Bhagi Bhardwaj Gaur & Co.
CHARTERED ACCOUNTANTS

2952-53/2, Sangtrashan, D.B. Gupta Road,
Paharganj, New Delhi-110055
Phone: 011-43538511
e-mail: bbgcaaccounts@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Upakarma Ayurveda Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Upakarma Ayurveda Private Limited (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

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

Responsibilities of Management for The Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

• Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matters

a) The financial statements of the company for the year ended March 31, 2022, prepared in accordance with Generally Accepted Accounting Principles in India, have been audited by predecessor auditor who expressed an unmodified opinion on those statements on September 03, 2022.

b) Our Opinion above on the Ind AS financial statements is not modified.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

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

a) The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its financial statements - Refer Note 28(i) to the financial statements.

b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note 28(ii)(c) to the financial statements.

c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company - Refer Note 36 to the financial statements.

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

• directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company, or

• provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

• directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party, or

• provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has not declared/ paid any dividend during the year.

f) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **Bhagi Bhardwaj Gaur & Co.**
Chartered Accountants
Firm's Registration No: 007895N

MOHIT GUPTA

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Date: 2023.05.27 19:27:17 +05'30'

Mohit Gupta
Partner
Membership No: 528337
UDIN: 23528337BGUNWR3656

New Delhi
May 27, 2023

Annexure A to the Independent Auditor's report on the financial statements of Upakarma Ayurveda Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

(vii)(a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year or in any previous year. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) As represented by the management, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank), hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has incurred cash losses in the current and immediately preceding financial years amounting to INR 329.68 lacs and INR 263.54 lacs respectively.

(xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not fulfil the criteria as specified under section 135(1) of the Act read with Companies (Corporate Social Responsibility Policy) Rules 2014 and accordingly, reporting under clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **Bhagi Bhardwaj Gaur & Co.**
Chartered Accountants
Firm's Registration No: 007895N

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Mohit Gupta
Partner
Membership No: 528337
UDIN: 23528337BGUNWR3656

New Delhi
May 27, 2023

Annexure B to the Independent Auditor's Report on the financial statements of Upakarma Ayurveda Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Upakarma Ayurveda Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

For **Bhagi Bhardwaj Gaur & Co.**
Chartered Accountants
Firm's Registration No: 007895N

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Date: 2023.05.27 19:27:53 +05'30'

Mohit Gupta
Partner
Membership No: 528337
UDIN: 23528337BGUNWR3656

New Delhi
May 27, 2023

Upakarma Ayurveda Private Limited
Balance Sheet as at March 31, 2023
All amounts are in INR lacs unless otherwise stated

Particulars	Notes	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
ASSETS				
Non-current assets				
Property, plant and equipment	3	16.75	15.42	16.30
Intangible assets	4	2.19	5.07	5.67
Income tax assets (net)	6	5.43	13.14	
Deferred tax assets (net)	7	5.68	2.91	4.23
Total non-current assets		**30.05**	**36.54**	**26.20**
Current assets				
Inventories	9	89.60	65.76	136.86
Financial assets				
(i) Trade receivables	10	118.48	53.40	23.53
(ii) Cash and cash equivalents	11	229.21	3.40	2.93
(iii) Bank balances other than (iii) above	12	-	14.02	13.25
(iv) Other financial assets	5	12.96	5.85	5.85
Other current assets	8	172.48	93.27	44.00
Total current assets		**622.73**	**235.70**	**226.42**
Total assets		**652.78**	**272.24**	**252.62**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	180.44	180.44	173.79
Other equity	14	(901.68)	(569.25)	(442.11)
Total equity		**(721.24)**	**(388.81)**	**(268.32)**
LIABILITES				
Non-current liabilities				
Financial liabilities				
Borrowings	15	1,090.40	414.91	367.20
Provisions	16	12.12	-	-
Total non-current liabilities		**1,102.52**	**414.91**	**367.20**
Current liabilities				
Financial liabilities				
Borrowings	15	-	13.91	15.01
(i) Trade payables	18			
(a) total outstanding dues of micro enterprises and small enterprises		47.14	41.01	-
(b) total outstanding dues of creditors other than micro and small enterprises		197.14	178.47	132.34
Provisions	16	0.09	-	-
Other current liabilities	17	27.13	12.75	6.39
Total current liabilities		**271.50**	**246.14**	**153.74**
Total liabilities		**1,374.02**	**661.05**	**520.94**
Total equity and liabilities		**652.78**	**272.24**	**252.62**

See accompanying notes are forming part of these standalone financial statements

As per our report of even date

For Bhagi Bhardwaj Gaur & Co.
Chartered Accountants
Firm Reg. no. 007895N

MOHIT GUPTA Digitally signed by MOHIT GUPTA Date: 2023.05.27 19:22:59 +05'30'

Mohit Gupta
Partner
M.No. 528337

Place: New Delhi
Date: May 27, 2023

For and on behalf of the Board of Directors of
Upakarma Ayurveda Private Limited

VISHAL KAUSHIK Digitally signed by VISHAL KAUSHIK Date: 2023.05.27 12:10:49 +05'30'

Vishal Kaushik
Managing Director
DIN - 02837775

Place: New Delhi
Date: May 27, 2023

PARAG KAUSHIK Digitally signed by PARAG KAUSHIK Date: 2023.05.27 12:11:36 +05'30'

Parag Kaushik
Director
DIN - 07251825

Place: New Delhi
Date: May 27, 2023

Upakarma Ayurveda Private Limited
Statement of Profit and Loss for the year ended March 31, 2023
All amounts are in INR lacs unless otherwise stated

	Particulars	**Notes**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
I	**Income**			
	Revenue from operations	19	1,056.91	1,709.90
	Other income	20	1.71	1.19
	Total income (I)		**1,058.62**	**1,711.09**
II	**Expenses**			
	Cost of materials consumed	21	122.20	-
	Purchases of stock-in-trade	21	208.01	637.05
	Changes in inventories of finished goods, work in progress and stock in trade	22	9.54	71.10
	Employee benefits expense	23	211.88	169.92
	Finance costs	24	27.07	41.75
	Depreciation and amortization expense	25	5.52	5.43
	Other expenses	26	809.60	1,054.81
	Total expenses (II)		**1,393.82**	**1,980.06**
III	**Loss before tax (I-II)**		**(335.20)**	**(268.97)**
IV	**Tax Expense:**			
	Current tax	27	-	-
	Deferred tax	27	(2.77)	1.32
	Total tax expense (IV)		**(2.77)**	**1.32**
V	**Loss for the year (III- IV)**		**(332.43)**	**(270.29)**
VI	**Other comprehensive income**			
	Item that will not be reclassified to profit or loss			
	- Remeasurement gain / (loss) of the defined benefit plan	34	-	-
	- Income tax relating to these items	27	-	-
	Other total comprehensive income for the year		**-**	**-**
VII	**Total comprehensive loss for the year (V+VI)**		**(332.43)**	**(270.29)**
	Earnings per equity share of face value of INR 10 each attributable to equity holders of the Company (EPS)	35		
	Basic EPS (in INR)		(18.42)	(14.98)
	Diluted EPS (in INR)		(18.42)	(14.98)

The above statement of profit and loss should be read in conjunction with accompanying notes.

As per our report of even date

For Bhagi Bhardwaj Gaur & Co.
Chartered Accountants
Firm Reg. no. 007895N

MOHIT GUPTA Digitally signed by MOHIT GUPTA Date: 2023.05.27 19:23:38 +05'30'

Mohit Gupta
Partner
M.No. 528337

Place: New Delhi
Date: May 27, 2023

For and on behalf of the Board of Directors of
Upakarma Ayurveda Private Limited

VISHAL KAUSHIK Digitally signed by VISHAL KAUSHIK Date: 2023.05.27 12:12:21 +05'30'

Vishal Kaushik
Managing Director
DIN - 02837775

Place: New Delhi
Date: May 27, 2023

PARAG KAUSHIK Digitally signed by PARAG KAUSHIK Date: 2023.05.27 12:12:48 +05'30'

Parag Kaushik
Director
DIN - 07251825

Place: New Delhi
Date: May 27, 2023

Upakarma Ayurveda Private Limited
Statement of Cash Flows for the year ended March 31, 2023
All amounts are in INR lacs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from Operating activities		
Profit before tax	(335.20)	(268.97)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	5.52	5.43
Interest income	(1.69)	(0.86)
Finance costs	24.51	33.99
Working capital adjustments:		
(Increase)/ Decrease in trade receivables	(65.08)	(29.87)
(Increase)/ Decrease in inventories	(23.84)	71.10
(Increase)/ Decrease in other financial asset	(7.11)	-
(Increase)/ Decrease in other asset	(79.21)	(49.27)
Increase/ (Decrease) in provisions	12.21	-
Increase/ (Decrease) in trade payable	-	87.14
Increase/ (Decrease) in other financial liability	24.80	
Increase/ (Decrease) in other liability	14.38	6.37
Cash used in operations	**(430.71)**	**(144.94)**
Income tax paid (net)	7.71	(13.14)
Net cash outflow from operating activities	**(423.00)**	**(158.08)**
B. Cash flow from Investing activities		
Purchase/Proceeds of/from property, plant and equipment	(3.97)	(3.96)
Bank withdrawal / (deposit) not considered as cash and cash equivalents (net)	14.02	-
Interest received	1.69	0.09
Net cash inflow / (outflow) from investing activities	**11.74**	**(3.87)**
C. Cash flow from Financing activities		
Proceeds from issue of shares	-	149.80
Interest paid	(24.51)	(33.99)
Proceeds from borrowings	1,201.57	46.61
Repayment of borrowings	(539.99)	-
Net cash inflow from financing activities	**637.07**	**162.42**
Net increase in cash and cash equivalents (A+B+C)	225.81	0.47
Cash and cash equivalents at the beginning of the year	3.40	2.93
Cash and cash equivalents at the end of the year	**229.21**	**3.40**
Components of cash and cash equivalents		
Balances with banks (refer note 11)		
- On current account	225.74	-
Cash on hand (refer note 11)	3.47	3.40
	229.21	**3.40**

The above cash flow statement has been prepared under Indirect method as set out in Ind AS-7 "Statement of cash flows".

The above statement of cash flow should be read in conjunction with accompanying notes.

As per our report of even date

For Bhagi Bhardwaj Gaur & Co.
Chartered Accountants
Firm Reg. no. 007895N

MOHIT GUPTA Digitally signed by MOHIT GUPTA Date: 2023.05.27 19:24:16 +05'30'

Mohit Gupta
Partner
M.No. 528337

Place: New Delhi
Date: May 27, 2023

For and on behalf of the Board of Directors of
Upakarma Ayurveda Private Limited

VISHAL KAUSHIK Digitally signed by VISHAL KAUSHIK Date: 2023.05.27 12:13:22 +05'30'

Vishal Kaushik
Managing Director
DIN - 02837775

Place: New Delhi
Date: May 27, 2023

PARAG KAUSHIK Digitally signed by PARAG KAUSHIK Date: 2023.05.27 12:13:57 +05'30'

Parag Kaushik
Director
DIN - 07251825

Place: New Delhi
Date: 26 May, 2023

Upakarma Ayurveda Private Limited
Statement of Changes in Equity for the year ended March 31, 2023
All amounts are in INR lacs unless otherwise stated

a. Equity share capital

Particulars	No. in lacs	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
As at April 01, 2021	**17.38**	**173.78**
Changes in equity share capital during the year	0.67	6.66
As at March 31, 2022	**18.04**	**180.44**
Changes in equity share capital during the year	-	-
As at March 31, 2023	**18.04**	**180.44**

b. Other equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained earnings	
Balance as at April 01, 2021	**77.14**	**(519.25)**	**(442.11)**
Loss for the year	-	(270.29)	(270.29)
Addition during the year	143.15	-	143.15
Other comprehensive income for the year, net of income tax	-	-	-
Total comprehensive income for the year	**143.15**	**(270.29)**	**(127.14)**
Balance as at March 31, 2022	**220.29**	**(789.54)**	**(569.25)**
Loss for the year		(332.43)	(332.43)
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year	**-**	**(332.43)**	**(332.43)**
Balance as at March 31, 2023	**220.29**	**(1,121.97)**	**(901.68)**

The above statement of changes in equity should be read in conjunction with accompanying notes.

As per our report of even date

For Bhagi Bhardwaj Gaur & Co.
Chartered Accountants
Firm Reg. no. 007895N

MOHIT GUPTA
Digitally signed by MOHIT GUPTA
Date: 2023.05.27 19:25:00 +05'30'

Mohit Gupta
Partner
M.No. 528337

Place: New Delhi
Date: May 27, 2023

For and on behalf of the Board of Directors of
Upakarma Ayurveda Private Limited

VISHAL KAUSHIK
Digitally signed by VISHAL KAUSHIK
Date: 2023.05.27 12:14:44 +05'30'

Vishal Kaushik
Managing Director
DIN - 02837775

Place: New Delhi
Date: May 27, 2023

PARAG KAUSHIK
Digitally signed by PARAG KAUSHIK
Date: 2023.05.27 12:15:16 +05'30'

Parag Kaushik
Director
DIN - 07251825

Place: New Delhi
Date: May 27, 2023

1 CORPORATE INFORMATION

Upakarma Ayurveda Private Limited ("Upakarma" or "the Company") is a private limited company domiciled in India and has its registered office at 789-790, 7th Floor, Aggarwal Cyber Plaza-II, Netaji Subhash Place, Pitampura, Delhi - 110034. The Company was incorporated on November 28, 2017 and it is a subsidiary of Mankind Lifesciences Private Limited, a private limited company domiciled in India. The Company is principally engaged in the trading of Ayurveda and health care products in India.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

2.01 Basis of preparation

Statement of compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules 2016 and other relevant provisions of the Companies Act, 2013 (hereinafter referred as 'the Act') and accounting principles generally accepted in India. These financial statements are the first financial statements prepared in accordance with Indian Accounting Standards (hereinafter referred as 'Standards' or 'Ind AS'). The date of transition is April 01, 2021.

The Company had prepared a separate set of financial statements for the years ended March 31, 2022 in accordance with the Accounting Standards referred to in section 133 of the Companies Act, 2013 (the "previous GAAP") read together with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable, and the presentation requirements of the Companies Act, 2013. These financial statements as per previous GAAP were approved by the Management of the Company on September 03, 2021.

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 (collectively, "Ind ASs") with effect from April 01, 2021 and the Company is required to prepare its financial statements in accordance with Ind ASs for the year ended March 31, 2023.

The Company has followed the provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. April 01, 2021. In accordance with Ind AS 101, the Company has presented reconciliations of retained earnings under Previous GAAP and Ind AS as at April 01, 2021 and of the Profit after tax as per Previous GAAP and total comprehensive income under Ind AS for the year ended March 31, 2022. Refer note 20. The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

The financial statements have been prepared on a historical cost basis unless otherwise indicated.

Basis of presentation and preparation of separate financial statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 'Leases' and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36 'Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.02 New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their latest annual reporting period commencing from April 1, 2022:
i) Onerous Contracts - Costs of Fulfilling a Contract - Amendments to Ind AS 37
ii) Reference to the Conceptual Framework - Amendments to Ind AS 103
iii) Property, Plant and Equipment: Proceeds before Intended Use - Amendments to Ind AS 16
iv) Ind AS 101 First-time Adoption of Indian Accounting Standards - Subsidiary as a first-time adopter
v) Ind AS 109 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities
vi) Ind AS 41 Agriculture - Taxation in fair value measurements

2.03 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

All amounts are in INR lacs unless otherwise stated

2.04 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non current.

Deferred tax assets and deferred tax liabilities are classified as non- current assets and liabilities.

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

2.05 Property, plant and equipment

Property, Plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is calculated on prorata basis on straight-line method using the useful lives of the assets estimated by management. The useful life is as follows:

Assets	Useful life (in years)
Building	30 and 60
Plant and Equipment	10 - 15
Furniture and Fixtures	10
Vehicles	8 and 10
Office Equipment	5
Mobile Phones	2
Computers	3
Servers and Networks	6

The useful lives have been determined based on technical evaluation done by the management's expert. In certain plant and machineries and mobile phones , useful lives are lower than those specified by schedule II to the Companies Act 2013 and are depreciated over the estimated useful lives of 10 years and 2 years respectively, in order to reflect the actual usage of assets. The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate.

2.06 Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both , and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent expenditure is capitalized to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. When significant parts of investment property are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. All other repair and maintenance cost are expensed when incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying a valuation model as per Ind AS 113 " Fair value measurement".

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Investment properties are depreciated using straight line method over their estimated useful life. Investment properties comprising of office building is depreciated over useful life of 60 years and leasehold land is amortized on a straight line basis over the unexpired period of the lease.

Transfer of property from investment property to the property, plant and equipment is made when the property is no longer held for long term rental yields or for capital appreciation or both at carrying amount of the property transferred.

2.07 Intangible assets

Separately acquired intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets with finite useful life are amortized on a straight line basis over their estimated useful life as under

Assets	**Useful life (in years)**
Computer Software	3
Trademark	5

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii) Its intention to complete the asset;

iii) Its ability to use or sale the asset;

iv) How the asset will generate future economic benefits;

v) The availability of adequate resources to complete the development and to use or sale the asset; and

vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life. During the period of development, the asset is tested for impairment annually.

2.08 Impairment of non- financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill and intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.09 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

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

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- Those measured at amortized cost

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) **Business Model Test** : The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;

b) **Cash flow characteristics test**: The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) **Business Model Test** : The objective of financial instrument is achieved by both collecting contractual cash flows and selling the financial assets; and

b) **Cash flow characteristics test**: The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognized in statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Embedded Derivatives
A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Derecognition

A financial asset (or ,where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses(ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 -Leases

Under the simplified approach, the Company does not track changes in credit risk. Rather , it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

(a) Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

(b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

(c) Debt instruments measured at FVTOCI: For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the accumulated impairment amount.

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

Subsequent measurement
For purposes of subsequent measurement, financial liabilities are classified in two categories:
(i) Financial liabilities at fair value through profit or loss
(ii) Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. The separated embedded derivate are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. the Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognized less cumulative amortization.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments
Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets/ financial liabilities
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2.10 Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.
Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.
For the purpose of hedge accounting, hedges are classified as:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
(iii) Hedges of a net investment in a foreign operation

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges
The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.
For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.
If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.
The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.
Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.
If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

2.11 Investment in Subsidiaries, associates and joint venture

The investment in subsidiaries, associates and Joint venture are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if it has all the following:
(a) power over the investee;
(b) exposure, or rights, to variable returns from its involvement with the investee and
(c) the ability to use its power over the investee to affect the amount of the returns.

Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

2.12 Inventories

a) Basis of valuation:

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

b) Method of Valuation:

i) Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads and excise duty as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

iii) Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.13 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell . Any expected loss is recognized immediately in the statement of profit and loss.

The criteria for held for sale classification is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold. The Company treats sale of the asset to be highly probable when:

i) The appropriate level of management is committed to a plan to sell the asset
ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable)
iii) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to the plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

2.14 Income Tax

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

a) Current income tax

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

b) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, joint ventures and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, joint ventures and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

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

2.15 Revenue from contract with customers

The Company manufactures/ trades and sells a range of pharmaceutical and healthcare products. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products are shipped to specific location and control has been transferred to the customers. The Company has objective evidence that all criterion for acceptance has been satisfied.

(a) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

The Company considers, whether there are other promises in the contract in which their are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company allocates a portion of the transaction price to goods bases on its relative standalone prices and also considers the following:-

(i) Variable consideration

The Company recognizes revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) Sales Return

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. With respect to established products, the Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. With respect to new products introduced by the Company, such products have historically been either extensions of an existing line of product where the Company has historical experience or in therapeutic categories where established products exist and are sold either by the Company or the Company's competitors.

(iii) Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

(iv) Schemes

The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, reimbursement, investments etc. Revenue from contract with customer is presented deducting cost of all these schemes.

(b) Contract balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivables represents the Company's right to an amount of consideration that is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

Other Operating Revenues

(a) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

2.16 Retirement and other employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date on the basis of actuarial valuation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

2.17 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the building (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

ii) **Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.18 Government Grants

Government Grants are recognized at their fair value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

2.19 Segment reporting :

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The operating segments have been identified on the basis of the nature of products/services. Further:

1 Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue.

2 Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

3 Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.

4 Segment results includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Company.

5 Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

6 Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business.

2.20 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

2.21 Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

2.22 Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value of investment in subsidiaries, associates and joint venture and significant disposal of fixed assets etc.

2.23 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

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

2.24 Foreign currency translation

(i) *Functional and presentation currency*

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

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(iii) *Exchange differences*

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

2.25 Provisions and Contingent Liabilities
Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Sales Return

Provisions for sales returns is determined based on the historical percentage of sales return for the same types of goods for which the provision is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the provision for sales return to be accrued. It is very unlikely that actual sales return will exactly match the historical percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. the Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.26 Dividend Distributions

The Company recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.27 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted(unadjusted) market prices in active markets for identical assets or liabilities
Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.28 Business Combinations

(i) Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

(ii) Business Combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and where that control is not transitory is accounted using the pooling of interests method as enumerated below:

a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
c) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with corresponding balance appearing in the financial statements of the transferee or is adjusted against revenue reserve.
e) The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.
f) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to revenue reserves.

2.29 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(i) Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

a) Leases

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.
The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

(ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

b) Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 31.

c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d) Impairment of financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. the Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history ,existing market conditions as well as forward looking estimates at the end of each reporting period.

e) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use , the estimated future cash flows are estimated based on past rend and discounted 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

f) Provision for sales return

Provisions for sales returns is determined based on the historical percentage of sales return for the same types of goods for which the provision is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the provision for sales return to be accrued. It is very unlikely that actual sales return will exactly match the historical percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

g) Provision for expected credit losses (ECL) of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.
The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 10.

h) Property, Plant and Equipment

Property, Plant and Equipment represent significant portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

All amounts are in INR lacs unless otherwise stated

3 Property, plant and equipment

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Carrying amounts of:			
Plant and equipment	2.27	0.77	-
Furniture and fixtures	0.84	0.45	0.23
Vehicles	10.76	12.43	14.10
Office equipment	0.43	0.68	0.41
Computers	2.45	1.09	1.56
	16.75	**15.42**	**16.30**

Disclosures regarding gross block of Property, plant & equipment, accumulated depreciation thereon and net block are as given below:

	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying value:						
Balance as at April 01, 2021	**-**	**0.23**	**14.10**	**0.41**	**1.56**	**16.30**
Additions	0.80	0.26	-	0.42	-	1.48
Disposals/ adjustments	-	-	-	-	-	-
Balance as at March 31, 2022	**0.80**	**0.49**	**14.10**	**0.83**	**1.56**	**17.78**
Additions	1.55	0.45	-	-	1.97	3.97
Disposals/ adjustments						
Balance as at March 31, 2023	**2.35**	**0.94**	**14.10**	**0.83**	**3.53**	**21.75**
Accumulated depreciation:						
Balance as at April 01, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation expense	0.03	0.04	1.67	0.15	0.47	2.36
Disposals/ adjustments	-	-	-	-	-	-
Balance as at March 31, 2022	**0.03**	**0.04**	**1.67**	**0.15**	**0.47**	**2.36**
Depreciation expense	0.05	0.06	1.67	0.25	0.61	2.64
Disposals/ adjustments	-	-	-	-	-	
Balance as at March 31, 2023	**0.08**	**0.10**	**3.34**	**0.40**	**1.08**	**5.00**
Net carrying value as at March 31, 2023	2.27	0.84	10.76	0.43	2.45	16.75
Net carrying value as at March 31, 2022	0.77	0.45	12.43	0.68	1.09	15.42
Net carrying value as at April 01, 2021	-	0.23	14.10	0.41	1.56	16.30

All amounts are in INR lacs unless otherwise stated

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
4 Intangible assets			
Carrying amounts of :			
Trademark	2.19	5.07	5.66
	2.19	**5.07**	**5.66**

Disclosures regarding gross block of Intangible Assets, amortisation expenses thereon and net block are as given below:

	Trademark	Total
Balance as at April 01, 2021	5.66	5.66
Additions	2.48	2.48
Disposals	-	-
Balance as at March 31, 2022	**8.14**	**8.14**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2023	**8.14**	**8.14**
Accumulated Amortisation		
Balance as at April 01, 2021	**-**	**-**
Amortisation expense	3.07	3.07
Disposals	-	-
Balance as at March 31, 2022	**3.07**	**3.07**
Amortisation expense	2.88	2.88
Disposals	-	-
Balance as at March 31, 2023	**5.95**	**5.95**
Balance as at March 31, 2023	**2.19**	**2.19**
Balance as at March 31, 2022	**5.07**	**5.07**
Balance as at April 01, 2021	**5.66**	**5.66**

All amounts are in INR lacs unless otherwise stated

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
5 Other financial assets (carried at amortised cost)			
Current			
(Unsecured and considered good)			
Security deposits given to third parties	12.96	5.85	5.85
	12.96	**5.85**	**5.85**

6 Income tax assets and liabilities	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Non-current tax assets			
Income tax receivable (net of provisions for income tax)	5.43	13.14	-
	5.43	**13.14**	**-**
Income tax assets / (liabilities)	**5.43**	**13.14**	**-**

All amounts are in INR lacs unless otherwise stated

		As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
7	**Deferred tax balances**			
	Deferred tax liabilities	-	-	-
	Deferred tax assets	5.68	2.91	4.23
	Deferred tax assets / (liabilities) (net)	**5.68**	**2.91**	**4.23**

Year ended March 31, 2023	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax liabilities in relation to				
	-	**-**	**-**	**-**
Deferred tax assets in relation to				
Provision for employee benefits	-	3.07	-	3.07
Property, plant and equipment	2.91	(0.30)	-	2.61
	2.91	**2.77**	**-**	**5.68**
Deferred tax assets / (liabilities) (net)	**2.91**	**2.77**	**-**	**5.68**

Year ended March 31, 2022	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax liabilities in relation to				
	-	**-**	**-**	**-**
Deferred tax assets in relation to				
Provision for employee benefits	-	-	-	-
Property, plant and equipment	4.23	(1.32)	-	2.91
	4.23	**(1.32)**	**-**	**2.91**
Deferred tax assets / (liabilities) (net)	**4.23**	**(1.32)**	**-**	**2.91**

Year ended April 01, 2021	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax liabilities in relation to				
	-	**-**	**-**	**-**
Deferred tax assets in relation to				
Provision for employee benefits	-	-	-	-
Property, plant and equipment	1.99	2.24	-	4.23
	1.99	**2.24**	**-**	**4.23**
Deferred tax assets / (liabilities) (net)	**1.99**	**2.24**	**-**	**4.23**

All amounts are in INR lacs unless otherwise stated

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
8 Other assets			
Current			
(unsecured and considered good)			
Prepaid expenses	5.20	0.31	0.31
Advances to vendors	22.14	-	-
Balances with Government authorities	144.35	92.96	43.25
Preliminary expenses	-	-	0.44
Other receivables	0.79	-	-
	172.48	**93.27**	**44.00**

9 Inventories	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Raw materials			
In hand	33.38	-	-
Work-in-progress	9.50	-	-
Finished goods	42.45	-	-
Stock in trade			
In hand	4.27	65.76	136.86
	89.60	**65.76**	**136.86**

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
10 Trade receivables			
Unsecured			
Considered good	117.65	53.40	23.53
Considered good - Related Parties	0.83	-	-
considered credit impaired	-	-	-
	118.48	**53.40**	**23.53**
Less: Impairment allowance for credit impaired	-	-	-
	118.48	**53.40**	**23.53**

a. The average credit period to domestic customers ranges upto 60 days . No interest is charged on trade receivables upto the due date from the date of the invoice.

b. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on historical credit loss experience and adjusted for forward looking information.

c. Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions.

d. No trade or other receivables are due from directors or other officers or private companies in which such director is a director or member of the Company either severally or jointly with any other person.

e. Trade receivables represents the amount of consideration in exchange of goods or services transferred to the customers that is unconditional.

f. **Trade Receivables ageing schedule**

As at March 31, 2023

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	91.69	26.77	0.02	-	-	118.48
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**-**	**91.69**	**26.77**	**0.02**	**-**	**-**	**118.48**

As at March 31, 2022

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	52.95	0.46	-	-	-	53.40
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**-**	**52.95**	**0.46**	**-**	**-**	**-**	**53.40**
Less: Allowance for expected credit loss							-
Total trade receivables							**53.40**

As at April 01, 2021

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	23.36	0.17	-	-	-	23.53
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**-**	**23.36**	**0.17**	**-**	**-**	**-**	**23.53**
Less: Allowance for expected credit loss							-
Total trade receivables							**23.53**

11 Cash and cash equivalents	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balances with banks			
- On current account	225.74	-	-
Cash on hand	3.47	3.40	2.93
	229.21	**3.40**	**2.93**

Note:

a. There are no restrictions with regard to cash and cash equivalents at the end of the report .

12 Other bank balances (carried at amortised cost)	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Fixed deposits with original maturity of more than three months but remaining maturity of less than twelve months	-	14.02	13.25
	-	**14.02**	**13.25**

Note:

a. Bank deposits includes interest accrued and not due on deposit account with banks amounting to INR Nil lacs, INR 1.52 and INR 0.75 as at 31 March 2023, 31 March 2022 and as at 01 April 2021 respectively.

b. The deposits maintained by the Company with bank comprise of the time deposits, which may be withdrawn by the Company at any point of time without prior notice and are made for varying period between one day to 12 months depending on the immediate cash requirements of the Company to earn interest at the respective short term deposit rates.

All amounts are in INR lacs unless otherwise stated

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
13 Share capital			
Authorised			
20,00,000 equity shares of INR 10 each (March 31, 2023 : 20,00,000 equity shares of INR 10 each) (March 31, 2022 : 20,00,000 equity shares of INR 10 each) (April 01, 2021 : 20,00,000 equity shares of INR 10 each)	200.00	200.00	200.00
Issued, subscribed and fully paid up			
18,04,427 equity shares of INR 10 each fully paid up (March 31, 2023 18,04,427 equity shares of INR 10 each) (March 31, 2022 18,04,427 equity shares of INR 10 each) (April 01, 2021 17,37,843 equity shares of INR 10 each)	180.44	180.44	173.78
	180.44	**180.44**	**173.78**

Notes:

(i) Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

a) Issued equity capital

	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
Particulars	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Equity shares outstanding at the beginning of the year	18,04,427	180.44	17,37,843	173.78	17,37,843	173.78
Add : Issued during the year	-	-	66,584	6.66	-	-
Equity shares outstanding at the end of the year	**18,04,427**	**180.44**	**18,04,427**	**180.44**	**17,37,843**	**173.78**

(iii) Details of shares held by the holding company

	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
Particulars	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Mankind Lifesciences Private Limited	16,23,984	90.00%	-	-	-	-
Nutraveda Care	-	-	9,20,257	51.00%	8,86,300	51.00%

(iv) Shares held by each shareholder holding more than 5 percent shares:

	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Numbers	**% holding**	**Numbers**	**% holding**	**Numbers**	**% holding**
Equity shares						
Mankind Lifesciences Private Limited	16,23,984	90.00%	-	-	8,86,300	51.00%
Nutraveda Care	-	-	9,20,257	51.00%	8,51,543	49.00%
Kaushcorp Media LLP	1,80,443	10.00%	8,84,170	49.00%	-	-
	18,04,427	**100%**	**18,04,427**	**100%**	**17,37,843**	**100%**

(v) Shares held by each promoter [as per section 2(69) of the Companies Act, 2013]:

Disclosure of shareholding of promoter's is as follows:

As at March 31, 2023

S.No.	Promoter Name	As at March 31, 2023 Numbers	% holding	As at March 31, 2022 Numbers	% holding	change during the year	% change during the year
1	Mankind Lifesciences Private Limited	16,23,984	90.00%	-		16,23,984	100.00%
2	Kaushcorp Media LLP	1,80,443	10.00%	8,84,170	49.00%	(7,03,727)	-79.59%
3	Nutraveda Care	-	-	9,20,257	51.00%	(9,20,257)	-100.00%

As at March 31, 2022

S.No.	Promoter Name	As at March 31, 2022 Numbers	% holding	As at March 31, 2021 Numbers	% holding	change during the year	% change during the year
1	Nutraveda Care	9,20,257	51.00%	8,86,300	51.00%	33,957	3.83%
2	Kaushcorp Media LLP	8,84,170	49.00%	8,51,543	49.00%	32,627	3.83%

As at April 01, 2021

S.No.	Promoter Name	As at 01 April 2021 Numbers	% holding	As at 01 April 2021 Numbers	% holding	change during the year	% change during the year
1	Shobit Agarwal	-	-	3,79,500	38%	(3,79,500)	-100%
2	Saket Agarwal	-	-	3,79,500	38%	(3,79,500)	-100%
3	Parag Kaushik	-	-	2,40,000	24%	(2,40,000)	-100%
4	Nutraveda Care	8,86,300	51%	-	-	8,86,300	100%
5	Kaushcorp Media LLP	8,51,543	49%	-	-	8,51,543	100%

All amounts are in INR lacs unless otherwise stated

		As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
14	**Other equity**			
	Securities premium reserve (refer note 14.1)	220.29	220.29	77.14
	Retained earnings (refer note 14.2)	(1,121.97)	(789.54)	(519.25)
		(901.68)	**(569.25)**	**(442.11)**
14.1	**Securities premium reserve**			
	Balance at the beginning of the year	220.29	77.14	77.14
	Add : Movement during the year	-	143.15	-
	Balance at the end of the year	**220.29**	**220.29**	**77.14**
14.2	**Retained earnings**			
	Balance at the beginning of the year	(789.54)	(519.25)	(443.51)
	Loss for the year	(332.43)	(270.29)	(75.74)
	Other comprehensive income	-	-	-
	Balance at the end of the year	**(1,121.97)**	**(789.54)**	**(519.25)**

Nature and purpose of reserve:

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

The amount that can be distributed by the Company as dividends to its equity shareholders, is determined based on the requirements of Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
15 Borrowings			
Non-current			
(Secured, at amortised cost)			
Vehicle loan (refer note a below)	-	13.24	15.99
(Unsecured, at amortised cost)			
Convertible Debentures (refer note b below)	1,090.40	-	-
Borrowings from related parties	-	382.68	353.75
Other Borrowings	-	21.89	-
	1,090.40	417.81	369.74
Less: Current Maturities of vehicle loan	-	(2.90)	(2.54)
	1,090.40	**414.91**	**367.20**
Current			
(Secured, at amortised cost)			
Bank overdraft	-	11.01	12.47
Current maturities of Vehicle loan	-	2.90	2.54
	-	**13.91**	**15.01**

Note:

a) Vehicle Loan is secured by hypothecation of respective vehicle. Its payable in 60 monthly installments and carries interest at 13.51% p.a.

b) The Company issue debentures at a coupon rate of 0.1% to its holding company and its includes interest accrued amount to INR 0.40 lacs for the year ended March 31, 2023 (March 31, 2022: INR Nil).

c) The Company has not defaulted on repayment of loans and interest during the year ended March 31, 2023 and March 31, 2022 and April 01, 2021

d) Borrowing from related parties carrying interest rate of 9% p.a.

e) Movement of borrowing during the during the year ended March 31, 2023 and March 31, 2022 and April 01, 2021 is as follows:

Particulars	**Non-Current Borrowings**		
	March 31, 2023	**March 31, 2022**	**April 01, 2021**
Opening balances	414.91	367.20	366.16
Interest Expenses	22.42	31.69	0.10
Net Cash Outflows	-	-	-
Net Cash Inflows	675.49	47.71	1.04
Interest Paid	(22.42)	(31.69)	(0.10)
Closing balances	**1,090.40**	**414.91**	**367.20**

Particulars	**Current Borrowings**		
	March 31, 2023	**March 31, 2022**	**April 01, 2021**
Opening balances	13.91	15.01	11.37
Interest Expenses	1.77	2.30	0.67
Net Cash Outflows	(13.91)	(1.10)	-
Net Cash Inflows	-	-	3.64
Interest Paid	(1.77)	(2.30)	(0.67)
Closing balances	**-**	**13.91**	**15.01**

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
16 Provisions			
Non-current			
Provision for employee benefits			
Provision for gratuity (net)	12.12	-	-
	12.12	**-**	**-**
Current			
Provision for employee benefits			
Provision for gratuity (net)	0.09	-	-
	0.09	**-**	**-**

		As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
17	**Other liabilities**			
	Current			
	Contract liabilities	17.27	-	-
	Statutory liabilities	9.86	12.75	6.39
		27.13	**12.75**	**6.39**
18	**Trade payables**			
	Current			
	i. total outstanding dues of micro enterprises and small enterprises (refer note 29)	47.14	41.01	-
	ii. total outstanding dues of creditors other than micro enterprises and small enterprises	197.14	178.47	132.34
		244.28	**219.48**	**132.34**

18.1 Trade Payable ageing schedule

As at March 31, 2023

Particulars	Unbilled due	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	47.14			-	47.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	28.01	158.17	10.10	0.86	-	197.14
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**-**	**28.01**	**205.31**	**10.10**	**0.86**	**-**	**244.28**

As at March 31, 2022

Particulars	Unbilled due	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	41.01	-	-	-	41.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	177.67	0.80	-	-	178.47
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**-**	**-**	**218.68**	**0.80**	**-**	**-**	**219.48**

As at April 01, 2021

Particulars	Unbilled due	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	132.34	-	-	-	132.34
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**-**	**-**	**132.34**	**-**	**-**	**-**	**132.34**

Note:

a. The average credit period on purchases is upto 60 days for the Company. The Company however ensures that all payables are paid within the pre agreed credit limits.
b. Trade Payables include due to related parties INR 70.32 lacs (March 31, 2022 : INR 75.80 lacs ,April 01,2021 : INR 51.43 lacs)
c. The amounts are unsecured and non-interest bearing.

All amounts are in INR lacs unless otherwise stated

		Year ended March 31, 2023	Year ended March 31, 2022
19	**Revenue from operations**		
19.1	**Revenue from contracts with customers**		
	Sale of products	1,056.91	1,709.90
		1,056.91	**1,709.90**

(a) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Segment

Type of goods/services	Year ended March 31, 2023	Year ended March 31, 2022
(i) Type of goods & service		
Sale of products	1,056.91	1,709.90
Total revenue from contracts with customers	**1,056.91**	**1,709.90**
(ii) Geographical information		
Within India	1,056.91	1,709.90
Outside India	-	-
Total revenue from contracts with customers	**1,056.91**	**1,709.90**
(iii) Timing of revenue recognition		
Goods transferred at a point of time	1,056.91	1,709.90
Services transferred over the time	-	-
Total revenue from contracts with customers	**1,056.91**	**1,709.90**

(b) Contract balances

Trade receivables (refer note 10)	118.48	53.40
Contract liabilities (refer note 17)	17.27	-

The average credit period to domestic customers ranges upto 60 days. No interest is charged on trade receivables upto the due date from the date of the invoice.

(c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contracted price	1,056.91	1,709.90
Adjustments:		
Sales return	-	-
Discount	-	-
Revenue from contracts with customers	**1,056.91**	**1,709.90**

(d) Performance obligations

Sale of goods: Performance obligation is satisfied when control of goods is transferred to the customer, generally on delivery of the goods. If in case there is any deviation then product supplied will get replaced with new product.

Sales of services: The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of services.

Total Revenue from operations	**1,056.91**	**1,709.90**

		Year ended March 31, 2023	Year ended March 31, 2022
20	**Other income**		
	Interest income		
	Interest income earned on:		
	- bank deposits (at amortised cost)	0.93	0.86
	Interest received on income tax refund	0.76	-
		1.69	**0.86**
	Others		
	Other income	0.02	0.33
		0.02	**0.33**
	Total other income	**1.71**	**1.19**

Upakarma Ayurveda Private Limited
Notes forming part of the financial statements for the year ended March 31, 2023
All amounts are in INR lacs unless otherwise stated

	Year ended March 31, 2023	Year ended March 31, 2022
21 Cost of materials consumed		
a Raw material and components consumed		
Inventory at the beginning of the year	-	-
Add: Purchases	155.58	-
	155.58	-
Less: inventory at the end of the year	33.38	-
	122.20	-
b Cost of traded goods sold		
Purchase of goods	208.01	637.05
	208.01	**637.05**

22 Changes in inventories of finished goods, work in progress and stock in trade

	Year ended March 31, 2023	Year ended March 31, 2022
Opening Stock:		
Finished goods	-	-
Work in progress	-	-
Stock in trade		
a. In hand	65.76	136.86
b. In transit	-	-
	65.76	136.86
Closing Stock:		
Finished goods	42.45	-
Work in progress	9.50	-
Stock in trade		
a. In hand	4.27	65.76
b. In transit	-	-
	56.22	65.76
Net decrease/(increase)	**9.54**	**71.10**

23 Employee benefits expense	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	193.77	165.08
Contribution to provident and other fund (refer note 34)	1.44	1.40
Gratuity expense (refer note 34)	12.21	-
Staff welfare expenses	4.46	3.44
	211.88	**169.92**

24 Finance Costs	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on borrowings at amortised cost	24.51	33.99
Interest on delay deposit of income tax	2.56	1.70
Interest on delay deposit of indirect taxes	-	6.06
	27.07	**41.75**

25 Depreciation and amortisation expense	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (refer note 3)	2.64	2.36
Amortisation of intangible assets (refer note 4)	2.88	3.07
	5.52	**5.43**

All amounts are in INR lacs unless otherwise stated

		Year ended March 31, 2023	Year ended March 31, 2022
26	**Other expenses**		
	Power and fuel	4.29	2.82
	Rent	40.34	33.51
	Repair and maintenance		
	- Machinery	-	0.12
	- others	7.72	4.16
	Insurance	1.59	3.04
	Rates and taxes	7.41	1.77
	Communication expenses	3.16	2.93
	Postage and courier	1.09	2.02
	Travelling and conveyance	20.74	16.86
	Printing and stationery	3.25	2.00
	Freight cartage and other distribution cost	88.11	112.71
	Commission and brokerage	27.82	14.26
	Legal and professional charges	13.23	21.27
	Payments to auditors (refer note below)	0.80	-
	Training and recruitment expenses	2.68	1.34
	Advertising and sales promotion expenses	570.10	766.79
	Security expenses	0.48	3.80
	Testing and inspection charges	0.23	4.18
	Fees and subscription	0.53	0.22
	Bank charges	-	0.05
	Selling and distribution expense	2.01	51.41
	Preliminary Expense written off	-	0.44
	Miscellaneous expenses	14.02	9.11
	Total	**809.60**	**1,054.81**

Note:
Payments to the auditors (excluding input tax)

I	**As auditor:**		
	a) Audit fees	0.60	-
	b) Tax audit fees	0.20	-
		0.80	**-**

All amounts are in INR lacs unless otherwise stated

		Year ended March 31, 2023	Year ended March 31, 2022
27	**Income taxes**		
27.1	**Income tax recognised in the Statement of profit and loss**		
	Current tax		
	In respect of the current year	-	-
	In respect of the previous year	-	-
		-	**-**
	Deferred tax		
	In respect of the current year	(2.77)	1.32
	In respect of the previous year	-	-
		(2.77)	**1.32**
	Total income tax expense recognised in the current year	**(2.77)**	**1.32**
	The Income tax expense for the period/year can be reconciled to the accounting profit as follows:		
	Profit before tax	**(335.20)**	**(268.97)**
	Statutory income tax rate	25.168%	25.168%
	Income tax expense at statutory income tax rate	(84.36)	(67.69)
	Effect of expenses that are not deductible in determining taxable profit	2.45	-
	Unused tax losses	79.14	69.01
		(2.77)	**1.32**
27.2	**Income tax recognised in other comprehensive income**		
	Income tax relating to item that will not be reclassified to profit or loss		
	- Remeasurement of the defined benefit plan	-	-
	Total income tax expense recognised in other comprehensive income	**-**	**-**

Note: Effective tax rate has been calculated on profit before tax

The Company has opted for reduced tax rate as per section 115BAA of the Income Tax Act, 1961 (introduced by the Taxation Laws (Amendment) Ordinance, 2019). Accordingly, the Company has recognised Provision for Income Tax for the year and re-measured its Deferred tax asset basis the rate prescribed in the said section.

All amounts are in INR lacs unless otherwise stated

28 Contingent liabilities and commitments (to the extent not provided for)

(i) Contingent liabilities
The Company does not have any pending litigations which would impact its financial statements.

(ii) Commitments
The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

29 Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2023 and March 31, 2022 and April 01, 2021 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

		As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006 as at the end of each accounting year			
	Principal	47.14	41.01	-
	Interest			
(b)	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

All amounts are in INR lacs unless otherwise stated

30 Segment Information

A. Basis for segmentation

The operations of the Company are limited to one segment viz. Ayurvedic products, which as per Ind AS - 108 "Operating Segments" is considered the only reportable segment.

B. Geographic Segment

The Company operates only in one Country and does not have any separate identifiable geographic segment.

C. Major Customer

No single customer accounted for 10% or more of the Company's revenue for the year ended March 31, 2023, March 31, 2022 and April 01, 2021.

31 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Company is equity based and financing through short term borrowings. The funding requirements are met through a mixture of equity, internal fund generation and short term borrowings as per the Company's policy to meet anticipated funding requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023, March 31, 2022 and April 01, 2021.

32 Financial Instruments

A. Financial risk management objective and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

March 31, 2023	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
Financial assets					
Trade receivables	-	-	118.48	118.48	118.48
Cash and cash equivalents	-	-	229.21	229.21	229.21
Other current financial assets	-	-	12.96	12.96	12.96
Total	**-**	**-**	**360.65**	**360.65**	**360.65**
Financial liabilities					
Borrowings	-	-	1,090.40	1,090.40	1,090.40
Trade payables	-	-	244.28	244.28	244.28
Total	**-**	**-**	**1,334.68**	**1,334.68**	**1,334.68**

March 31, 2022	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
Financial assets					
Trade receivables	-	-	53.40	53.40	53.40
Cash and cash equivalents	-	-	3.40	3.40	3.40
Other bank balances	-	-	14.02	14.02	14.02
Other current financial assets	-	-	5.85	5.85	5.85
Total	**-**	**-**	**76.67**	**76.67**	**76.67**
Financial liabilities					
Borrowings	-	-	428.82	428.82	428.82
Trade payables	-	-	219.48	219.48	219.48
Total	**-**	**-**	**648.30**	**648.30**	**648.30**

April 01, 2021	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
Financial assets					
Trade receivables	-	-	23.53	23.53	23.53
Cash and cash equivalents	-	-	2.93	2.93	2.93
Other bank balances	-	-	13.25	13.25	13.25
Loans	-	-	5.85	5.85	5.85
Total	**-**	**-**	**45.56**	**45.56**	**45.56**
Financial liabilities					
Borrowings	-	-	382.21	382.21	382.21
Trade payables	-	-	132.34	132.34	132.34
Total	**-**	**-**	**514.55**	**514.55**	**514.55**

Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

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

Risk management objectives

Risk management framework

The Company has exposure to the following risks arising from financial instruments:
- Liquidity risk;
- Interest rate risk; and
- Credit risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Financial risk

a) Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term investment programme mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents provide liquidity both in the short-term as well as in the long-term.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

	As at March 31, 2023				
Financial liabilities	**Less than 1 year**	**1-2 years**	**2-5 years**	**More than 5 years**	**Total**
Borrowings	1,090.40	-	-	-	1,090.40
Trade payables	244.28	-	-	-	244.28
Total	**1,334.68**	**-**	**-**	**-**	**1,334.68**

	As at March 31, 2022				
Financial liabilities	**Less than 1 year**	**1-2 years**	**2-5 years**	**More than 5 years**	**Total**
Borrowings	418.48	3.32	7.02	-	428.82
Trade payables	219.48	-	-	-	219.48
Total	**637.96**	**3.32**	**7.02**	**-**	**648.30**

	As at April 01, 2021				
Financial liabilities	**Less than 1 year**	**1-2 years**	**2-5 years**	**More than 5 years**	**Total**
Borrowings	368.77	2.90	10.54	-	382.21
Trade payables	132.34	-	-	-	132.34
Total	**501.11**	**2.90**	**10.54**	**-**	**514.55**

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of the Company's fixed rate financial liabilities to interest rate risk as follows:

	As at	Closing balance	Impact on profit and loss	
			1% Increase	**1% Decrease**
Borrowings	March 31, 2023	1,090.40	(10.90)	10.90
Borrowings	March 31, 2022	428.82	(4.29)	4.29
Borrowings	April 01, 2021	382.21	(3.82)	3.82

c) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of

Possible credit risk	Credit risk management
Credit risk related to trade receivables	Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.
Credit risk related to bank balances	Company holds bank balances with reputed and creditworthy banking institution within the approved exposures limit of each bank. None of the Company's cash equivalents, including time deposits with banks, are past due or impaired.
Other Credit risk	The company is exposed to credit risk in relation to security deposits.

The carrying value of the financial assets other than cash represents the maximum credit exposure. The Company's maximum exposure to credit risk as at March 31, 2023 is INR 357.17 lacs and as at March 31, 2022 is INR 73.27 lacs and as at April 01, 2021 is INR 42.63 lacs.

d) Foreign currency risk

The company is exposed to currency risk on account of import of goods or services from other countries. The functional currency of the company is Indian Rupee. Considering the countries and economic enviornment from which the company imports, its operations are subject to risks arising from the fluctuations primarily in the US dollar. Currency risk exposure is evaluated and managed through advance payments for procurements.

All amounts are in INR lacs unless otherwise stated

33 Related Party Disclosures

In accordance with the requirements of Indian Accounting Standard (Ind AS) – 24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions / year end balances with them.

A. List of related parties and relationships

Ultimate Holding company	Mankind Pharma Limited
Holding company	Mankind Life Sciences Private Limited
Key Management Personnel (KMP) - Directors	Parag Kaushik Vishal Kaushik Chanakya Juneja (w.e.f. Nov 09 2022) Ankush Chandgothia (w.e.f. Nov 09 2022) Sanjay Koul (w.e.f. Nov 11 2022)
Relatives of KMP (with whom transactions have taken place)	Saket Aggarwal Shobit Aggarwal International Traders
Others (with whom transactions have taken place)	Conviction Brandworks LLP Nutraveda Care Kaushcorp Media LLP RSA International LLP

B. Transactions during the year

Particulars	Ultimate Holding Company		Holding Company		Others		KMP/Relatives of KMP		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
a. Purchase of goods										
International Traders	-	-	-	-	-	-	89.25	97.29	89.25	97.29
Total	**-**	**-**	**-**	**-**	**-**	**-**	**89.25**	**97.29**	**89.25**	**97.29**
b. Purchase of services										
Conviction Brandworks LLP	-	-	-	-	24.00	18.00	-	-	24.00	18.00
Total	**-**	**-**	**-**	**-**	**24.00**	**18.00**	**-**	**-**	**24.00**	**18.00**
c. Sale of goods										
Mankind Pharma Limited	1.49	-	-	-	-	-	-	-	1.49	-
Total	**1.49**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.49**	**-**
d. Interest on Borrowings										
Nutraveda Care	-	-	-	-	13.70	23.91	-	-	13.70	23.91
Kaushcorp Media LLP	-	-	-	-	8.27	-	-	-	8.27	-
Saket Aggarwal	-	-	-	-	-	-	-	3.01	-	3.01
Shobit Aggarwal	-	-	-	-	-	-	-	2.26	-	2.26
Total	**-**	**-**	**-**	**-**	**21.97**	**23.91**	**-**	**5.27**	**21.98**	**29.18**

Upakarma Ayurveda Private Limited
Notes forming part of the financial statements for the year ended March 31, 2023
All amounts are in INR lacs unless otherwise stated

e. Interest on Debentures										
Mankind Life Sciences private limited	-	-	0.44	-	-	-	-	-	0.44	-
Total	**-**	**-**	**0.44**	**-**	**-**	**-**	**-**	**-**	**0.44**	**-**
f. Rent expense										
International Traders	-	-	-	-	-	-	6.99	6.30	6.99	6.30
Total	**-**	**-**	**-**	**-**	**-**	**-**	**6.99**	**6.30**	**6.99**	**6.30**
g. Borrowings taken during the year										
Nutraveda Care	-	-	-	-	59.91	352.00	-	-	59.91	352.00
Kaushcorp Media LLP	-	-	-	-	51.66	125.00	-	-	51.66	125.00
Shobit Aggarwal	-	-	-	-	-	-	-	2.00	-	2.00
Total	**-**	**-**	**-**	**-**	**111.57**	**477.00**	**-**	**2.00**	**111.57**	**479.00**
h. Issue of Debentures										
Mankind Life Sciences private limited	-	-	1,090.00	-	-	-	-	-	1,090.00	-
Total	**-**	**-**	**1,090.00**	**-**	**-**	**-**	**-**	**-**	**1,090.00**	**-**
i. Reimbursement of expenses paid										
Vishal Kaushik	-	-	-	-	-	-	1.63	-	1.63	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**1.63**	**-**	**1.63**	**-**
j. Remuneration paid										
Parag Kaushik	-	-	-	-	-	-	24.20	19.20	24.20	19.20
Vishal Kaushik	-	-	-	-	-	-	33.80	28.80	33.80	28.80
Total	**-**	**-**	**-**	**-**	**-**	**-**	**58.00**	**48.00**	**58.00**	**48.00**
k. Borrowings repaid										
Nutraveda Care	-	-	-	-	320.76	-	-	-	320.76	-
Kaushcorp Media LLP	-	-	-	-	186.36	125.00	-	-	186.36	125.00
Saket Aggarwal	-	-	-	-	-	-	2.71	200.75	2.71	200.75
Shobit Aggarwal	-	-	-	-	-	-	2.04	152.75	2.04	152.75
Parag Kaushik	-	-	-	-	-	-	0.72	-	0.72	-
Vishal Kaushik	-	-	-	-	-	-	1.44	-	1.44	-
Total	**-**	**-**	**-**	**-**	**507.12**	**125.00**	**6.91**	**353.50**	**514.03**	**478.50**

All amounts are in INR lacs unless otherwise stated

C. Balances outstanding as at the year end

Particulars	Ultimate Holding Company			Holding Company			Others			KMP/Relatives of KMP			Total		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
a. Trade payables															
International Traders	-	-	-	-	-	-	-	-	-	64.69	67.51	44.97	64.69	67.51	44.97
Conviction Brandworks LLP	-	-	-	-	-	-	4.32	4.69	2.76	-	-	-	4.32	4.69	2.76
Parag Kaushik	-	-	-	-	-	-	-	-	-	1.31	1.44	1.48	1.31	1.44	1.48
Vishal Kaushik	-	-	-	-	-	-	-	-	-	-	2.16	2.22	-	2.16	2.22
Total	**-**	**-**	**-**	**-**	**-**	**-**	**4.32**	**4.69**	**2.76**	**66.00**	**71.11**	**48.67**	**70.32**	**75.80**	**51.43**
b. Trade Receivables															
Mankind Pharma Limited	0.83	-	-	-	-	-	-	-	-	-	-	-	0.83	-	-
Total	**0.83**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.83**	**-**	**-**
c. Borrowings															
Nutraveda Care	-	-	-	-	-	-	-	248.51	-	-	-	-	-	248.51	-
Parag Kaushik	-	-	-	-	-	-	-	-	-	-	0.72	0.72	-	0.72	0.72
Vishal Kaushik	-	-	-	-	-	-	-	-	-	-	1.44	1.44	-	1.44	1.44
Saket Aggarwal	-	-	-	-	-	-	-	-	-	-	-	200.75	-	-	200.75
Shobhit Aggarwal	-	-	-	-	-	-	-	-	-	-	-	150.75	-	-	150.75
Kaushcorp Media LLP	-	-	-	-	-	-	-	127.26	-	-	-	-	-	127.26	-
RSA International LLP	-	-	-	-	-	-	-	-	0.09	-	-	-	-	-	0.09
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**375.77**	**0.09**	**-**	**2.16**	**353.66**	**-**	**377.93**	**353.75**
d. Convertible Debentures															
Mankind Life Sciences pvt ltd	-	-	-	1,090.40	-	-	-	-	-	-	-	-	1,090.40	-	-
Total	**-**	**-**	**-**	**1,090.40**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,090.40**	**-**	**-**
e. Other receivables															
Vishal Kaushik	-	-	-	-	-	-	-	-	-	0.20	-	-	0.20	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.20**	**-**	**-**	**0.20**	**-**	**-**

34 Employee Benefits

The Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds.

For defined contribution schemes the amount charged to the statement of profit or loss is the total of contributions payable in the year.

a. Defined contribution plan

The Company makes contributions towards provident fund and employee state insurance scheme to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employees Provident Fund and Employees State Insurance scheme is deposited with the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

During the year, the Company has recognised INR 0.98 lacs (March 31, 2022: INR NIL lacs) for Employer's contributions to the Provident Fund and INR 0.46 lacs (March 31, 2022: INR NIL lacs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contribution payable to the plan by the Company is at the rate specified in rules to the scheme.

b. Defined benefit plan – Gratuity plan
The company will provide for the gratuity benefits to its employees on completion of statutory eligibility time period of 4 years 240 days.

The Company's contribution towards its gratuity liability is a defined benefit retirement plan.

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of five years service.

i. Risks associated with Plan Provisions

Risks associated with the plan provisions are actuarial risks. These risks are:- (i) interest risk (discount rate risk), (ii) mortality risk and (iii) salary risk.

Interest risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table. A change in mortality rate will have a bearing on the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

In respect of the plan in India, the most recent acturial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2023. The present value of defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

ii. Principal actuarial assumptions:
Principle actuarial assumption used to determine the present value of the benefit obligation are as follows:

S. No.	Particulars	Refer note below	As at March 31, 2023
i.	Discount rate (p.a.)	1	7.40%
ii.	Salary escalation rate (p.a.)	2	10.00%

Notes
1 The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.

2 The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the

3 The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

			As at March 31, 2023
iii.	**Demographic assumptions:**		
1	Retirement age		60 Years
2	Mortality rate		100% of IALM (2012-14)
3	Average Outstanding service of Employee upto retirement		28.20
4	No of Employees		33
5	Attrition rate	Service up to 30 year:	5.00%
		Service from 31 to 44 years:	3.00%
		Service above 44 years:	2.00%

The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements:

a. Amounts recognised in the statement of profit and loss in respect of these defined benefits plans are as follows:

S. No.	Particulars	Year ended March 31, 2023
A	Current service cost	12.21
B	Net interest expenses	-
	Components of defined benefit costs recognised in Statement of Profit or Loss	**12.21**

b. Remeasurement on the net defined benefit liability:

S. No.	Particulars	Year ended March 31, 2023
A	Acturial (gains)/losses due to change in demographic assumptions	-
B	Acturial (gains)/losses due to change in financial assumptions	-
C	Acturial (gains)/losses due to change in experience variance	-
	Component of defined benefit costs recognised in Other Comprehensive Income	**-**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' in the statement of profit and loss.
The remeasurement of the net defined benefit liability is included in the other comprehensive income.

All amounts are in INR lacs unless otherwise stated

c. Net defined benefit asset/ (liability) recognised in the balance sheet :

S. No.	Particulars	As at March 31, 2023
A	Present value of defined benefit obligation	12.21
	Unfunded status - deficit	**12.21**
	Current Portion (refer note 15)	0.09
	Non Current Portion (refer note 15)	12.12

d. Movement in the fair value of the defined benefit obligation:

S. No.	Particulars	Year ended March 31, 2023
A.	Opening defined benefit obligation	-
B	Current service cost	12.21
C	Interest cost	-
D	Actuarial (gain)/loss on obligation	-
E	Acquisition/Divestiture	-
F	Benefits paid	-
	Closing defined benefit obligations (A+B+C+D+E+F)	**12.21**

e. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	As at March 31, 2023	
	Decrease	**Increase**
Discount Rate (-/+0.5%) (% change compared to base due to sensitivity)	1.21	(1.07)
Salary Growth Rate (-/+0.5%) (% change compared to base due to sensitivity)	(1.05)	1.17

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit liability recognised in the Balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

f. The expected maturity analysis of undiscounted defined benefit obligation is as follows:

	As at March 31, 2023
Expected cash flows over the next	
Within the next 12 months	0.09
Between 2 and 5 years	1.28
More than 5 years	10.84
	12.21

Notes

1 The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations

2 The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

35 Earnings per Equity Share

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year Diluted earnings per equity share has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. There are no dilutive potential equity shares.

Particulars	**Units**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Net profit after tax	(INR in Lacs)	(332.43)	(270.29)
Weighted average number of equity shares outstanding during the period/year	Numbers	18,04,427	18,04,427
Nominal value of equity shares	INR	10	10
Earnings per share - Basic (one equity share of Re. 10/- each)	INR	(18.42)	(14.98)
Earnings per share - Diluted (one equity share of Re. 10/- each)	INR	(18.42)	(14.98)

36 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

37 Ratio analysis and its elements

Ratio	**Numerator**	**Denominator**	**Year ended March 31, 2023 (a)**	**Year ended March 31, 2022 (b)**	**% Change (c)= (a-b)/b**	**Remarks**
Current Ratio	Current Assets	Current Liabilities	2.29	0.96	139.53%	Note -1
Debt- Equity Ratio	Total Debt	Shareholder's Equity	(1.51)	(1.10)	37.08%	Note -2
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	(0.27)	(3.00)	-91.12%	Note -3
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	59.89%	82.26%	-27.19%	Note -4
Inventory Turnover ratio	Cost of goods sold	Average Inventory	4.37	6.99	-37.43%	Note -5
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	12.30	44.45	-72.33%	Note -6
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1.57	3.62	-56.70%	Note -7
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	300.92%	-16378.35%	-101.84%	Note -8
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	-31.45%	-15.81%	98.98%	Note -9
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Total equity +Total Borrowings + Total Lease liabilities + Deferred tax liabilities (net)	-83.47%	-567.91%	-85.30%	Note -9
Return on Investment	Interest (Finance Income)	Investment	NA	NA	0.00%	

Note:
Reason for change more than 25%:
1. The movement in current year is on account of disproportionate increase in current assets.
2. The movement in current year is on account of disproportionate increase in Borrowings and disproportionate Decrease in Other equity.
3. The movement in current year is on account of disproportionate increase in Borrowings.
4. The movement in current year is on account of disproportionate increase in Losses for the current year.
5. The movement in current year is on account of disproportionate increase in Inventory and disproportionate Decrease in Cost of goods sold.
6. The movement in current year is on account of disproportionate increase in Trade receivable and disproportionate Decrease in Sales.
7. The movement in current year is on account of disproportionate increase in Trade payable and disproportionate Decrease in purchase.
8. The movement in current year is on account of disproportionate increase in Working capital and disproportionate Decrease in Sales.
9. The movement in current year is on account of disproportionate increase in losses for the year.

38 Other Information

(i) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year

(iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b)provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vi) The Company does not have any transaction which is not recorded in the books of accounts that has been subsequently surrendered or disclosed as income during the year as part of the on going tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(viii) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

(ix) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

39 The figures have been rounded off to the nearest lacs of rupees upto two decimal places. The figure 0.00 wherever stated represents value less than INR 500/-.

40 The previous year's figures have been regrouped/ reclassified wherever considered necessary to make them comparable with those of the current year's classification, none of which it believes to be material, hence no additional disclosure are provided.

41 No significant subsequent events have been observed which may require an adjustment to the financial statements.

42 Note Number 1 to 41 form integral part of the financial statements.

All amounts are in INR lacs unless otherwise stated

43 First-time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 3 have been applied in preparing the financial statements for the period ended March 31, 2023.

For all periods upto and including the year ended March 31, 2022, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) and complied with accounting standards as notified under Section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 ('previous GAAP' or 'IGAAP') to the extent applicable and the presentation requirements of the Companies Act, 2013.

The transition of Ind AS was carried out in accordance with Ind AS 101, with April 01, 2021 being the date of transition. This note explains the exemptions on the first-time adoption of Ind AS availed in accordance with Ind AS 101 and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

A) Ind AS mandatory exceptions

A.1 Accounting estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were an error.

Ind AS estimates as at April 01, 2021 are consistent with the estimates as at the same date made in conformity with previous GAAP.

A.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets bases on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

a. Reconciliation of other equity between Ind AS and previous GAAP :

As at March 31, 2022:

Particulars	Notes		Retained Earnings			Total
Other equity as per previous GAAP		-	(573.04)	-	-	**(573.04)**
Adjustments						
Depreciation on property, plant & equipment	25	-	3.68	-	-	**3.68**
Depreciation on intangible assets	25	-	2.44	-	-	**2.44**
Other equity as per Ind AS		-	**(566.92)**	-	-	**(566.92)**

As at April 01, 2021:

Particulars	Notes		Retained Earnings			Total
Other equity as per previous GAAP			(442.11)			**(442.11)**
Adjustments			-			
Other equity as per Ind AS		-	**(442.11)**	-	-	**(442.11)**

b. Reconciliation of net profit as per previous GAAP and total comprehensive income as per Ind AS for the year ended April 01, 2021

Particulars	Notes	Year ended March 31, 2021
Net profit as per previous GAAP		(75.74)
Adjustments		
Net profit as per Ind AS		**(69.62)**
Total comprehensive income as per Ind AS		**(69.62)**

For Bhagi Bhardwaj Gaur & Co.
Chartered Accountants
Firm Reg. no. 007895N

MOHIT GUPTA
Digitally signed by MOHIT GUPTA
Date: 2023.05.27 19:25:52 +05'30'

Mohit Gupta
Partner
M.No. 528337

Place: New Delhi
Date: May 27, 2023

For and on behalf of the Board of Directors of

VISHAL KAUSHIK
Digitally signed by VISHAL KAUSHIK
Date: 2023.05.27 12:16:37 +05'30'

Vishal Kaushik
Managing Director
DIN - 02837775

Place: New Delhi
Date: May 27, 2023

PARAG KAUSHIK
Digitally signed by PARAG KAUSHIK
Date: 2023.05.27 12:17:10 +05'30'

Parag Kaushik
Director
DIN - 07251825

Place: New Delhi
Date: May 27, 2023