Other creditors	760,382	701,763	-	-
Accruals and deferred income	2,901,655	2,160,261	7,000	7,000
	10,144,252	14,966,312	5,204,482	5,197,272

18. PROVISIONS FOR LIABILITIES

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Deferred tax liabilities		148,488	190,085	-	-
Payable within one year		-	-	-	-

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
8,596,941	Ordinary Share Capital	£1	8,596,941	8,596,941

20. DEFERRED TAXATION

Deferred tax assets and liabilities are offset where the group or company has legal enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for the financial reporting purpose.

Group	2021 £	2020 £
Accelerated capital allowances	148,488	190,085

The company has no deferred tax assets or liabilities.

There were deferred tax movements amounting £41,597 in the year.

21. RETIREMENT BENEFIT SCHEMES

	2021 £	2020 £
Defined contribution schemes		
Charge to profit and loss in respect of defined contribution schemes	193,346	163,789

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22. CAPITAL COMMITMENTS

	2021 £	2020 £
Contracted but not provided for in the financial statements	38,225	-

23. LOANS AND OVERDRAFTS

	Group 2021 £	2020 £	Company 2021 £	2020 £
Loans and overdrafts				
Bank overdrafts	198,054	499,603	-	-
Payable within one year	198,054	499,603	-	-

24. OPERATING LEASES COMMITMENTS

Leases

Operating lease payments represent rental payable in respect of property, equipment and vehicles.

At 31 March 2021 the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Within one year	332,958	387,124	-	-
Between two and five years	1,475,700	1,231,182	-	-
After five years	721,520	1,298,736	-	-

25. RELATED PARTY TRANSACTIONS

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

26. CASH FLOW EXEMPTION

The group and company, being member of the group wherein the ultimate parent company prepares consolidated financial statements which are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with Financial Reporting Standard 102.

27. CONTROLLING PARTY

The immediate parent undertaking is Marksans Pharma Limited, a company incorporated in India.
Consolidated accounts are available from the Registrar of Companies, Everest 100, Marine Drive, Mumbai- 400 002, Maharashtra.

In the opinion of the directors, Marksans Pharma Limited is the company's ultimate parent Company and ultimate controlling party.

28. PREVIOUS YEAR FIGURES

Previous year figures have been rearranged/ regrouped/ reclassified wherever considered necessary to facilitate comparison with the current year figures.

Report of the Directors and

Financial Statements for the Year Ended 31 March 2021

for

Marksans Holdings Limited

Marksans Holdings Limited

Contents of the Financial Statements
for the Year Ended 31 March 2021

Marksans Holdings Limited

Company Information
for the Year Ended 31 March 2021

DIRECTORS:	Mr. S Jayanna Mrs. S Saldanha Mr. M Saldanha Mr.J Sharma Mr. C Hunter Mr. Buddharaju, Seetharama Raju
SECRETARY:	Mrs G Jacks
REGISTERED OFFICE:	Cheshire House Gorsey Lane Widnes Cheshire WA8 0RP
REGISTERED NUMBER:	05591744 (England and Wales)
AUDITORS:	PBG Associates Limited Chartered Accountants and Statutory Auditors 65 Delamere Road Hayes, Middx UB4 0NN

Marksans Holdings Limited

Report of the Directors
for the Year Ended 31 March 2021

The directors present their annual report and financial statement for the year ended 31 March 2021.

PRINCIPAL ACTIVITY
The principle activity of the company continued to be that of a holding company. The company holds the entire share capital of Bell, Sons & Co. (Druggists) Limited, a company that Manufactures pharmaceuticals products.

The company had not traded during the year.

The 2020-21 has been a challenging year due to COVID with disruption to the supply chain from India being impacted at the beginning of the financial year. The demand for cough and cold liquid products dropped significantly due to the lockdown in the UK impacting sales of own manufactured products negatively. Increased demand for a number of prescription and OTC products due to COVID more than offset the shortfall and resulted in overall higher turnover. Overall, business at company and Bell, Sons & Co. (Druggists) Limited has not been negatively impacted by COVID.

DIVIDENDS
No dividends will be distributed for the year ended 31 March 2021.

DIRECTORS
The directors who holds office during the year and up to the date of signature of financial statement were as follow

Mr. M Saldanha
Mr. S Jayanna
Mr. J Sharma
Mrs. S Saldanha
Mr. C Hunter
Mr. Buddharaju, Seetharama Raju (Appointed on 12th May 2020)

RESULTS AND DIVIDENDS
The results for the year are set out on page 7.

AUDITORS
The auditors, PBG Associates Ltd, will be proposed for re appointment at the forth coming Annual General Meeting.

STATEMENT OF DISCLOSURE TO AUDITORS
So far as each person who has a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

....
Director- Mr Sathish Kumar

Date: 17 May 2021

Marksans Holdings Limited

Directors' Responsibilities Statement
for the Year Ended 31 March 2021

The directors are responsible for preparing annual report and financial statement in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statement for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of state of affairs of the company and of the profit or loss of the company for the period. In preparing these financial statements, the directors are required to:
- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statement on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for tacking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE BOARD:

....

Director - Mr Sathish Kumar

Date: 17 May 2021

Report of the Independent Auditors to the Members of
Marksans Holdings Limited

Opinion
We have audited the financial statements of Marksans Holdings Limited (the 'company') for the year ended 31 March 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2021;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information
The directors are responsible for the other information. The other information comprises the information in the Report of the Directors and the Directors' Responsibilities Statement, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Directors' Responsibilities Statement set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the company. Our approach was as follows:

• We obtained a general understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are direct laws and regulations, related to continuing approval by MHRA, company's legislation and the financial reporting framework (UK GAAP). We obtained a general understanding of how the Company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.

• For both direct and other laws and regulations, our procedures involved: making enquiry of the directors of the Company for their awareness of any noncompliance of laws or regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees.

• The group operates in the pharmaceutical industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

• Enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities This description forms part of our Report of the Auditors.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Devender Arora ACA (Senior Statutory Auditor)
for and on behalf of PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes, Middx
UB4 0NN

Date: 17 May 2021

Marksans Holdings Limited

Income Statement
for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
TURNOVER		-	-
OPERATING PROFIT and PROFIT BEFORE TAXATION		-	-
Tax on profit	5	-	-
PROFIT FOR THE FINANCIAL YEAR		-	-

The notes form part of these financial statements

Marksans Holdings Limited

Other Comprehensive Income
for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		-	-
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-	-

The notes form part of these financial statements

Marksans Holdings Limited (Registered number: 05591744)

Balance Sheet
31 March 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments	6	1,490,874	1,490,874
TOTAL ASSETS LESS CURRENT LIABILITIES		1,490,874	1,490,874
CAPITAL AND RESERVES			
Called up share capital	7	1,000	1,000
Share premium	8	1,489,874	1,489,874
SHAREHOLDERS' FUNDS		1,490,874	1,490,874

The financial statements were approved by the Board of Directors and authorised for issue on 17 May 2021and were signed on its behalf by:

....

Director - Mr Sathish Kumar

The notes form part of these financial statements

Marksans Holdings Limited

Statement of Changes in Equity
for the Year Ended 31 March 2021

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2019	1,000	-	1,489,874	1,490,874
Changes in equity				
Balance at 31 March 2020	1,000	-	1,489,874	1,490,874
Changes in equity				
Balance at 31 March 2021	1,000	-	1,489,874	1,490,874

The notes form part of these financial statements

1. **STATUTORY INFORMATION**

Marksans Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Accounting policies
Company information

Marksans Holdings Limited is a company limited by shares incorporated in England and Wales. The register office is Cheshire House, Gorsey Lane, Widnes, WA8 0RP.

Cash flow exemption
The company, being member of the group wherein the parent company prepares consolidated financial statements which are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with Financial Reporting Standard 102.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standards applicable in UK and Republic of Ireland" (FRS 102) and the requirement of Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded in nearest pound.

The financial statements have been prepared on the historical cost convention. The principle accounting policies adopted are set out below.

The company has taken advantage of exemption under section 400 of Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Marksans Holdings Limited is a wholly subsidiary of Marksans Pharma U.K. Limited and the results of Marksans Pharma U.K. Limited are included in the consolidated Financial Statement of Marksans Pharma U.K. Limited which are available from Companies House, Cardiff, CF 14 3UZ.

Going concern
At the time of approving the financial statement, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing financial statements.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts are shown within borrowings in current liabilities.

Fixed asset investment
Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognized immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2. **ACCOUNTING POLICIES - continued**

Financial instruments
The comply elected to apply the provisions of section 11 "Basic Financial Instruments" and section 12 "other Financial Instruments Issues" of FRS 102 to all of its financial instruments.
Financial instruments are recognized in company's statement of financial position when the company became party to the contractual provisions of the instruments. Financial assets and liabilities are offset, with the net amount presented in the financial statements. When there is a legally enforceable right to set off the recognized amount and there is an intention to settle on a net basis or to realize the net asset and settle the liability simultaneously.

Basic Financial Assets
Basic financial assets which include trade and other receivables, cash and bank balances, are initially measured at transaction price including transaction cost and are subsequently carried at amortized cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Other financial asset
Other financial assets including investment in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the change in fair value are recognize in profit or loss, except that investment in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtor, loans and other receivables that have fixed or determinable payments that are not quoted in active market are classified as "Loans and receivables" loans and receivables are measured at amortized cost using the effective interest method, less any impairment.
Interest is recognized by applying the effective interest rate, except for short term receivable when the recognition of interest would be immaterial. The effective interest rate method is a method of calculating the amortize cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the effective expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of Financial Assets
Financial Assets other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial Assets are impaired where there is objective evidence that, as a result of one or more events that accrued after the initial recognition of the financial assets, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognized in profit or loss.

If there is a decrease in impairment loss arising from an event occurring after the impairment was recognized, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what carrying amount would have been, had the impairment not previously been recognized. The impairment reversal is recognized in profit or loss.

De-recognition of Financial Asset
Financial assets are derecognized only when contractual right to the cash flow from the asset expire or are settled, or when the company transfer the financial asset and substantially all the risk and reward of ownership to another entity, or if some of significant risk and rewards of ownerships are retained but control of asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of Financial Liabilities
Financial liabilities and equity instruments are classified according to the substances of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. **ACCOUNTING POLICIES - continued**

Basic Financial Liabilities

Basic financial liabilities including trade and other payables, bank loan, loan from fellow group companies and preference shares that are classified as debt, are initially recognized at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at cost, using effective interest rate method.

Trade payables are obligation to pay for goods and services that have been acquired in ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at transaction price and subsequently measured at amortized cost using effective interest rate method.

Other Financial Liability

Derivatives, including interest rate swap and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re measured at fair value. Changes in the fair values of derivatives are recognized in profit or loss in finance costs or finance income as appropriate unless hedge accounting is applied and the hedge is a cash flow hedge.

Financial liabilities and equity instruments are classified according to the substance to the contractual arrangement entered into. An equity instrument is a contract that evidences a residual interest in the asset of the company after deducting all of its liabilities.

De-recognition of Financial Liability

Financial liabilities are derecognized when the company's contractual obligation expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by company are recorded at the proceeds received, net of direct issue cost. Dividend payable on equity instrument are recognized as liability once they are no longer at the discretion of company.

3. **EMPLOYEES AND DIRECTORS**

The average monthly number of persons (including directors) employed by the company during the year was nil (2020: Nil).

4. **OPERATING PROFIT**

The auditor's remuneration for the year was borne by a fellow group undertaking.

5. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2021 nor for the year ended 31 March 2020.

6. FIXED ASSET INVESTMENTS

	2020	2019
	£	£
Investments in subsidiaries	1,490,874	1,490,874

The company has not designed any financial assets that are not classified as financial assets as fair value through profit or loss.

Movement in Fixed assets investments

	Investment in Subsidiary Company
	£
Cost	
At 1 April 2020 & 31 March 2021	1,490,874
Carrying amount	
At 31 March 2021	1,490,874
At 31 March 2020	1,490,874

Subsidiaries
These financial statements are separate company financial statements for Marksans Holdings Limited.

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of Undertaking	Country of Incorporation	Nature of business	Class of Shareholding	% Held Direct indirect
Bell, Sons & Co (Druggists) Limited	England and Wales	Pharmaceutical	Ordinary	100.00

The aggregate capital and reserve and the result for the year of the subsidiaries noted above was as follow:

Name of undertaking	Profit/(Loss)	Capital and Reserve
	£	£
Bell, Sons & Co.(Druggists) Limited	8,665,022	15,627,642

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
1,000	Ordinary Share Capital	£1	1,000	1,000

8. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 April 2020	-	1,489,874	1,489,874
Profit for the year	-		-
At 31 March 2021	-	1,489,874	1,489,874

9. CONTROLLING PARTY

The immediate parent undertaking is Marksans Pharma U.K. Limited, a company registered in England and Wales.

In the opinion of directors, Marksans Pharma Limited is the company's ultimate parent company and ultimate controlling party.

The parent undertaking of the smallest group for which consolidated accounts are prepared in Marksans Pharma U.K. Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

The parent undertaking of the largest group for which consolidated accounts are prepared is Marksans Pharma Limited, a company incorporated in India. Consolidated accounts are available from the Registrar of Companies, Everest 100, Marine Drive, Mumbai-400 002, Maharashtra.

Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 31 March 2021

for

Bell,Sons & Co.(Druggists) Limited

Bell,Sons & Co.(Druggists) Limited

Contents of the Financial Statements
for the Year Ended 31 March 2021

Bell,Sons & Co.(Druggists) Limited

Company Information
for the Year Ended 31 March 2021

DIRECTORS:	Mr. S Jayanna Mrs. S Saldanha Mr. M Saldanha Mr.J Sharma Mr Colin Hunter Mr. S R Buddharaju
SECRETARY:	Mrs G Jacks
REGISTERED OFFICE:	Gifford House Slaidburn Crescent Southport Merseyside PR9 9AL
REGISTERED NUMBER:	00351951 (England and Wales)
AUDITORS:	PBG Associates Limited Chartered Accountants and Statutory Auditors 65 Delamere Road Hayes, Middx UB4 0NN

Strategic Report
for the Year Ended 31 March 2021

The directors present the strategic report and financial statement for the year ended 31 March 2021.

FAIR REVIEW OF BUSINESS
The directors consider the result for the period to be satisfactory. During the period sales increased from £32,940,253 to £38,778,680 and the profit on ordinary activities before taxation was £10,707,961 (2020: £3,698,905). The directors expect turnover and the profit on ordinary activities to increase in the forthcoming year.

Bell's manufactures licensed products - both as own branded products and, for certain customers, in own label from together with a range of unlicensed products. The company owns a state-of-the-art manufacturing facility in Southport and is an established manufacturer of over 200 OTC pharmaceuticals having full approval of the UK MHRA.

Bell's customers include retailers, pharmacies, chemist wholesalers and cash and carry outlets. The company enjoys a significant stronghold in the export markets. With more than 80 years of experience and a reach across 50+ countries, the brand is recognized and respected globally. Its key markets are West Africa and Middle East.

Principle risk and uncertainties arise from a competitive market.
Company is able to manage risks by utilising manufacturing capabilities of parent company which also secures reliable supplies.
In addition production methods are consistently being reviewed to ensure the most efficient operations are in place.

The Directors have acted in a way that they considered, in good faith, would be most likely to promote the success of Company for the benefits of its members as a whole, and in doing so had regard (amongst other matters) to the matters listed in section 172(1)(a) to (f) when performing their duties and comment as follows:

a. the Directors are satisfied that the current business activity is in the long term interest of the Company and its Shareholder;
b. the Directors considers that the employees are one of the key stakeholders and continue to focus on training and supporting of the employees in the understanding that a well informed and trained workforce is essential for the Company's ongoing success,
c. the Directors have adequately fostered the business relationship with the suppliers, customers and others;
d. the Directors are satisfied and have properly responded to the needs of the community and concerns regarding the environment, due to the operation of the company;
e. the Company's business is to continue to becoming holding company whose subsidiaries are into development, registration and distribution of generic prescription Pharmaceuticals , manufacture and sale of Pharmaceuticals in the UK The Directors are satisfied that the Company have maintained a reputation for high standards of business conduct, including its dealing with its customers, employees and the regulators, and
f. The Company has adequately and fairly kept its shareholders fully informed and provided quarterly financial statements and progress of the Company's business.

Energy consumption and Greenhouse gas emissions. During the year, the group consumed 0.93 GWH of electricity (Scope 2) and 0.26 GWH of gas (Scope 1). There were no other material emissions as a result of the company's activities. Our gross greenhouse gas (GHG) emissions for the year ended 31 March 2021 were 231 tonnes of $CO2$ We have calculated our carbon footprint according to the World Resources Institute ("WRI") and World Business Council for Sustainable Development ("WBCSD") GHG Protocol, which is the internationally recognised standard for corporate carbon reporting. Energy-saving initiatives include considering methods of recycling as well as a continuous programme of switching to more efficient LED lighting.

The 2020-21 has been a challenging year due to COVID with disruption to the supply chain from India being impacted at the beginning of the financial year. The demand for cough and cold liquid products dropped significantly due to the lockdown in the UK impacting sales of own manufactured products negatively. Increased demand for a number of prescription and OTC products due to COVID more than offset the shortfall and resulted in overall higher turnover. Overall, business at the company has not been negatively impacted by COVID.

The company will continue to develop its products range to meet market needs.

The profit for the year, after taxation before dividend amounting to £8,665,022 (2020: £2,887,973).

ON BEHALF OF THE BOARD:

....
Director - Mr Sathish Kumar

Date: 17 May 2021

Bell,Sons & Co.(Druggists) Limited

Report of the Directors
for the Year Ended 31 March 2021

The directors present their annual report and financial statement for the year ended 31 March 2021.

PRINCIPAL ACTIVITIES
The principle activity of the company continued to be that of Manufacturer and sale of pharmaceuticals.

DIVIDEND
Dividend declared during the year amounting £ 0.5 million for the year 2020-2021.

DIRECTORS
The directors who holds office during the year and upto the date of signature of financial statement were as follow:

Mr. M Saldanha
Mr. J Sharma
Mrs. S Saldanha
Mr. S Jayanna
Mr Colin Hunter
Mr. Buddharaju, Seetharama Raju (Appointed on 12th May 2020)

RESULTS AND DIVIDENDS
The results for the year are set out on page 8.

AUDITORS
The auditors, PBG Associates Ltd, will be proposed for re appointment at the forth coming Annual General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing annual report and financial statement in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statement for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of state of affairs of the company and of the profit or loss of the company for the period.in preparing these financial statements, the directors are required to:
- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statement on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with Companies act 2006. They are also responsible for safe guarding the assets of the company and hence for tacking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITORS
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

....
Director - Mr Sathish Kumar
Date: 17 May 2021

Report of the Independent Auditors to the Members of
Bell,Sons & Co.(Druggists) Limited

Opinion
We have audited the financial statements of Bell, Sons & Co.(Druggists) Limited (the 'company') for the year ended 31 March 2021 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information
The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Bell,Sons & Co.(Druggists) Limited

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006requires us to report to you if, in our opinion:
- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the Company. Our approach was as follows:

• We obtained a general understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are direct laws and regulations, related to continuing approval by MHRA, company's legislation and the financial reporting framework (UK GAAP). We obtained a general understanding of how the Company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.

• For both direct and other laws and regulations, our procedures involved: making enquiry of the directors of the Company for their awareness of any noncompliance of laws or regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees.

• The Company operates in the pharmaceutical industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

• Enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Devender Arora ACA (Senior Statutory Auditor)
for and on behalf of PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes, Middx
UB4 0NN

Date: 17 May 2021

Bell,Sons & Co.(Druggists) Limited

Income Statement
for the Year Ended 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
TURNOVER	3		38,778,680		32,940,253
Cost of sales			25,148,996		26,628,176
GROSS PROFIT			13,629,684		6,312,077
Distribution costs		1,024,183		1,344,048	
Administrative expenses		2,049,111		1,195,316	
			3,073,294		2,539,364
			10,556,390		3,772,713
Other operating income	4		160,650		7,533
OPERATING PROFIT	6		10,717,040		3,780,246
Interest payable and similar expenses	7		9,079		81,341
PROFIT BEFORE TAXATION			10,707,961		3,698,905
Tax on profit	8		2,042,939		810,932
PROFIT FOR THE FINANCIAL YEAR			8,665,022		2,887,973

All amounts relates to continuing operations

Bell,Sons & Co.(Druggists) Limited

Other Comprehensive Income
for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		8,665,022	2,887,973
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		8,665,022	2,887,973

The notes form part of these financial statements

Bell,Sons & Co.(Druggists) Limited (Registered number: 00351951)

Statement of Financial Position
31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Intangible assets	10		13,865		18,004
Tangible assets	11		3,315,332		3,024,258
			3,329,197		3,042,262
CURRENT ASSETS					
Stocks	12	9,205,454		4,708,726	
Debtors	13	6,509,699		7,104,326	
Cash in hand		4,238,533		2,803,006	
		19,953,686		14,616,058	
CREDITORS					
Amounts falling due within one year	14	7,506,753		10,005,615	
NET CURRENT ASSETS			12,446,933		4,610,443
TOTAL ASSETS LESS CURRENT LIABILITIES			15,776,130		7,652,705
PROVISIONS FOR LIABILITIES	15		148,488		190,085
NET ASSETS			15,627,642		7,462,620
CAPITAL AND RESERVES					
Called up share capital	16		6,334		6,334
Revaluation reserve	17		1,037,692		1,037,692
Retained earnings	17		14,583,616		6,418,594
SHAREHOLDERS' FUNDS			15,627,642		7,462,620

The financial statements were approved by the Board of Directors and authorised for issue on 17 May 2021 and were signed on its behalf by:

....

Director - Mr Sathish Kumar

The notes form part of these financial statements

Bell,Sons & Co.(Druggists) Limited

Statement of Changes in Equity for the Year Ended 31 March 2021

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 April 2019	6,334	4,530,621	1,037,692	5,574,647
Changes in equity				
Dividend declared	-	(1,000,000)	-	(1,000,000)
Total comprehensive income	-	2,887,973	-	2,887,973
Balance at 31 March 2020	6,334	6,418,594	1,037,692	7,462,620
Changes in equity				
Dividend declared	-	(500,000)	-	(500,000)
Total comprehensive income	-	8,665,022	-	8,665,022
Balance at 31 March 2021	6,334	14,583,616	1,037,692	15,627,642

The notes form part of these financial statements

1. STATUTORY INFORMATION

Bell, Sons & Co. (Druggists) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standards applicable in UK and Republic of Ireland" (FRS 102) and the requirement of Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded in nearest pound.

The financial statements have been prepared on the historical cost convention. The principle accounting policies adopted are set out below.

Going concern
At the time of approving the financial statement, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing financial statements.

Turnover
Turnover compromises revenue recognized by company in respect of goods supplied during the year, exclusive of Value Added Taxes and trade discount based on the date they are dispatched.

Revenue from sale of goods to be recognized when significant risk and reward of ownerships of goods have passed to the buyer (usually on dispatch of goods), the amount of revenue can be measured reliably, it is probable that the economic benefit associated with the transactions will flow to the entity and the cost incurred or to be incurred in respect of transactions can be measured reliably.

Intangible fixed assets other than goodwill
Intangible assets acquired separately from business are recognized at cost and are subsequently measured at cost less accumulated impairment losses. Intangible assets acquired in business combinations are recognized separately from goodwill at acquisition date if the fair value can be measured reliably.
Amortization is recognized so as to write off the cost or valuation of the assets less their residual values over their useful lives on the following basis

Product licence - 5 to 10 years Straight Line

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.
Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on Freehold land. Depreciation provided at rates calculated to write off the cost or valuation less estimated residual value of each assets over its expected useful life, as follow;
Freehold Building - 2% cost or valuation
Plant and machinery - 20% reducing method

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceed and carrying value of the asset, and is credited and charged to profit or loss.

Capital work in progress consists of asset under construction. It will be capitalized when the property is ready to use and will be depreciated over its expected useful life.

2. **ACCOUNTING POLICIES - continued**

Impairment of Fixed Asset

At each reporting end date, the company review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss (if any).

Whether it is not possible to estimate recoverable amount of an individual asset, the company estimate the recoverable amount of cash generating unit to which the asset belongs.

Recoverable amount is higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discontinued at their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount.

An impairment loss is recognized immediately in profit or Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decreases.

Stocks

Stocks are stated at lower of cost and estimated selling price less costs to complete sell. Cost comprises direct materials and, where applicable, direct labour costs those overheads that have been incurred in bringing the stock to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of carrying amount of stocks over its estimated selling price less cost to complete and sell is recognized as an impairment loss in profit or loss. Reversals of impairment losses are also recognized in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Cash Flow Exemption

The company, being member of the group wherein the parent company prepares consolidated financial statements which are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with Financial Reporting Standard 102.

2. **ACCOUNTING POLICIES - continued**

Financial instruments
The comply elected to apply the provisions of section 11 "Basic Financial Instruments" and section 12 "other Financial Instruments Issues" of FRS 102 to all of its financial instruments.
Financial instruments are recognized in company's statement of financial position when the company became party to the contractual provisions of the instruments.
Financial assets and liabilities are offset, with the net amount presented in the financial statements. When there is a legally enforceable right to set off the recognized amount and there is an intention to settle on a net basis or to realize the net asset and settle the liability simultaneously.

Basic Financial Assets
Basic financial assets which include trade and other receivables, cash and bank balances, are initially measured at transaction price including transaction cost and are subsequently carried at amortized cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.
Trade debtor, loans and other receivables that have fixed or determinable payments that are not quoted in active market are classified as "Loans and receivables" loans and receivables are measured at amortized cost using the effective interest method, less any impairment.

Impairment of Financial Assets
Financial Assets other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial Assets are impaired where there is objective evidence that, as a result of one or more events that accrued after the initial recognition of the financial assets, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognized in profit or loss.

If there is a decrease in impairment loss arising from an event occurring after the impairment was recognized, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what carrying amount would have been, had the impairment not previously been recognized. The impairment reversal is recognized in profit or loss.

De-recognition of Financial Asset
Financial assets are derecognized only when contractual right to the cash flow from the asset expire or are settled, or when the company transfer the financial asset and substantially all the risk and reward of ownership to another entity, or if some of significant risk and rewards of ownerships are retained but control of asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of Financial Liabilities
Financial liabilities and equity instruments are classified according to the substances of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic Financial Liabilities
Basic financial liabilities include trade and other payables, bank loan, loan from fellow group companies and preference shares that are classified as debt, are initially recognized at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Debt instruments are subsequently carried at cost, using effective interest rate method.

Trade payables are obligation to pay for goods and services that have been acquired in ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at transaction price and subsequently measured at amortized cost using effective interest rate method.

2. **ACCOUNTING POLICIES - continued**

Financial liabilities and equity instruments are classified according to the substance to the contractual arrangement entered into. An equity instrument is a contract that evidences a residual interest in the asset of the company after deducting all of its liabilities.

De-recognition of Financial Liability

Financial liabilities are derecognized when the company's contractual obligation expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by company are recorded at the proceeds received, net of direct issue cost. Dividend payable on equity instrument are recognized as liability once they are no longer at the discretion of company.

Employee benefits

The cost of short term employee benefits is recognized as a liability and an expense, unless those cost are required to be recognized as part of the cost of stock or fixed asset. Termination benefit are recognized immediately as an expense when company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

Payment to defined contribution retirement benefit schemes are charged as an expense as the fall due.

Leases

Rentals payables under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefit from the leased assets are consumed.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rate of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains or losses arising on translation are included in the profit and loss account for the period.

Taxation

The tax expenses represent the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income and expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred Tax

Deferred tax liability is generally recognized for all timing differences and deferred tax asset is recognized to the extent that it is probable that they will be recovered against the reversal of deferred tax liability or other future taxable profits. Such assets and liabilities are not recognized if the timing differences arises from goodwill or from initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profits.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realized. Deferred tax is charged of credited in profit and loss account, except when it relates to items charged or credited directly to equity, in which case deferred tax is also dealt with in equity. Deferred tax assets and liability are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax asset and liabilities relate to taxes levied by the same tax authority.

3. TURNOVER

An analysis of company's turnover is as follows:

	2021	2020
	£	£
Turnover		
Sale of goods	38,778,680	32,940,253

4. OTHER OPERATING INCOME

	2021	2020
	£	£
Bank interest receivable	640	7,533
Sundry receipts	160,010	-
	160,650	7,533

5. EMPLOYEES AND DIRECTORS

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Production	149	153
Sales and Administration	17	16
Total	166	169

Their aggregate remuneration comprised

	2021	2020
	£	£
Wages and Salaries	4,129,606	3,859,717
Social Security Cost	348,127	306,650
Other Pension Cost	135,722	119,324
Total	4,613,455	4,285,691

Directors Remuneration

	2021	2020
	£	£
Remuneration for qualifying services	-	-
Company pension contributions to defined contribution schemes	-	-
Total	-	-

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2020-Nil)

(Directors Remuneration amounting to £791,727(2020: £63,240) is recharged from Relonchem Limited)

6. OPERATING PROFIT

The operating profit is stated after charging/ (crediting):

	2021	2020
	£	£
Other operating leases	72,396	67,334
Depreciation - owned assets	316,326	307,069
Loss on disposal of fixed assets	727	1,368
Impairment of fixed assets	14,908	21,170
Patents and licences amortisation	4,139	5,239
Cost of stock recognised as an expenses	18,471,205	19,843,462
Auditors' remuneration		
for audit services	8,000	8,000
for other services	1,000	1,000
Foreign exchange differences	(2,205)	-

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank overdraft interest payable	9,079	81,341

8. TAXATION

	2021	2020
	£	£
Current tax:		
UK corporation tax on profits for the current period	2,084,536	723,335
Deferred tax:		
Originating and reversal timing differences	(41,597)	87,597
	2,042,939	810,932

The charges for the year can be reconciled to the profit and loss account as follow:

	2021	2020
	£	£
Profit before taxation on continued operations	10,707,961	3,698,905
Profit on ordinary activities before taxation multiplied by standard rate of corporation tax of 19% (2020-19%)	2,034,513	702,792
Tax effect of expenses that are not deductible in determining taxable profit	138	-
Group relief	(1,370)	(785)
Difference of Capital allowances and depreciation	51,255	17,045
Other tax adjustments	-	4,282
	50,023	20,543
Tax expenses for the year	2,084,536	723,335

9. DIVIDENDS

	2021	2020
	£	£
Ordinary shares of £1 each Final	500,000	1,000,000

10. INTANGIBLE FIXED ASSETS

	Patent and Licenses £
COST	
At 1 April 2020	
and 31 March 2021	68,882
AMORTISATION	
At 1 April 2020	50,878
Amortisation for year	4,139
At 31 March 2021	55,017
NET BOOK VALUE	
At 31 March 2021	13,865
At 31 March 2020	18,004

11. TANGIBLE FIXED ASSETS

	Freehold property £	Capital work in progress property £	Plant and machinery £	Totals £
COST				
At 1 April 2020	2,385,365	-	4,829,462	7,214,827
Additions	-	563,656	61,469	625,125
Disposals	-	-	(52,253)	(52,253)
At 31 March 2021	2,385,365	563,656	4,838,678	7,787,699
DEPRECIATION				
At 1 April 2020	361,553	-	3,829,016	4,190,569
Charge for year	53,652	-	262,674	316,326
Eliminated on disposal	-	-	(49,436)	(49,436)
Impairments	-	-	14,908	14,908
At 31 March 2021	415,205	-	4,057,162	4,472,367
NET BOOK VALUE				
At 31 March 2021	1,970,160	563,656	781,516	3,315,332
At 31 March 2020	2,023,812	-	1,000,446	3,024,258

Comparable historical cost for the land and building included at valuation:

	2021	2020
Cost	1,796,527	1,796,527
Accumulated depreciation	899,081	863,151
Carrying value	897,446	933,376

The Property was externally valued on 31st march 2013 at £2,300,000 by Eddisons Chartered Surveyors on an open market basis. The Directors are not aware of any material changes in value subsequently.

12. STOCKS

	2021	2020
	£	£
Stocks of Raw materials and Consumables	1,653,508	1,227,840
Finished goods	7,551,946	3,480,886
	9,205,454	4,708,726

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	4,015,595	5,273,998
Amounts owed by group undertakings	2,140,161	1,704,043
Other debtors	145,023	-
Prepayments and accrued income	208,920	126,285
	6,509,699	7,104,326

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	1,616,059	1,950,748
Loans and overdrafts	98,699	317,003
Dividend payable	500,000	1,000,000
Amounts owed to group undertakings	1,852,550	4,670,260
Corporate tax payable	1,233,105	424,957
Social security and other taxes	769,246	793,941
Other creditors	34,017	39,531
Accruals and deferred income	1,403,077	809,175
	7,506,753	10,005,615

15. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax (Accelerated Capital Allowances)	148,488	190,085

These are the major deferred tax liabilities and assets recognised by the company and in the current year there were movement amounting £ 41,597

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
6,334	Ordinary	£1	6,334	6,334

17. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 April 2020	6,418,594	1,037,692	7,456,286
Profit for the year before dividend	8,665,022		8,665,022
Dividend declared	(500,000)		(500,000)
At 31 March 2021	14,583,616	1,037,692	15,621,308

18. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year or on demand:		
Bank overdrafts	98,699	317,003

The company's overdraft facility is secured on an all asset debenture charge creating a first charge over all free hold property and other assets within the company together with a corporate guarantee from the ultimate parent company, Marksans Pharma Limited, for the whole credit facility.

19. OPERATING LEASE COMMITMENTS

Lessee

At 31 March 2021 the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	42,206	97,720
Between two and five years	32,660	75,954

20. CAPITAL COMMITMENTS

	2021 £	2020 £
Contracted but not provided for in the financial statements	23,350	-

21. PENSION COMMITMENTS

Defined contribution schemes
The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £135,722 (2020-£119,324)

22. RELATED PARTY TRANSACTIONS EXEMPTION

The company has taken the advantage of exemption, under the terms of Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

23. CONTROLLING PARTY

The immediate parent undertaking is Marksans Holdings Limited, a company incorporated in England and Wales. The company is controlled by Marksans Pharma U.K. Limited by virtue of its 100% ownership of Marksans Holdings Limited.

The parent undertaking of smallest group for which consolidated accounts are prepared is Marksans Pharma U.K. Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.The parent undertaking of largest group for which consolidated accounts are prepared is Marksans Pharma Limited, a company incorporated in India. Consolidated accounts are available from the registrar of Companies, Everest 100, Marine Drive, Mumbai- 400 002, Maharashtra.

In the opinion of the directors, Marksans Pharma Limited is the company's ultimate parent company and ultimate controlling party.

24. PREVIOUS YEAR FIGURES

Previous year figures have been rearranged/ regrouped/ reclassified wherever considered necessary to facilitate comparison with the current year figures.

Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 31 March 2021

for

Relonchem Limited

Relonchem Limited

Contents of the Financial Statements for the Year Ended 31 March 2021

Relonchem Limited

Company Information
for the Year Ended 31 March 2021

DIRECTORS:	Mr. M Saldanha Mrs. S Saldanha Mr.J Sharma Mr. S Jayanna Mr Colin Hunter Mr. S R Buddharaju
SECRETARY:	Mrs G Jacks
REGISTERED OFFICE:	Cheshire House, Gorsey Lane, Widnes, Cheshire, England, WA8 0RP
REGISTERED NUMBER:	04773758 (England and Wales)
AUDITORS:	PBG Associates Limited Chartered Accountants and Statutory Auditors 65 Delamere Road Hayes, Middx UB4 0NN

Relonchem Limited

Strategic Report
for the Year Ended 31 March 2021

The directors present the strategic report and financial statement for the year ended 31 March 2021.

FAIR REVIEW OF THE BUSINESS

During the period sales decreased from £26,232,789 to £25,483,804 and company's profit on ordinary activities before taxation was £8,232,490 (2020:£6,046,746). The directors expect turnover and the profit on ordinary activities to increase in the forthcoming years.

The company develops, registers and distributes prescription generic pharmaceuticals in the UK.

Principle risk and uncertainties arise from a competitive market.

The company is able to manage the risk by utilizing the low-cost manufacturing capability of the parent company, which also secures reliable supplies.

The 2020-21 has been a challenging year due to COVID with disruption to the supply chain from India being impacted at the beginning of the financial year. The demand for cough and cold liquid products dropped significantly due to the lockdown in the UK impacting sales of own manufactured products negatively. Increased demand for a number of prescription and OTC products due to COVID more than offset the shortfall and resulted in overall higher turnover. Overall, business at the company has not been negatively impacted by COVID.

The company will continue to develop its product range through new product development and acquisition of licenses, to meet market needs.

The profit for the year, after taxation, before dividend amounting to £6,605,509 (2020: £4,873,138 Profit)

ON BEHALF OF THE BOARD:

....

Director- Mr Sathish Kumar

Date: 17 May 2021

Report of the Directors
for the Year Ended 31 March 2021

The directors present their annual report and financial statement for the year ended 31 March 2021.

PRINCIPAL ACTIVITIES
The principle activity of the company continued to be that of development, registration and distribution of generic prescription pharmaceuticals in the UK.

DIVIDENDS
Dividend declared during the year amounting £ 0.5 million for the year 2020-2021.

DIRECTORS
The directors who hold office during the year and up to the date of signature of financial statement were as follow:

Mr. M Saldanha
Mr. J Sharma
Mr. S Jayanna
Mrs. S Saldanha
Mr Colin Hunter
Mr. Buddharaju, Seetharama Raju (Appointed on 12th May 2020)

RESULTS AND DIVIDENDS
The results for the year are set out on page 8.

AUDITORS
The auditors, PBG Associates Ltd, will be proposed for re-appointment at the forth coming Annual General meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing annual report and financial statement in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statement for each financial year. Under that law the directors have elected to prepare the financial statement in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statement unless they are satisfied that they give a true and fair view of state of affairs of the company and of the profit or loss of the company for the period.in preparing these financial statements, the directors are required to:
- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statement on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with Companies act 2006. They are also responsible for safeguarding the assets of the company and hence for tacking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to established that the company's auditor are aware of that information.

ON BEHALF OF THE BOARD:

....

Director - Mr Sathish Kumar

Date: 17 May 2021

Report of the Independent Auditors to the Members of
Relonchem Limited

Opinion
We have audited the financial statements of Relonchem Limited (the 'company') for the year ended 31 March 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information
The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the company. Our approach was as follows:

• We obtained a general understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are direct laws and regulations, related to continuing approval by MHRA, company's legislation and the financial reporting framework (UK GAAP). We obtained a general understanding of how the Company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.

• For both direct and other laws and regulations, our procedures involved: making enquiry of the directors of the Company for their awareness of any noncompliance of laws or regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees.

• The Company operates in the pharmaceutical industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

• Enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Devender Arora ACA (Senior Statutory Auditor)
For and on behalf of PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes, Middx
UB4 0NN

Date: 17 May 2021

Relonchem Limited

Income Statement
for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
TURNOVER	2	25,483,804	26,232,789
Cost of sales		14,919,097	17,979,996
GROSS PROFIT		10,564,707	8,252,793
Administrative expenses		2,333,579	2,202,228
		8,231,128	6,050,565
Other operating income	3	21,567	5,722
OPERATING PROFIT	5	8,252,695	6,056,287
Interest payable and similar expenses	7	20,205	9,541
PROFIT BEFORE TAXATION		8,232,490	6,046,746
Tax on profit	8	1,626,981	1,173,608
PROFIT FOR THE FINANCIAL YEAR		6,605,509	4,873,138

All amounts relates to continuing operations

Relonchem Limited

Other Comprehensive Income
for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		6,605,509	4,873,138
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		6,605,509	4,873,138

Relonchem Limited (Registered number: 04773758)

Balance Sheet
31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Intangible assets	11		3,326,149		3,867,111
Tangible assets	12		217,147		162,791
			3,543,296		4,029,902
CURRENT ASSETS					
Stocks	13	5,084,520		3,327,953	
Debtors	14	12,964,963		11,147,625	
Cash in hand		5,128,684		4,839,745	
		23,178,167		19,315,323	
CREDITORS					
Amounts falling due within one year	15	4,483,051		7,212,322	
NET CURRENT ASSETS			18,695,116		12,103,001
TOTAL ASSETS LESS CURRENT LIABILITIES			22,238,412		16,132,903
CAPITAL AND RESERVES					
Called up share capital	16		2,300		2,300
Share premium	17		6,909,121		6,909,121
Retained earnings	17		15,326,991		9,221,482
SHAREHOLDERS' FUNDS			22,238,412		16,132,903

The financial statements were approved by the Board of Directors and authorised for issue on 17 May 2021 and were signed on its behalf by:

....

Director- Mr Sathish Kumar

Relonchem Limited

Statement of Changes in Equity
for the Year Ended 31 March 2021

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2019	2,300	6,348,344	6,909,121	13,259,765
Changes in equity				
Dividend declared	-	(2,000,000)	-	(2,000,000)
Total comprehensive income	-	4,873,138	-	4,873,138
Balance at 31 March 2020	2,300	9,221,482	6,909,121	16,132,903
Changes in equity				
Dividend declared	-	(500,000)	-	(500,000)
Total comprehensive income	-	6,605,509	-	6,605,509
Balance at 31 March 2021	2,300	15,326,991	6,909,121	22,238,412

The notes form part of these financial statements

1. **ACCOUNTING POLICIES**

Relonchem Limited is a company limited by shares incorporated in England and Wales. The register office is Cheshire House, Gorsey Lane, Widnes, Cheshire, England WA8 0RP.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standards applicable in UK and Republic of Ireland" (FRS 102) and the requirement of Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded in nearest pound.

The financial statements have been prepared on the historical cost convention. The principle accounting policies adopted are set out below.

Going concern
At the time of approving the financial statement, the directors have a reasonable explanation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing financial statements.

Turnover
Turnover compromise revenue recognized by company in respect of goods supplied during the year, exclusive of Value Added Taxes and trade discount based on the date they are dispatched.

Revenue from sale of goods to be recognized when significant risk and reward of ownerships of goods have passed to the buyer (usually on dispatch of goods), the amount of revenue can be measured reliably, it is probable that the economic benefit associated with the transactions will flow to the entity and the cost incurred or to be incurred in respect of transactions can be measured reliably.

Intangible fixed assets other than goodwill
Intangible assets acquired separately from business are recognized at cost and are subsequently measured at cost less accumulated impairment losses. Intangible assets acquired in business combinations are recognized separately from goodwill at acquisition date if the fair value can be measured reliably.

Amortization is recognized so as to write off the cost or valuation of the assets less their residual values over their useful lives on the following basis;

Product licenses & Development costs-5 to 10 years Straight Line

Intangible work in progress
Capital work in progress represents costs incurred for which the marketing authorisation is yet to be obtained. Once the marketing authorisation is obtained, the accumulated cost is transferred to intangible assets. In circumstances where marketing authorisations are not granted or the applications are withdrawn, the accumulated costs are charged to the profit and loss account.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognized so as to write off the cost or valuation of asset less their residual values over their useful lives on the following basis;
Fixtures, Fittings and Equipment   20% reducing balances

The gain or loss arising on the disposal of a fixed assets is determined as the difference between the Sale proceed and carrying value of the asset, and is credited and charged to profit or loss.

1. **ACCOUNTING POLICIES - continued**

Impairment of Fixed Assets

At each reporting end date, the company review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss (if any). Whether it is not possible to estimate recoverable amount of an individual asset, the company estimate the recoverable amount of cash generating unit to which the asset belongs.

Recoverable amount is higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discontinued at their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decreases.

Stocks
Stocks are stated at lower of cost and estimated selling price less costs to complete sell. Cost comprises direct materials and, where applicable, direct labour costs those overheads that have been incurred in bringing the stock to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of carrying amount of stocks over its estimated selling price less cost to complete and sell is recognized as an impairment loss in profit or loss. Reversals of impairment losses are also recognized in profit or loss.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.
Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities. The company, being member of the group wherein the parent company prepares consolidated financial statements which are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with Financial Reporting Standard 102.

1. **ACCOUNTING POLICIES - continued**

Financial instruments
The comply elected to apply the provisions of section 11 "Basic Financial Instruments" and section 12 "other Financial Instruments Issues" of FRS 102 to all of its financial instruments.
Financial instruments are recognized in company's statement of financial position when the company became party to the contractual provisions of the instruments.
Financial assets and liabilities are offset, with the net amount presented in the financial statements. When there is a legally enforceable right to set off the recognized amount and there is an intention to settle on a net basis or to realize the net asset and settle the liability simultaneously.

Basic Financial Assets
Basic financial assets which include trade and other receivables, cash and bank balances, are initially measured at transaction price including transaction cost and are subsequently carried at amortized cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.
Trade debtor, loans and other receivables that have fixed or determinable payments that are not quoted in active market are classified as "Loans and receivables" loans and receivables are measured at amortized cost using the effective interest method, less any impairment.

Impairment of Financial Assets
Financial Assets other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial Assets are impaired where there is objective evidence that, as a result of one or more events that accrued after the initial recognition of the financial assets, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognized in profit or loss.

If there is a decrease in impairment loss arising from an event occurring after the impairment was recognized, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what carrying amount would have been, had the impairment not previously been recognized. The impairment reversal is recognized in profit or loss.

De-recognition of Financial Asset
Financial assets are derecognized only when contractual right to the cash flow from the asset expire or are settled, or when the company transfer the financial asset and substantially all the risk and reward of ownership to another entity, or if some of significant risk and rewards of ownerships are retained but control of asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of Financial Liabilities
Financial liabilities and equity instruments are classified according to the substances of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic Financial Liabilities
Basic financial liabilities include trade and other payables, bank loan, loan from fellow group companies and preference shares that are classified as debt, are initially recognized at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest. Debt instruments are subsequently carried at cost, using effective interest rate method.

Trade payables are obligation to pay for goods and services that have been acquired in ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at transaction price and subsequently measured at amortized cost using effective interest rate method.
Financial liabilities and equity instruments are classified according to the substance to the contractual arrangement entered into. An equity instrument is a contract that evidences a residual interest in the asset of the company after deducting all of its liabilities.

1. **ACCOUNTING POLICIES - continued**

De-recognition of Financial Liability
Financial liabilities are derecognized when the company's contractual obligation expire or are discharged or cancelled.

Equity instruments
Equity instruments issued by company are recorded at the proceeds received, net of direct issue cost. Dividend payable on equity instrument are recognized as liability once they are no longer at the discretion of company.

Employee benefits
The cost of short term employee benefits is recognized as a liability and an expense, unless those cost are required to be recognized as part of the cost of stock or fixed asset. Termination benefit are recognized immediately as an expense when company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement Benefits
Payment to defined contribution retirement benefit schemes are charged as an expense as the fall due.

Leases
Rentals payables under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefit from the leased assets are consumed.

Foreign Exchange
Transactions in currencies other than pounds sterling are recorded at the rate of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains or losses arising on translation are included in the profit and loss account for the period.

Judgement and key sources of estimation uncertainty
In the application of the company's accounting policies, the directors are required to make judgements, estimated and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates is revised where the revision effects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

Critical Judgements
The following judgements (apart from those involving estimates) had the most significant effect on amount recognized in the financial statements.

Amortization of Product Licenses
The annual amortization charge for intangible assets is sensitive to changes in the estimated lives and residual values of assets. The useful economic lives and residual values are reviewed annually. These reviews require an estimation of how long each license is expected to be used based on expected sales of those licensed products. See note 9 for the carrying amount of the intangible assets and note 1 on Accounting Policies for the useful economic lives for each class of assets.

2. TURNOVER

An analysis of the company's turnover is as follows:

	2021	2020
	£	£
Turnover		
Sale of goods	25,483,804	26,232,789

The analysis of turnover by geographical markets has been omitted as the directors consider that this would be prejudicial to the interest of the company's trade.

3. OTHER OPERATING INCOME

	2021	2020
	£	£
Other operating income	21,567	5,722
	21,567	5,722

4. EMPLOYEES AND DIRECTORS

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
	15	16

Their aggregate remuneration comprised of:

	2021	2020
Wages and salaries	1,035,310	1,109,664
Social security costs	107,089	94,604
Other pension costs	57,624	44,465
	1,200,023	1,248,713

Director's Remuneration

	2021	2020
	£	£
Remuneration for qualifying services	1,152,859	325,805

(Directors remuneration amounting to £ 791,727 (2020:£ 63,240) is recharged to Bell, Sons Co. (Druggists) Limited)

5. OPERATING PROFIT

The operating profit is stated after charging/ (crediting):

	2021	2020
	£	£
Operating lease rents	26,837	32,495
Depreciation of owned tangible fixed assets	56,682	50,862
Amortisation of Intangible assets	212,169	307,447
Impairment of intangible assets	440,820	-
Cost of stock recognised as expenses	13,179,270	16,113,335

6. AUDITORS' REMUNERATION

Fees payable to the company's auditor and its associates:

	2021	2020
	£	£
For audit services		
Audit of the company's financial statements	8,000	8,000
For other services	1,000	1,000

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank interest on loans and overdraft	20,205	9,541
	20,205	9,541

8. TAXATION

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	1,626,981	1,173,608

The charge for the year can be reconciled to the (loss)/profit per the profit and Loss account as follows:

	2021	2020
	£	£
Profit before Taxation on continued operations	8,232,490	6,046,746
Profit on ordinary activities before taxation multiplied by standard Rate of corporation tax of 19% (2020-19%)	1,564,173	1,148,882
Tax effect of expenses that are not deductible in determining taxable profit	84,327	4,454
Tax effect of income that are not deductible in determining taxable profit	(588)	
Unutilized tax losses carry forward	-	-
Group relief	-	-
Capital allowances for period in excess of depreciation	(20,931)	20,273
	62,808	24,727
Tax expense for the year	1,626,981	1,173,608

9. DIVIDENDS

	2021	2020
	£	£
Ordinary share capital shares of £1 each Final	500,000	2,000,000

10. OPERATING LEASES COMMITMENTS

At 31 March 2021 the company had annual commitments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Expiry Date:		
Within one year	289,852	289,404
Between two and five year	1,443,040	1,155,228
After five year	721,520	1,298,736
	2,454,412	2,743,368

11. INTANGIBLE FIXED ASSETS

	Capital Work in Progress	Development costs	Totals
	£	£	£
COST			
At 1 April 2020	789,000	6,086,965	6,875,965
Additions	112,027	-	112,027
Transfer	(789,000)	789,000	-
At 31 March 2021	112,027	6,875,965	6,987,992
AMORTISATION			
At 1 April 2020	-	3,008,854	3,008,854
Amortisation for year	-	212,169	212,169
Impairments	-	440,820	440,820
At 31 March 2021	-	3,661,843	3,661,843
NET BOOK VALUE			
At 31 March 2021	112,027	3,214,122	3,326,149
At 31 March 2020	789,000	3,078,111	3,867,111

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings
	£
COST	
At 1 April 2020	262,089
Additions	111,038
At 31 March 2021	373,127
DEPRECIATION	
At 1 April 2020	99,298
Charge for year	56,682
At 31 March 2021	155,980
NET BOOK VALUE	
At 31 March 2021	217,147
At 31 March 2020	162,791

13. STOCKS

	2021	2020
	£	£
Finished goods and goods for resale	5,084,520	3,327,953

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	5,862,459	5,304,698
Amounts owed by group undertakings	6,951,886	5,709,896
Other debtors	40,000	40,000
Prepayments and accrued income	110,618	93,031
	12,964,963	11,147,625

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	616,472	729,671
Loans and overdrafts	99,355	182,600
Dividend payable	500,000	2,000,000
Amounts owed to group undertakings	-	1,433,218
Corporation tax payable	1,013,825	828,422
Social security and other taxes	35,454	32,093
Other creditors	726,365	662,232
Accruals and deferred income	1,491,580	1,344,086
	4,483,051	7,212,322

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
2,300	Ordinary share capital	£1	2,300	2,300

17. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 April 2020	9,221,482	6,909,121	16,130,603
Profit for the year before dividend	6,605,509		6,605,509
Dividend declared	(500,000)		(500,000)
At 31 March 2021	15,326,991	6,909,121	22,236,112

18. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year or on demand:		
Bank overdraft	99,355	182,600

The company's overdraft facility is secured on an all asset debenture charge creating a first charge over all freehold property and other assets within the company together with a corporate together with a corporate guarantee from the ultimate parent company, Marksans Pharma Limited for the whole credit facility.

19. CAPITAL COMMITMENTS

	2021	2020
	£	£
Contracted but not provided for in the financial statements	14,875	-

20. PENSION COMMITMENTS

Defined contribution schemes
The company operated a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.
The charge to profit and loss in respect of defined contribution schemes was £57,624 (2020-£ 44,465)

21. RELATED PARTY TRANSACTIONS EXEMPTION

The company has taken the advantage of exemption, under the terms of Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

22. CONTROLLING PARTY

The immediate parent undertaking is Marksans Pharma U.K Limited. The parent undertaking of the smallest group for which consolidated accounts are prepared is Marksans Pharma U.K. Limited. Consolidated accounts are available from Companies House, Cardiff, CF 14 3 UZ.

The Parents undertaking of the largest group for which consolidated accounts are prepared is Marksans Pharma Limited, a company incorporated in India. Consolidated accounts are available from the Registrar of Companies, Everest 100, Marine Drive, Mumbai- 400 002, Maharashtra.

In the opinion of the directors, Marksans Pharma Limited is the company's Ultimate parent Company and ultimate controlling party.

23. PREVIOUS YEAR FIGURES

Previous year figures have been rearranged/ regrouped/ reclassified wherever considered necessary to facilitate comparison with the current year figures.