

INDEPENDENT AUDITOR'S REPORT

To the Members of Sastasundar Healthbuddy Limited

Report on the Audit of the IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of Sastasundar Healthbuddy Limited ("the Company"), which comprise the Balance Sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the IND AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the IND AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the IND AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Directors' report, but does not include the IND AS financial statements and our auditor's report thereon.

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



In connection with our audit of the IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

Responsibility of Management for the IND AS Financial Statements

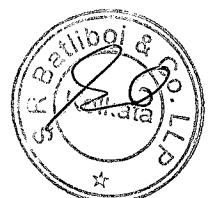
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.. 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 the 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 IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.



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

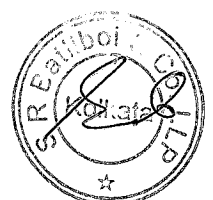
- Identify and assess the risks of material misstatement of the IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting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

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 sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.



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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid IND AS financial statements comply with the Accounting Standards 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these IND AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33(c) to the IND AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 43 (iv) to the IND AS financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 43(v) to the IND AS financial statements no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Sanjay Agarwal

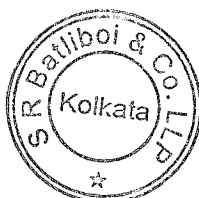
Partner

Membership Number: 055833

UDIN: 22055833AJLXZW6892

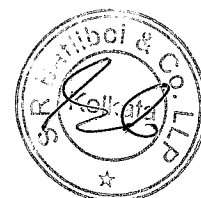
Place of Signature: Kolkata

Date: May 23, 2022



ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE SECTION ON "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SASTASUNDAR HEALTHBUDDY LIMITED FOR THE YEAR ENDED MARCH 31, 2022

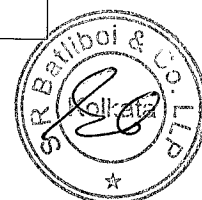
- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are 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 management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) As disclosed in Note 42 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of its current assets. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows:



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| Class of Asset | Quarter ending | Value per books of accounts (Rs in Lakhs) | Value per quarterly return/statement (Rs in Lakhs) | Discrepancy |
|-------------------|--------------------|--|---|--|
| Inventories | | | | |
| | June 30, 2021 | 6,800.33 | 6,706.34 | As informed by the management, the discrepancy is on account of the details being submitted on the basis of provisional books / financial statements. Adjustments pertaining to provision for slow moving goods, cut offs etc are done only on finalization of books of accounts / financial statements. |
| | September 30, 2021 | 8,008.37 | 7,729.92 | |
| | December 31, 2021 | 7,519.53 | 7,444.17 | |
| | March 31, 2022 | The working capital facility has been repaid and closed during the quarter | | |
| Trade Receivables | | | | |
| | June 30, 2021 | 1,613.55 | 1,617.13 | As informed by the management, the discrepancy is on account of the details being submitted on the basis of provisional books/ financial statements. Adjustments pertaining to cut offs etc are done only on finalization of books of accounts/ financial statements. |
| | September 30, 2021 | 1,853.94 | 2,034.15 | |
| | December 31, 2021 | 2,093.16 | 2,256.25 | |
| | March 31, 2022 | The working capital facility has been repaid and closed during the quarter | | |
| Trade Payables | | | | |
| | June 30, 2021 | 1,655.89 | 1,663.60 | As informed by the management, the discrepancy is on account of the details being submitted on the basis of provisional books / financial statements. |
| | September 30, 2021 | 3,311.38 | 3,370.61 | |
| | December 31, 2021 | 2,976.84 | 3,083.82 | |
| | March 31, 2022 | The working capital facility has been repaid and closed during the quarter | | |



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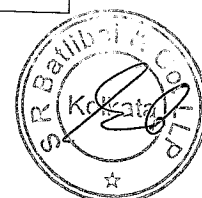
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- (iii) (a) During the year the Company has provided loans to companies as follows:

| Particulars | Loans (Rs in Lakhs) |
|--|------------------------|
| Aggregate amount granted/ provided during the year | |
| - Subsidiary | 50.00 |
| - Associate | 200.00 |
| Balance outstanding as at balance sheet date in respect of above cases | |
| - Subsidiary | Nil |
| - Associate | 200.00 |

- (b) During the year the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies are not prejudicial to the Company's interest. The Company has not provided any guarantees and security during the year.
- (c) The Company has granted loans during the year where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) As disclosed in note 11 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies as stated below which are related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

| | Related Parties Rs in Lakhs |
|--|--------------------------------|
| Aggregate amount of loans | |
| A) Repayable on demand. The Loan has been repaid during the year | 50.00 |
| Percentage of loans to the total loans granted during the year | 20.00% |



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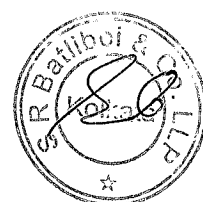
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable and hence not commented upon.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other applicable statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. During the year, the Company did not have any undisputed dues towards sales tax, service tax, duty of excise and value added tax. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of applicable statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, the dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:-

| Name of the Statute | Nature of the Dues | Amount (Rs.) | Period to which amount relates | Forum where dispute is pending |
|--|--------------------|--------------|--------------------------------|--------------------------------|
| West Bengal Tax on Entry of Goods into Local Arrears Act, 2012 | Entry Tax Demand | 89,091 | 2014-15 | Additional Commissioner |

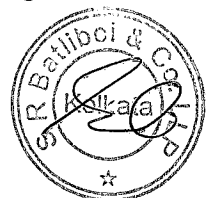
- (viii) The Company has not surrendered or disclosed an income in tax assessments during the year under the Income tax Act, 1961 any transaction, previously not recorded in the books of account. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable and hence not commented upon.



- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us and based on an overall examination of the financial statements, no funds raised by the Company on short-term basis have been used for long-term purposes.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations provided to us, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable and hence not commented upon.
- (b) According to the information and explanations provided to us, the Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable and hence not commented upon.
- (xi) (a) No fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor or secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.



- (xii) In our opinion, the Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report on clause 3(xii)(a) (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the notes to the financial statements for the year, as required by applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations provided to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) In our opinion and according to the information and explanations provided to us, the internal audit reports pertaining to the year under audit that have been issued till the date of this audit report, have been considered by us while determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations provided to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, requirement to report on clause 3(xv) of the Order is not applicable to the Company and hence not commented upon.
- (xvi) (a) In our opinion and according to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable and hence not commented upon.
- (b) According to the information and explanations provided to us, the Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations provided to us, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable and hence not commented upon.
- (d) Accordingly, to information and explanation provided to us, the Group has one Core Investment Company as part of the Group.
- (xvii) The Company has not incurred cash losses in the current year. In the immediately preceding financial year, the Company has incurred cash losses amounting to Rs.153.27 lakhs.



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- (xviii) There has been no resignation of statutory auditors of the Company during the year. Accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable and hence not commented upon.
- (xix) In our opinion and according to the information and explanations provided to us and on the basis of the financial ratios disclosed in note 41 to the financial statements, ageing and expected dates of realization 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 our audit report that Company is not capable of meeting its liabilities as at the date of balance sheet as and when they fall due within a period of one year from the date of balance sheet. 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) (a) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/ E300005



per Sanjay Agarwal

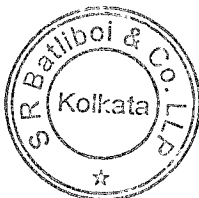
Partner

Membership Number: 055833

UDIN: 22055833AJLXZW6892

Place of Signature: Kolkata

Date: May 23, 2022



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF SASTASUNDAR HEALTHBUDDY LIMITED FOR THE YEAR ENDED MARCH 31, 2022**Report on the Internal Financial Controls 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 Ind AS financial statements of Sastasundar Healthbuddy Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

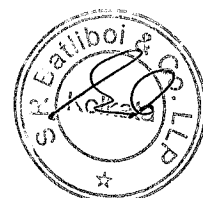
Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness



exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS 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 Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2022, based on the



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internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Sanjay Agarwal

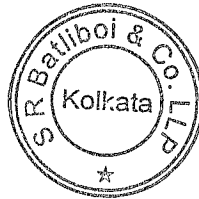
Partner

Membership Number: 055833

UDIN: 22055833AJLXZW6892

Place of Signature: Kolkata

Date: May 23, 2022



Balance Sheet as at March 31, 2022

| Particulars | Note No. | As at March 31, 2022 | Rs. in lacs As at March 31, 2021 |
|---|----------|----------------------|-------------------------------------|
| Assets | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 3 | 2,104.48 | 2,080.59 |
| (b) Capital work in progress | 3 | 42.41 | - |
| (c) Intangible assets | 3 | 5.28 | 6.11 |
| (d) Financial assets | | | |
| (i) Investments | 4 | 11,376.69 | 9,579.95 |
| (ii) Loan | 5 | 6.83 | 8.91 |
| (iii) Other financial assets | 6 | 12,007.85 | 40.39 |
| (e) Income tax assets (net) | 7 | 18.22 | 39.38 |
| (f) Other non-current assets | 8 | 72.73 | 6.30 |
| | | 25,634.49 | 11,761.63 |
| Current assets | | | |
| (a) Inventories | 9 | 11,247.38 | 7,500.95 |
| (b) Financial assets | | | |
| (i) Investments | 10 | 21,395.76 | - |
| (ii) Loan | 11 | 200.00 | 83.80 |
| (iii) Trade receivables | 12 | 1,942.85 | 1,235.05 |
| (iv) Cash and cash equivalents | 13 | 963.20 | 627.93 |
| (v) Bank balances other than (iv) above | 14 | 19,912.00 | - |
| (vi) Other financial assets | 6 | 400.17 | 30.70 |
| (c) Other current assets | 8 | 2,157.00 | 1,198.76 |
| | | 58,218.36 | 10,677.19 |
| TOTAL ASSETS | | 83,852.85 | 22,438.82 |
| Equity and Liabilities | | | |
| Equity | | | |
| (a) Equity share capital | 15 | 2,370.35 | 2,370.35 |
| (b) Other equity | 16 | 76,010.17 | 15,741.68 |
| Total equity | | 78,380.52 | 18,112.03 |
| Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Lease liabilities | 33 | 148.97 | 24.74 |
| (b) Provisions | 17 | 169.01 | 112.09 |
| | | 317.98 | 136.83 |
| Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 18 | - | 978.59 |
| (ii) Lease liabilities | 33 | 42.06 | 83.78 |
| (iii) Trade Payables | 19 | | |
| (a) Total outstanding dues of micro enterprises, small enterprises & medium enterprises | | 145.62 | 73.53 |
| (b) Total outstanding dues of creditor other than micro enterprises, small enterprises & medium enterprises | | 1,976.24 | 2,219.14 |
| (iv) Other financial liabilities | 20 | 944.21 | 771.07 |
| (b) Other current liabilities | 21 | 240.18 | 52.56 |
| (c) Provisions | 17 | 16.16 | 11.29 |
| (d) Current tax liabilities (net) | | 1,789.88 | - |
| | | 5,154.35 | 4,189.96 |
| Total liabilities | | 5,472.33 | 4,326.79 |
| Total Equity and Liabilities | | 83,852.85 | 22,438.82 |

Summary of Significant Accounting Policies

2.1

The accompanying notes are an integral part of the financial statements
In terms of our report attached on the even date

For S.R.Batilboi & Co. LLP

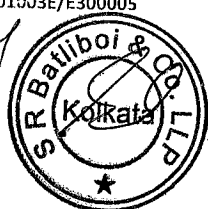
Chartered Accountants

ICAI Firm Registration No: 301003E/E300005

per Sanjay Agarwal

Partner

Membership No. 055833



For and on behalf of the Board of Directors
Sastasundar Healthbuddy Limited

B. L. Mittal

Chairman & Managing Director

DIN : 00365809

Abhishek Singh

Chief Financial Officer



Ravi Kant Sharma

Managing Director & CEO

DIN : 00364066

Arnav Chakraborty

Company Secretary

ICSI Membership No. FCS8557

Place : Kolkata

Date : May 23, 2022

Statement of Profit and Loss for the year ended March 31, 2022

| | Particulars | Notes | Year ended March 31, 2022 | Year ended March 31, 2021 |
|-------|---|-------|------------------------------|------------------------------|
| | | | | Rs. in lacs |
| | Income | | | |
| I. | Revenue from operations | 22 | 61,052.34 | 53,312.21 |
| II. | Other income | 23 | 697.04 | 28.95 |
| III. | Total income (I+II) | | 61,749.38 | 53,341.16 |
| IV. | Expenses | | | |
| | Cost of raw materials consumed | 24 | 56.97 | 32.24 |
| | Purchases of traded goods | 24 | 61,708.67 | 49,127.10 |
| | (Increase) / decrease in inventories of finished goods and traded goods | 25 | (3,842.99) | 104.15 |
| | Employee benefits expense | 26 | 2,722.76 | 1,448.65 |
| | Finance costs | 27 | 205.96 | 89.74 |
| | Depreciation and amortisation expense | 3 | 280.67 | 295.63 |
| | Other expenses | 28 | 3,686.96 | 2,692.55 |
| | Total expense (IV) | | 64,819.00 | 53,790.06 |
| V. | Profit/(loss) before Tax and Exceptional Items (III-IV) | | (3,069.62) | (448.90) |
| VI. | Exceptional Items | 29 | 76,292.30 | - |
| VII. | Profit/(loss) before Tax (V + VI) | | 73,222.68 | (448.90) |
| VIII. | Tax expense | | | |
| | (a) Current tax | | 12,938.15 | - |
| | (b) Deferred tax | | - | - |
| IX. | Profit/(loss) for the year (VII -VIII) | | 60,284.53 | (448.90) |
| X | Other comprehensive income/(loss) for the year | | | |
| | Items that will not be subsequently reclassified to profit & loss | | | |
| | (a) Re-measurement gains/(losses) on define benefit obligations | | (16.04) | 22.38 |
| | (b) Income tax effect on above | | - | - |
| | Total other comprehensive income/(loss) for the year, net of income tax | | (16.04) | 22.38 |
| XI | Total Comprehensive Income/(loss) for the year | | 60,268.49 | (426.52) |
| | Earnings per share before exceptional items- Basic and diluted (Nominal value Rs. 10 per share) | 30 | (12.95) | (1.89) |
| | Earnings per share after exceptional items- Basic and diluted (Nominal value Rs. 10 per share) | 30 | 254.33 | (1.89) |

Summary of Significant Accounting Policies

2.1

The accompanying notes are an integral part of the financial statements
In terms of our report attached on the even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005

per Sanjay Agarwal
Partner
Membership No. 055833



Place: Kolkata
Date : May 23, 2022

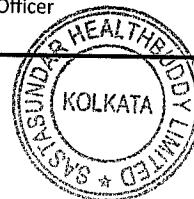
For and on behalf of the Board of Directors
Sastasundar Healthbuddy Limited

B. L. Mittal
Chairman & Managing Director
DIN : 00365809

Abhishek Singhi
Chief Financial Officer

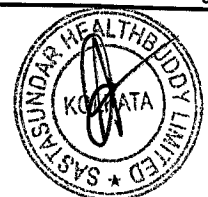
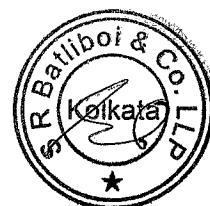
Ravi Kant Sharma
Managing Director & CEO
DIN : 00364066

Arnab Chakraborty
Company Secretary
ICSI Membership No. FCS8557



Cash Flow Statement for the year ended March 31, 2022

| Particulars | Note | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|--------------|---------------------------|---------------------------|
| Rs. in lacs | | | |
| A. Operating Activities | | | |
| Profit/ (Loss) before tax | | 73,222.68 | (448.90) |
| Adjustments to reconcile profit/(loss) before tax to net cash flows: | | | |
| Gain on fair valuation of Bonus 0.01 % Non-Cumulative Compulsory Convertible Preference Shares | 29 | (13,700.00) | - |
| Profit on sale of investment in subsidiary | 29 | (62,592.30) | - |
| Profit on sale of current investments | 23 | (321.34) | (3.80) |
| Depreciation and amortisation expense | 3 | 280.67 | 295.63 |
| Loss /(profit) on sale of property, plant and equipment | | 1.19 | (1.73) |
| Liability no longer required written back | 23 | (7.95) | (0.06) |
| Loan & sundry balances written off | 28 | 89.24 | - |
| Provision for bad and doubtful debts | 28 | 5.47 | 6.09 |
| Provision for bad and doubtful advances | 28 | 19.25 | - |
| Interest income | 23 | (246.17) | (13.66) |
| Finance costs | 27 | 205.96 | 89.74 |
| Profit on fair valuation of Investments carried at fair value through profit and loss | 23 | (116.34) | - |
| Operating cash flows before working capital changes | | (3,159.64) | (76.69) |
| Working capital adjustments: | | | |
| Decrease / (Increase) in Trade receivables | 12 | (713.27) | 135.02 |
| Decrease / (Increase) in Inventories | 9 | (3,746.43) | 69.29 |
| Decrease / (Increase) in Other assets | | (974.69) | 26.96 |
| Decrease / (Increase) in Other financial assets | | (185.38) | 0.15 |
| Increase in Provisions | | 45.76 | 34.79 |
| Increase / (Decrease) in trade payables | 19 | (162.86) | (843.15) |
| Increase / (Decrease) in other current liabilities | | 187.62 | (8.59) |
| Increase / (Decrease) in other financial liabilities | | 157.87 | 115.25 |
| Cash used in operations | | (8,551.02) | (546.97) |
| Income tax paid (net of refund) | | (11,124.97) | (16.10) |
| Net cash used in Operating Activities | a | (19,675.99) | (563.07) |
| B. Investing Activities | | | |
| Purchase of property, plant and equipment, capital work in progress & intangible assets (including capital advances) | | (233.22) | (80.74) |
| Proceeds from sale of property, plant and equipment & intangible assets | | 3.37 | 2.15 |
| Investment in fixed bank deposits | | (31,862.00) | 9.23 |
| Interest on loans and deposits | | 37.04 | 65.60 |
| Purchase of non-current investment | | (2,350.00) | (1,300.00) |
| Proceeds from sale of investments in subsidiary | 29.2 | 68,575.56 | - |
| Purchase of current investments | | (76,812.05) | (1,985.00) |
| Proceeds from sale/redemption of current investments | | 64,123.97 | 3,488.78 |
| Dividends given | | (250.00) | (20.37) |
| Loan repayment received | | 52.07 | 16.50 |
| Net cash flows from Investing Activities | b | 21,284.74 | 196.15 |
| C. Financing Activities | | | |
| Proceeds /(repayment) of Short term borrowings | | (978.59) | 477.45 |
| Interest paid other than interest on lease liability | | (196.53) | (73.19) |
| Loan taken | | 1,800.00 | - |
| Repayment of loan taken | | (1,800.00) | - |
| Payment of Lease liability including related security deposit | | (98.36) | (87.36) |
| Net cash flows from /(used in) Financing Activities | c | (1,273.48) | 316.90 |
| Net Increase / (decrease) in cash and cash equivalents | a+b+c | 335.27 | (50.02) |
| Cash and Cash Equivalents at the beginning of the year | | 627.93 | 677.95 |
| Cash and Cash Equivalents at the end of the year (refer note 13) | | 963.20 | 627.93 |



Cash Flow Statement for the year ended March 31, 2022

Explanation:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Statement of Cash Flows"

2. Components of Cash & Cash Equivalents (Refer Note 13):

Balances with banks :

In Current Accounts

Cash on Hand

Cheques on Hand

Total

721.69

17.98

223.53

963.20

402.83

1.86

223.24

627.93

3. Non-cash investing activities

| Particulars | Note | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|------|---------------------------|---------------------------|
| Acquisition of Right-of-use assets (Refer note 3) | 3 | 171.45 | - |

The accompanying notes are an integral part of the financial statements
In terms of our report attached on the even date

For S.R.Batliboi & Co. LLP

Chartered Accountants

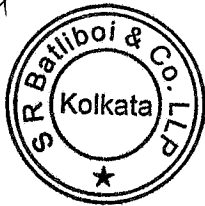
ICAI Firm Registration No: 301003E/E300005

S. Agarwal

per *S. Agarwal*

Partner

Membership No. 055833



Place: Kolkata

Date : May 23, 2022

For and on behalf of the Board of Directors

Sastasundar Healthbuddy Limited

B. L. Mittal

B. L. Mittal

Chairman & Managing Director

DIN : 00365809

Abhishek Singh

Abhishek Singh

Chief Financial Officer

Ravi Kant Sharma

Ravi Kant Sharma

Managing Director & CEO

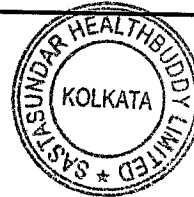
DIN : 00864066

Arbab Chakraborty

Arbab Chakraborty

Company Secretary

ICSI Membership No. FCS8557



SASTASUNDAR HEALTHBUDDY LIMITED
Corporate Identity No. (CIN) - U15411WB2011PLC160195

Statement of changes in equity for the year ended March 31, 2022

A) Equity share capital (refer note 15)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|--|----------------------|-------------|----------------------|-------------|
| | No. of shares | Rs. in lacs | No. of shares | Rs. in lacs |
| Equity shares of INR 10 each issued, subscribed and fully paid | | | | |
| At the beginning of the year | 23,703,524 | 2,370.35 | 23,703,524 | 2,370.35 |
| Fresh issue of Equity shares during the year | - | - | - | - |
| Outstanding at the end of the year | 23,703,524 | 2,370.35 | 23,703,524 | 2,370.35 |

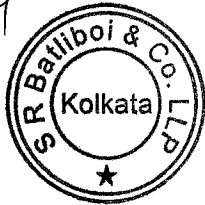
B) Other equity (refer note 16)

| | Reserves and Surplus | | Total other equity |
|--|---|--------------------|--------------------|
| | Retained earnings (Including Other comprehensive income) | Securities Premium | |
| As at April 1, 2020 | (13,709.95) | 29,878.15 | 16,168.20 |
| Profit/(Loss) for the year | (448.90) | - | (448.90) |
| Other comprehensive income/(loss) for the year | 22.38 | - | 22.38 |
| As at March 31, 2021 | (14,136.47) | 29,878.15 | 15,741.68 |
| Profit/(Loss) for the year | 60,284.53 | - | 60,284.53 |
| Other comprehensive income/(loss) for the year | (16.04) | - | (16.04) |
| As at March 31, 2022 | 46,132.02 | 29,878.15 | 76,010.17 |

The accompanying notes are an integral part of the financial statements
In terms of our report attached on the even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005

per Sanjay Agarwal
Partner
Membership No. 055833



Place: Kolkata
Date : May 23, 2022

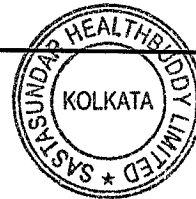
For and on behalf of Board of Directors
Sastasundar Healthbuddy Limited

B. L. Mittal
Chairman & Managing Director
DIN : 00365809

Abhishek Singhi
Chief Financial Officer

Ravi Kant Sharma
Managing Director & CEO
DIN : 00364066

Arbab Chakraborty
Company Secretary
ICSI Membership No. FCS8557



SASTASUNDAR HEALTHBUDDY LIMITED
Corporate Identity No. (CIN) - U15411WB2011PLC160195

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

15 : Share Capital

| | As at March 31, 2022 | Rs. In Lacs As at March 31, 2021 |
|---|-------------------------|--|
| Authorized capital | | |
| 2,40,00,000 (March 31, 2021: 2,40,00,000) Equity Shares of Rs. 10 each | 2,400.00 | 2,400.00 |
| 1,00,000 (March 31, 2021: 1,00,000) Cumulative Compulsory Convertible Preference Shares of Rs. 100 each | 100.00 | 100.00 |
| | 2,500.00 | 2,500.00 |
| Issued, subscribed and paid-up capital | | |
| 2,37,03,524 (March 31, 2021: 2,37,03,524) Equity Shares of Rs. 10 each | 2,370.35 | 2,370.35 |
| | 2,370.35 | 2,370.35 |

Terms / Rights attached to the equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of year

| | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| | No. of Shares | Rs. In Lacs |
| At the beginning of the year | 23,703,524 | 2,370.35 |
| Fresh issue of Equity shares during the year | - | - |
| Outstanding at the end of the year | 23,703,524 | 2,370.35 |

Details of shares held by the Holding Company, the Ultimate Holding Company, their Subsidiaries and Associates:

| | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| | No. of Shares | Rs. In Lacs |
| Sastasundar Ventures Limited (including shares held by its nominees), Holding Company | 17,100,160 | 1,710.02 |
| 1,71,00,160 (March 31, 2021: 1,71,00,160) Equity Shares | | |

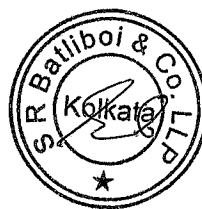
The details of shareholders holding more than 5% equity shares is set below:

| | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| | No. of Shares | % Holding |
| Equity Shares of Rs.10 each, fully paid | | |
| Sastasundar Ventures Limited (including shares held by its nominees) | 17,100,160 | 72.14 |
| Rohto Pharmaceutical Co. Ltd. , Japan | 3,562,064 | 15.03 |
| Yubishi Corporation , Japan | 3,041,300 | 12.83 |

Disclosure of Shareholdings of Promoter's

| | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| | No. of Shares | % of Total Shares |
| Equity Shares | | |
| Equity Shares of Rs.10 each, fully paid | | |
| Sastasundar Ventures Limited (including shares held by its nominees) | 17,100,160 | 72.14 |

There has been no change in percentage during any of the year as disclosed above.



1. Corporate Information

Sastasundar Healthbuddy Limited (the "Company" or "SHBL") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Innovation Tower, Premises No. 16-315, Plot No. DH 6/32, Action Area – 1D, New Town, Rajarhat, Kolkata.

The Company is principally engaged in the business of wholesale trading of healthcare and related FMCG products.

2.1 Basis of preparation

The 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 from time to time) and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared on a historical cost basis except certain financial assets and liabilities which are measured at Fair Value as required by the relevant Indian Accounting Standards

The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable.

MCA issued notifications dated March 24, 2021, to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial period starting April 01, 2021.

Ind AS 116: COVID-19 related rent concessions:

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessee to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

This amendment had no major impact on the financial statements of the Company.

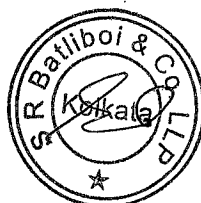
2.2 Summary of significant accounting policies

a. Current and 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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 the 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

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

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

b. Foreign currencies

The Company's financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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. The gain or loss arising on translation of non-monetary items measured at fair value 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 recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

c. Fair value measurement

The Company measures financial instruments, such as, derivatives 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 orderly 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:

- In the principal market for the asset or liability, or
- 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 a 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 minimising the use of unobservable inputs.

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

External valuers are involved for valuation of significant assets, such as Unquoted Preference Shares. Involvement of external valuers is decided upon annually by the Management.. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

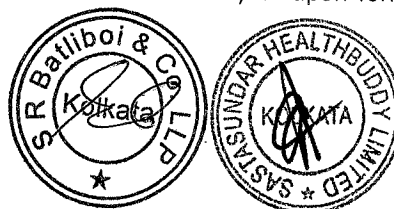
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. (i) Revenue Recognition from contract with customer

Sale of goods

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer and when there are no longer any unfulfilled obligations and that reflects the consideration to which the Company expect to be entitled to in exchange of products. The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 22.

The performance obligations in our contracts are fulfilled at the time of delivery or upon formal customer acceptance depending on customer terms.



Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is only recognized to the extent that it is highly probable and a significant reversal will not occur.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Contract balances

Trade receivables

A 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 (o) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Assets and liabilities arising from rights of return

Right of return assets

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory and a corresponding adjustment is made in cost of sales. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decrease in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities at the end of each year.

(ii) Interest Income

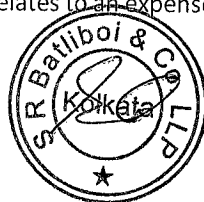
Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(iii) Dividend Income

Dividend income is recognized when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

e. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income



on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

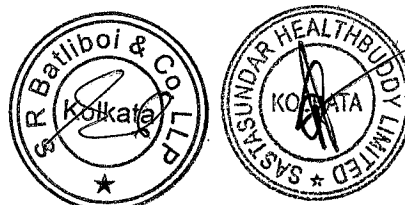
Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss



- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

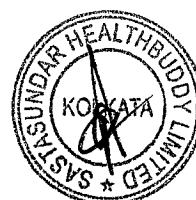
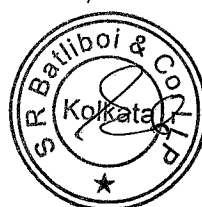
g. Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. 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.

Depreciation is calculated on a Written Down Value (WDV) basis over the estimated useful lives of the assets as follows:

| | |
|----------------------|------------|
| Building | 60 Years |
| Plant & Equipment | 5-15 years |
| Computers | 3 years |
| Furniture & Fixtures | 10 years |
| Office equipment | 5 years |
| Electrical Equipment | 10 years |
| Motor Vehicles | 8 years |

The Company depreciates its Property, plant and equipment over estimated useful lives which are as per the useful life prescribed in Schedule II to the Companies Act, 2013 except Plant & Equipment which is lower than those indicated in Schedule II i.e. 5-15 years. The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.



An item of property, plant and equipment and any significant part initially recognised is derecognised 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 statement of profit and loss when the asset is derecognised.

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.

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are 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 are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

| Type of Asset | Useful Life estimated by the management |
|-------------------|---|
| Computer Software | 5 Years |

i. Leases

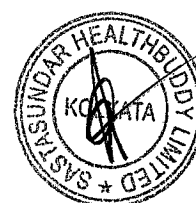
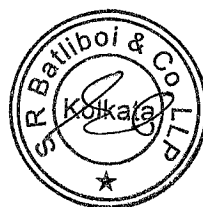
The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company 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 assets.



The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (I) 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. 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.

j. Inventories

Inventories are valued at the lower of cost and net realisable value.

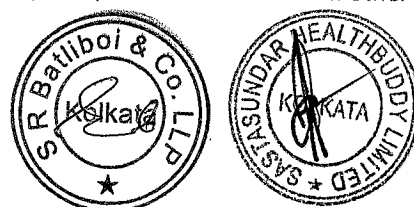
Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Finished goods: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on specific identification of cost basis.

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

k. 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 Companies 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, 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.

Under Ind AS 116.33, right-of-use assets are subject to the impairment requirements of Ind AS 36 Impairment of Assets.

l. Provisions

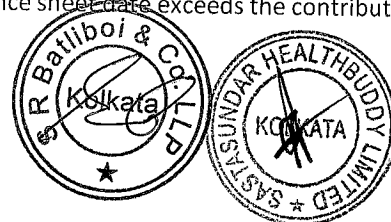
General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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 recognised as a finance cost.

m. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution



already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

n. 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.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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. 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 are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

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 four 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) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables, loans and cash & bank balance. For more information on receivables, refer to Note 12.

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

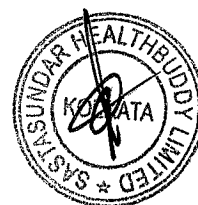
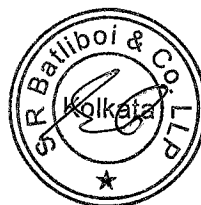
A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or 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 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. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

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.

The Company elected to classify its quoted mutual funds under this category.

This category includes derivative instruments and listed equity investments which the Company 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.

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 balance sheet) 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.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see Note 31
- Trade receivables– see Note 12

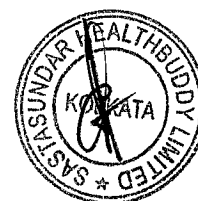
The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, 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).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

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 relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or 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/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)

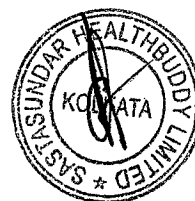
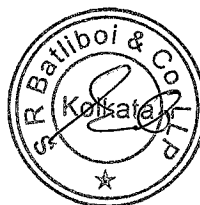
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 18.

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 recognised 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 recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.



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 recognised in the statement of profit and loss.

Reclassification of financial assets

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. 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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o. 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 the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

p. Earnings per share

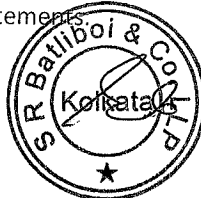
Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting 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 of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q. 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.



r. Segment Reporting

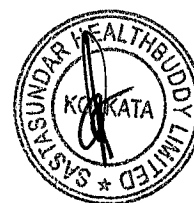
The Company is engaged mainly in the business of trading of healthcare products. These, in the context of Ind AS -108 on Segment Reporting are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. Geographical Segment.

s. Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence, should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior years (where required). Also, tax charges related to exceptional items and certain one-time tax effects are considered exceptional. Such items are material by nature or amount to the respective year's result and require separate disclosure in accordance with Ind AS.

t. Standards issued but not yet made effective by the Ministry of Corporate Affairs

There are no standards issued but not yet effective up to the date of issuance of the Company's financial statements.



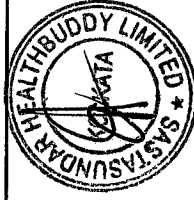
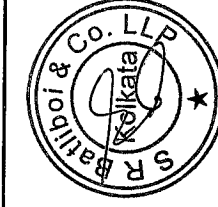
SASTASUNDAR HEALTHBUDDY LIMITED
Corporate Identity No. (CIN) - U15411WB2011PLC160195

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

3 A. Property, plant and equipment (PPE), Right of use assets and Capital work in progress

| | Right of Use Assets | | Property, plant and equipment | | | | | | Capital Work in progress | |
|----------------------|---------------------|-----------|-------------------------------|-------------------|---------------------|-----------------------|----------------|----------|--------------------------|-------------|
| | Building | Computers | Furniture and fixtures | Office equipments | Plant and machinery | Electrical equipments | Motor vehicles | Total | | Rs. in lacs |
| Cost | | | | | | | | | | |
| As at April 01, 2020 | 588.78 | 77.75 | 355.73 | 93.68 | 225.38 | 146.17 | 11.75 | 2,862.04 | - | - |
| Additions | 12.81 | 15.07 | 34.87 | 21.23 | 18.85 | 6.68 | - | 109.51 | - | - |
| Disposals | - | - | - | (0.01) | - | - | (0.98) | (0.99) | - | - |
| As at March 31, 2021 | 688.78 | 92.82 | 390.60 | 114.90 | 244.23 | 152.85 | 10.77 | 2,970.56 | - | - |
| Additions | 171.45 | 62.67 | 46.79 | 10.73 | 12.52 | 2.86 | - | 307.02 | - | 42.41 |
| Disposals | - | (0.12) | (0.03) | (0.62) | (33.76) | - | - | (34.53) | - | - |
| As at March 31, 2022 | 860.23 | 155.37 | 437.36 | 125.01 | 222.99 | 155.71 | 10.77 | 3,243.05 | - | 42.41 |
| Depreciation | | | | | | | | | | |
| As at April 01, 2020 | 63.97 | 46.75 | 153.39 | 60.37 | 94.70 | 65.19 | 2.09 | 599.31 | - | - |
| Charge for the year | 79.69 | 19.80 | 59.15 | 17.16 | 34.23 | 21.83 | 2.90 | 291.23 | - | - |
| Disposals | - | - | - | - | - | - | (0.57) | (0.57) | - | - |
| As at March 31, 2021 | 143.66 | 66.55 | 212.54 | 77.53 | 128.93 | 87.02 | 4.42 | 889.97 | - | - |
| Charge for the year | 82.66 | 25.64 | 54.18 | 13.20 | 29.55 | 17.45 | 2.00 | 278.56 | - | - |
| Disposals | - | - | - | (0.13) | (29.83) | - | - | (29.96) | - | - |
| As at March 31, 2022 | 226.32 | 92.19 | 266.72 | 90.60 | 128.65 | 104.47 | 6.42 | 1,138.57 | - | - |
| Net book value | | | | | | | | | | |
| As at March 31, 2021 | 545.12 | 26.27 | 178.06 | 37.37 | 115.30 | 65.83 | 6.35 | 2,080.59 | - | - |
| As at March 31, 2022 | 633.91 | 63.18 | 170.64 | 34.41 | 94.34 | 51.24 | 4.35 | 2,104.48 | - | 42.41 |

a. For lien / charge details against Leasehold Land & Buildings, Refer Note 18.1



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

| B. Intangible Assets | | Rs. in lacs | |
|----------------------|-------------------|-------------|--|
| | Computer Software | Total | |
| Cost | | | |
| As at April 01, 2020 | 31.60 | 31.60 | |
| Additions | 0.06 | 0.06 | |
| Disposals | - | - | |
| As at March 31, 2021 | 31.66 | 31.66 | |
| Additions | 1.28 | 1.28 | |
| Disposals | - | - | |
| As at March 31, 2022 | 32.94 | 32.94 | |
| Amortisation | | | |
| As at April 01, 2020 | 21.15 | 21.15 | |
| Charge for the year | 4.40 | 4.40 | |
| Disposals | - | - | |
| As at March 31, 2021 | 25.55 | 25.55 | |
| Charge for the year | 2.11 | 2.11 | |
| Disposals | - | - | |
| As at March 31, 2022 | 27.66 | 27.66 | |
| Net book value | | | |
| As at March 31, 2021 | 6.11 | 6.11 | |
| As at March 31, 2022 | 5.28 | 5.28 | |

| C. Disclosure of Right of Use (ROU) Assets as per IndAS 116: "Leases" | | | | Rs. in lacs | |
|---|----------|--------------|--------|-------------|--|
| Particulars | ROU Land | ROU Building | Total | | |
| Carrying book value as at April 01, 2020 | 454.70 | 170.11 | 624.81 | | |
| Depreciation Charged during the previous year | 5.00 | 74.69 | 79.69 | | |
| Carrying book value as on March 31, 2021 | 449.70 | 95.42 | 545.12 | | |
| Addition during the year | 0.00 | 171.45 | 171.45 | | |
| Depreciation charged during the year | 5.00 | 77.66 | 82.66 | | |
| Carrying book value as on March 31, 2022 | 444.70 | 189.21 | 633.91 | | |

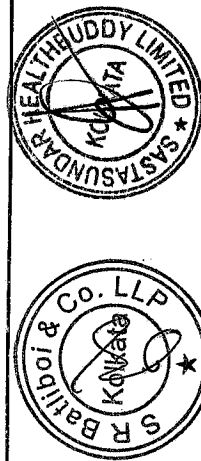
D. Capital work in progress (CWIP) ageing schedule

CWIP Ageing Schedule as on March 31, 2022

| Particular | Amount in CWIP for the period of | |
|----------------------|----------------------------------|-------|
| | Less than 1 Year | Total |
| Projects in progress | 42.41 | 42.41 |
| Total | 42.41 | 42.41 |

Note:

1. There are no projects as the year end where activity had been suspended. Also there are no projects as at year end which has exceeded cost as compare to its original plan or where completion is overdue.
2. There are no CWIP with ageing above 1 year.



SASTASUNDAR HEALTHBUDDY LIMITED
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Notes to financial statements as at and for the year ended March 31, 2022

4: Investments

Rs. In Lacs

| Name of the Company | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Unquoted Equity Shares (fully paid up) (At Cost) <i>- In wholly owned subsidiary companies</i> | | |
| Retailer Shakti Supply Chain Private Limited (56,00,000 equity shares (March 31, 2021: 56,00,000) of Rs. 10 each) | 219.98 | 219.98 |
| Genu Path Labs Limited (1,62,49,998 equity shares (March 31, 2021: 1,24,99,998) of Rs. 10 each) | 2,650.00 | 1,500.00 |
| Flipkart Health Limited (formerly Sastasundar Marketplace Limited) (Refer note 29.2) (NIL equity shares (March 31, 2021: 5,54,849 of Rs. 10 each) | - | 7,859.97 |
| <i>- In subsidiary companies</i> | | |
| HappyMate Foods Limited (50,00,000 equity shares (March 31, 2021 : 50,00,000) of Rs.10 each) | 500.00 | 500.00 |
| Less: Provision for impairment of Non-Current Investments | (500.00) | (500.00) |
| <i>- In associates companies</i> | | |
| Flipkart Health Limited (formerly Sastasundar Marketplace Limited) (Refer note 29.2) (1,87,490 equity shares (March 31, 2021: NIL) of Rs. 10 each) | 3,076.71 | - |
| Unquoted Preference Shares (at fair value through profit and loss) Flipkart Health Limited (formerly Sastasundar Marketplace Limited) (39,869 Bonus 0.01% Non Cumulative compulsory Convertible Preference share, ("Bonus CCPS")) Less: Considered as current | 13,700.00 (8,270.00) | - |
| | 11,376.69 | 9,579.95 |
| Aggregate book value of quoted investment | - | - |
| Aggregate book value of unquoted investment | 11,876.69 | 10,079.95 |
| Aggregate amount of impairment in value of investment | 500.00 | 500.00 |

5: Loans (Unsecured considered good, unless otherwise stated) (At Amortised Cost)

Rs. In Lacs

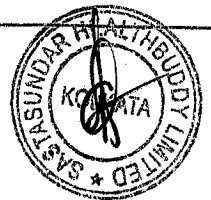
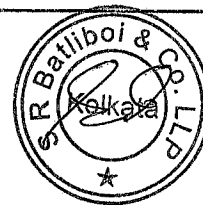
| | Non-current | |
|------------------------------------|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Loans to employees (Refer note 34) | 6.83 | 8.91 |
| | 6.83 | 8.91 |

6: Other financial asset (Unsecured considered good, unless otherwise stated) (At Amortised Cost)

Rs. In Lacs

| | Non-current | | Current | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Security deposits | 23.14 | 5.68 | 24.00 | 24.00 |
| Bank deposits with original maturity greater than 12 months (Refer Note 6.1 below) | 11,984.71 | 34.71 | - | - |
| Accrued interest on fixed deposits and loans | - | - | 209.40 | 2.89 |
| Unbilled Revenue (Refer Note 34) | - | - | 113.39 | - |
| Other receivable | - | - | 53.38 | 3.81 |
| | 12,007.85 | 40.39 | 400.17 | 30.70 |

6.1: Fixed Deposit held as security with the Bank against Bank Guarantee limit of Rs. 34.71 lacs in March 31, 2022 (March 31,2021: 34.71 lacs) and against Overdraft facilities taken from Bank for Rs. 250 lacs in March 31, 2022 (March 31, 2021: NIL).



SASTASUNDAR HEALTHBUDDY LIMITED
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7: Income tax assets (Net) (Unsecured, considered good)

Rs. In Lacs

| | Non-Current | |
|--|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Advance Income Tax [Net of Provision for Income Tax Rs. Nil (March 31, 2021: Rs. Nil)] | 18.22 | 39.38 |
| | 18.22 | 39.38 |

8: Other assets

Rs. In Lacs

| | Non-current | | Current | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Unsecured, considered good | | | | |
| Capital advances | 69.31 | 0.09 | - | - |
| Advance to Employees | - | - | 12.24 | 7.31 |
| Balance with statutory/ government authorities | - | - | 1,955.62 | 1,090.19 |
| Advance recoverable in cash or kind | - | - | 65.77 | 69.78 |
| Prepaid expenses | 3.42 | 6.21 | 36.97 | 31.48 |
| Right of return assets (Refer Note 8.1 below) | - | - | 86.40 | - |
| Unsecured, considered doubtful | | | | |
| Advance recoverable in cash or kind | - | - | 19.25 | - |
| Less: Credit impaired | - | - | (19.25) | - |
| | 72.73 | 6.30 | 2,157.00 | 1,198.76 |

8.1: A refund liabilities is recognised for the goods that are expected to return (i.e, amount not included in transactions price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from a customer.

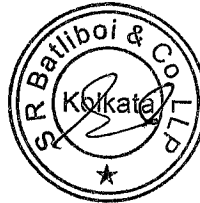
9 : Inventories

Rs. In Lacs

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| (Valued at lower of cost and net realisable value) | | |
| Raw Materials (at cost) | 6.57 | 10.98 |
| Finished Goods (at lower of cost and net realisable value) | 2.05 | 3.07 |
| Traded Goods | | |
| Medicines | 10,476.76 | 6,433.12 |
| FMCG Products | 720.05 | 1,006.08 |
| Packing Materials | 41.95 | 47.70 |
| Total | 11,247.38 | 7,500.95 |

For details of Lien/Charges against the inventories, Refer Note 18.1

During the year ended March 31, 2022, Rs 16.94 lacs (March 31, 2021: Rs 18.33 lacs) is recognised as an expense for inventories carried at net realisable value.



SASTASUNDAR HEALTHBUDDY LIMITED
Corporate Identity No. (CIN) - U15411WB2011PLC160195

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

10 : Current investment

Rs. In Lacs

| | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Investments at fair value through profit & loss | | |
| Quoted mutual funds | | |
| Kotak Corp Bond-Direct Growth Plan 2,41,601.528 (March 31, 2021: Nil) Units at par value of Rs.100 | 7,569.08 | - |
| Kotak Liquid Fund - Direct Plan Growth 63,140.755 (March 31, 2021: Nil) Units at par value of Rs.1,000 | 2,717.00 | - |
| Nippon India Short Term-Direct Growth Plan 55,29,877.22 (March 31, 2021: Nil) Units at par value of Rs.10 | 2,517.63 | - |
| Unquoted Preference Shares | | |
| Fluorocarb Health Limited (formerly Sastasundar Marketplace Limited) [8,004, Bonus 0.01% Non-Cumulative Compulsory Convertible Preference share ("Bonus CCPS")] | 8,270.00 | - |
| Investments at amortised cost | | |
| Quoted Securities | | |
| 9.60% HDB Financial Services Ltd | 322.05 | - |
| | 21,395.76 | - |
| Aggregate market value of quoted investment | 13,125.76 | - |
| Aggregate book value of quoted investment | 13,009.42 | - |
| Aggregate book value of unquoted investment | 8,270.00 | - |

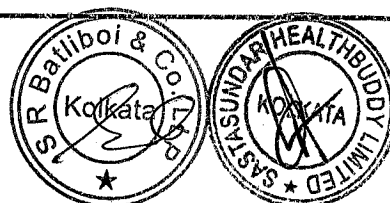
11: Loans

Rs. In Lacs

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Unsecured considered good unless otherwise stated | | |
| Loans to related party | | |
| to subsidiary (Refer Note 34) | - | 83.80 |
| to associates (Refer Note 34) | 200.00 | - |
| | 200.00 | 83.80 |

Type of borrower as on March 31, 2022

| Type of Borrower | Amount of loan in the nature of loan outstanding | % of the total Loans in the nature of loans |
|------------------------|--|--|
| Loans to related party | | |
| to subsidiary | - | 0% |
| to associates | 200.00 | 100% |



SASTASUNDAR HEALTHBUDDY LIMITED
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Notes to financial statements as at and for the year ended March 31, 2022

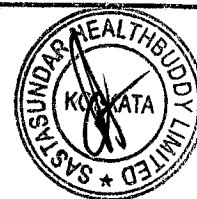
Type of borrower as on March 31, 2021

| Type of Borrower | Amount of loan in the nature of loan outstanding | % of the total Loans in the nature of loans |
|------------------------|--|---|
| Loans to related party | | |
| - to subsidiary | 83.80 | 100% |
| - to associates | - | 0% |

Disclosure of loans given to related parties required under section 186(4) of Companies Act, 2013

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------|-------------------------|-------------------------|
| Opening balance | 86.57 | 78.20 |
| Loans given | 250.00 | 16.50 |
| Interest accrued | 5.37 | 12.10 |
| Repayment of Interest | (1.96) | (9.35) |
| Repayment of Principal amount | (50.00) | (10.88) |
| Written off of interest amount | (2.76) | - |
| Written off of Principal amount | (83.80) | - |
| Closing balances | 203.42 | 86.57 |

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|---|---|
| Type of Borrowers | Related party (Associate) | Related party (Subsidiary) |
| Amount of loan or advance in the nature of loan outstanding (Rs in Lacs) | 200.00 | 83.80 |
| Rate of Interest * | 0.5% p.m | 11% p.a |
| Percentage to the total loans and advances in the nature of loan | 100% | 100% |
| Tenure | Loan to associate, Flipkart Health Limited (formerly Sastasundar Marketplace Limited) is for tenure of 11 months. | Loan to subsidiary, Happymate Foods Limited is repayable on demand |



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

12 : Trade Receivables

| | Rs. In Lacs | |
|---|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| At amortised cost | | |
| Trade Receivable considered good - Secured | 476.20 | 291.70 |
| Trade Receivable considered good - Unsecured | 1,466.65 | 943.35 |
| Trade Receivable credit impaired - Unsecured | 42.17 | 256.03 |
| | 1,985.02 | 1,491.08 |
| Less :Trade Receivables - credit impaired | (42.17) | (256.03) |
| Total Trade receivables | 1,942.85 | 1,235.05 |
| Receivable from related parties (Refer note 34) | 412.29 | 655.25 |
| Others | 1,530.56 | 579.80 |
| Total Trade receivables | 1,942.85 | 1,235.05 |

Receivables are secured to the extent of Security Deposits taken from customers.

Trade Receivable Ageing Schedule as on March 31, 2022

| Particular | Rs. In Lacs | | | | | |
|-------------------------------------|--|-------------------|--------------|--------------|-------------------|-----------------|
| | Outstanding periods from due date of transaction | | | | | |
| | Less than 6 months | 6 months -1 Years | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Undisputed | | | | | | |
| (i) Considered good | 1,747.93 | 143.36 | 22.30 | 11.80 | 3.64 | 1,929.03 |
| (ii) Credit impaired | - | 4.38 | 3.77 | 14.91 | 4.52 | 27.58 |
| | 1,747.93 | 147.74 | 26.07 | 26.71 | 8.16 | 1,956.61 |
| Less: Credit Impaired | - | 4.38 | 3.77 | 14.91 | 4.52 | 27.58 |
| Total Undisputed (A) | 1,747.93 | 143.36 | 22.30 | 11.80 | 3.64 | 1,929.03 |
| Disputed | | | | | | |
| (i) Considered good * | 0.06 | 7.76 | 5.00 | 1.00 | - | 13.82 |
| (ii) Credit impaired | - | - | 3.71 | 8.27 | 2.61 | 14.59 |
| | 0.06 | 7.76 | 8.71 | 9.27 | 2.61 | 28.41 |
| Less: Credit Impaired | - | - | 3.71 | 8.27 | 2.61 | 14.59 |
| Total Disputed (B) | 0.06 | 7.76 | 5.00 | 1.00 | - | 13.82 |
| Total Trade Receivable (A+B) | 1,747.99 | 151.12 | 27.30 | 12.80 | 3.64 | 1,942.85 |

* Management is confident of recovering the entire balance

Trade Receivable Ageing Schedule as on March 31, 2021

| Particular | Rs. In Lacs | | | | | |
|-------------------------------------|--|-------------------|---------------|-------------|-------------------|-----------------|
| | Outstanding periods from due date of transaction | | | | | |
| | Less than 6 months | 6 months -1 Years | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Undisputed | | | | | | |
| (i) Considered good | 1,199.66 | 15.20 | 14.07 | 2.68 | 0.87 | 1,232.48 |
| (ii) Credit impaired | 0.14 | 0.09 | 241.35 | 5.45 | 5.86 | 252.89 |
| | 1,199.80 | 15.29 | 255.42 | 8.13 | 6.73 | 1,485.37 |
| Less: Credit Impaired | 0.14 | 0.09 | 241.35 | 5.45 | 5.86 | 252.89 |
| Total Undisputed (A) | 1,199.66 | 15.20 | 14.07 | 2.68 | 0.87 | 1,232.48 |
| Disputed | | | | | | |
| (i) Considered good | 0.72 | 1.85 | - | - | - | 2.57 |
| (ii) Credit impaired | 1.00 | - | 2.13 | - | - | 3.13 |
| | 1.72 | 1.85 | 2.13 | - | - | 5.70 |
| Less: Credit Impaired | 1.00 | - | 2.13 | - | - | 3.13 |
| Total Disputed (B) | 0.72 | 1.85 | - | - | - | 2.57 |
| Total Trade Receivable (A+B) | 1,200.38 | 17.05 | 14.07 | 2.68 | 0.87 | 1,235.05 |

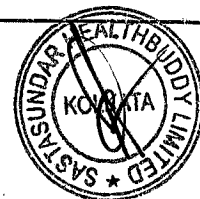
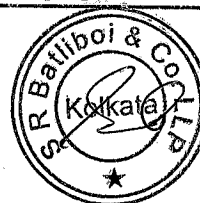
i. No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

ii. For terms and conditions relating to related party receivables, refer note 34.

iii. Trade receivables are non-interest bearing and are generally on terms of 3 to 30 days.

iv. For lien / charge details against trade receivable, Refer Note 18.1.

v. There are no unbilled receivables as on each reporting date, hence the same is not disclosed in the ageing schedules.



SASTASUNDAR HEALTHBUDDY LIMITED
Corporate Identity No. (CIN) - U15411WB2011PLC160195

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

13 : Cash and cash equivalent

Rs. In Lacs

| | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------|-------------------------|-------------------------|
| Balances with banks : | | |
| On current accounts | 721.69 | 402.83 |
| Cash on hand | 17.98 | 1.86 |
| Cheques on hand | 223.53 | 223.24 |
| | 963.20 | 627.93 |

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Rs. In Lacs

| | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------|-------------------------|-------------------------|
| Balances with banks : | | |
| On current accounts | 721.69 | 402.83 |
| Cash on hand | 17.98 | 1.86 |
| Cheques on hand | 223.53 | 223.24 |
| | 963.20 | 627.93 |

14 : Other bank balances

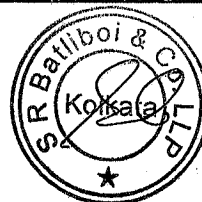
Rs. In Lacs

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Deposits with original maturity for more than 3 months but less than 12 months | 19,912.00 | - |
| | 19,912.00 | - |

Break up of financial assets carried at amortised cost

Rs. In Lacs

| | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Investments (Note 10) | 322.05 | - |
| Loan (Note 5, 11) | 206.83 | 92.71 |
| Trade receivables (Note 12) | 1,942.85 | 1,235.05 |
| Cash and cash equivalents (Note 13) | 963.20 | 627.93 |
| Other bank balances (Note 14) | 19,912.00 | - |
| Other financial assets (Note 6) | 12,408.02 | 71.09 |
| Total financial assets carried at amortised cost | 35,754.95 | 2,026.78 |



SASTASUNDAR HEALTHBUDDY LIMITED
Corporate Identity No. (CIN) - U15411WB2011PLC160195

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

15 : Share Capital

| | Rs. In Lacs | |
|---|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Authorized capital | | |
| 2,40,00,000 (March 31, 2021: 2,40,00,000) Equity Shares of Rs. 10 each | 2,400.00 | 2,400.00 |
| 1,00,000 (March 31, 2021: 1,00,000) Cumulative Compulsory Convertible Preference Shares of Rs. 100 each | 100.00 | 100.00 |
| | 2,500.00 | 2,500.00 |
| Issued, subscribed and paid-up capital | | |
| 2,37,03,524 (March 31, 2021: 2,37,03,524) Equity Shares of Rs. 10 each | 2,370.35 | 2,370.35 |
| | 2,370.35 | 2,370.35 |

Terms / Rights attached to the equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of year

| | As at March 31, 2022 | | As at March 31, 2021 | |
|--|----------------------|-----------------|----------------------|-----------------|
| | No. of Shares | Rs. In Lacs | No. of Shares | Rs. In Lacs |
| At the beginning of the year | 23,703,524 | 2,370.35 | 23,703,524 | 2,370.35 |
| Fresh issue of Equity shares during the year | - | - | - | - |
| Outstanding at the end of the year | 23,703,524 | 2,370.35 | 23,703,524 | 2,370.35 |

Details of shares held by the Holding Company, the Ultimate Holding Company, their Subsidiaries and Associates:

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|----------------------|-------------|----------------------|-------------|
| | No. of Shares | Rs. In Lacs | No. of Shares | Rs. In Lacs |
| Sastasundar Ventures Limited (including shares held by its nominees), Holding Company | | | | |
| 1,71,00,160 (March 31, 2021: 1,71,00,160) Equity Shares | 17,100,160 | 1,710.02 | 17,100,160 | 1,710.02 |

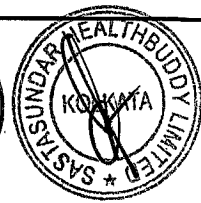
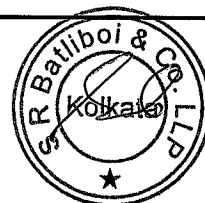
The details of shareholders holding more than 5% equity shares is set below:

| | As at March 31, 2022 | | As at March 31, 2021 | |
|--|----------------------|-----------|----------------------|-----------|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| Equity Shares of Rs.10 each, fully paid | | | | |
| Sastasundar Ventures Limited (including shares held by its nominees) | 17,100,160 | 72.14 | 17,100,160 | 72.14 |
| Roghto Pharmaceutical Co. Ltd. , Japan | 3,562,064 | 15.03 | 3,562,064 | 15.03 |
| Mitsubishi Corporation , Japan | 3,041,300 | 12.83 | 3,041,300 | 12.83 |

Disclosure of Shareholdings of Promoter's

| | As at March 31, 2022 | | As at March 31, 2021 | |
|--|----------------------|-------------------|----------------------|-------------------|
| Name of shareholders | No. of Shares | % of Total Shares | No. of Shares | % of Total Shares |
| Equity Shares | | | | |
| Equity Shares of Rs.10 each, fully paid | | | | |
| Sastasundar Ventures Limited (including shares held by its nominees) | 17,100,160 | 72.14 | 17,100,160 | 72.14 |

There has been no change in percentage during any of the year as disclosed above.



SASTASUNDAR HEALTHBUDDY LIMITED
Corporate Identity No. (CIN) - U15411WB2011PLC160195

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

16 : Other equity

| | Rs. In Lacs | |
|--|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| A. Securities premium (movement given below) | 29,878.15 | 29,878.15 |
| B. Retained earnings (movement given below) | 46,147.17 | (14,137.36) |
| C. Other comprehensive income | (15.15) | 0.89 |
| Total - Other equity | 76,010.17 | 15,741.68 |

Movement in Securities premium

| | Rs. In Lacs | |
|---|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Opening Balance | 29,878.15 | 29,878.15 |
| Add : Premium on fresh issue of Equity shares | - | - |
| Closing Balance | 29,878.15 | 29,878.15 |

Movement in retained earnings

| | Rs. In Lacs | |
|----------------------------------|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Opening Balance | (14,137.36) | (13,688.46) |
| Add : Profit/(Loss) for the year | 60,284.53 | (448.90) |
| Closing Balance | 46,147.17 | (14,137.36) |

Nature and purpose of reserve:

1. Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
2. Retained earnings are the profits that the company has earned till date. Retained earnings includes re-measurement (loss)/gain on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the company and eligible for distribution to shareholders.

17 : Provisions

| | Rs. In Lacs | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | Non-current | | Current | |
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Provision for employee benefits Gratuity (Refer note 32) | 169.01 | 112.09 | 16.16 | 11.29 |
| | 169.01 | 112.09 | 16.16 | 11.29 |

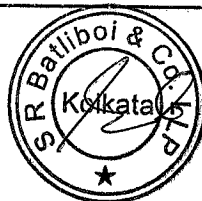
18 : Borrowings (at amortised cost)

| | Rs. In Lacs | |
|---|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Secured | | |
| Cash credit from bank (Refer note 18.1) | | 978.59 |
| | | 978.59 |

Note 18.1:

Cash credit from bank is secured against hypothecation of inventories, book debts (both present & future), equitable mortgage of factory premises on leasehold land, factory shed, building premises and installed plant & machinery along with corporate guarantee of Sastasundar Ventures Limited (i.e. Holding Company). The cash credit is repayable on demand and carries interest @ MCLR plus 3.70%.

During the current financial year the company has repaid and closed the cash credit facility w.e.f February 16, 2022.



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

19 : Trade payables (at amortised cost)

| | Rs. In Lacs | |
|--|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Trade payables | | |
| To Micro, Small & Medium Enterprises (Refer Note 19.1) | 145.62 | 73.53 |
| To Other than Micro, Small & Medium Enterprises | 1,971.51 | 2,210.50 |
| Trade payables to related parties | 4.73 | 8.64 |
| | 2,121.86 | 2,292.67 |

Note 19.1:

Information in terms of section 22 of Micro, Small & Medium Enterprises Development Act, 2006 (MSMED) are given below:

| | Rs. In Lacs | |
|---|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year : | | |
| - Principal amount | 145.62 | 73.53 |
| - Interest due on above | - | - |
| 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 | - | - |
| 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 the MSMED Act 2006 | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| 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 | - | - |

Trade Payable Ageing Schedule as on March 31, 2022

Rs. In Lacs

| Particular | Outstanding for following periods from due date of transaction | | | | | |
|---|--|------------------|--------------|-------------|-------------------|-----------------|
| | Unbilled Dues | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| i) Total outstanding dues of micro enterprises, small enterprises & medium enterprises | - | 145.62 | - | - | - | 145.62 |
| ii) Total outstanding dues of creditor other than micro enterprises, small enterprises & medium enterprises | 4.29 | 1,948.67 | 13.03 | 3.91 | 6.34 | 1,976.24 |
| Total trade payable | 4.29 | 2,094.29 | 13.03 | 3.91 | 6.34 | 2,121.86 |

Trade Payable Ageing Schedule as on March 31, 2021

Rs. In Lacs

| Particular | Outstanding for following periods from due date of transaction | | | | | |
|---|--|------------------|--------------|-------------|-------------------|-----------------|
| | Unbilled Dues | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| i) Total outstanding dues of micro enterprises, small enterprises & medium enterprises | - | 73.53 | - | - | - | 73.53 |
| ii) Total outstanding dues of creditor other than micro enterprises, small enterprises & medium enterprises | 5.94 | 2,194.07 | 10.99 | 4.75 | 3.39 | 2,219.14 |
| Total trade payable | 5.94 | 2,267.60 | 10.99 | 4.75 | 3.39 | 2,292.67 |

There are no disputed trade payable outstanding as on March 31, 2022 and March 31, 2021.

20 : Other financial liabilities (At amortised cost)

| | Rs. In Lacs | |
|--|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Security deposit | 698.28 | 625.12 |
| Payables for purchase of capital goods | 23.09 | 7.82 |
| Payable to employees | 222.84 | 138.13 |
| | 944.21 | 771.07 |

Break up of financial liabilities carried at amortised cost

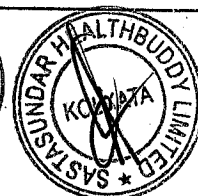
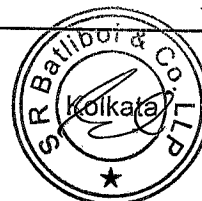
Rs. In Lacs

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Borrowings (Note 18) | - | 978.59 |
| Lease liabilities (Note 33) | 191.03 | 108.52 |
| Trade payables (Note 19) | 2,121.86 | 2,292.67 |
| Other financial liabilities (Note 20) | 944.21 | 771.07 |
| Total financial liabilities carried at amortised cost | 3,257.10 | 4,150.85 |

21 : Other current liabilities

| | Rs. In Lacs | |
|---|-------------------------|-------------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Statutory liabilities | 128.77 | 47.20 |
| Refund Liability (Refer Note 21.1 below) | 100.71 | - |
| Contract Liability-Advance from customers | 10.70 | 5.36 |
| | 240.18 | 52.56 |

21.1: Refund liability in respect of products sold that are expected to be returned and accepted by the company is recognised based on managements best estimate. The company updates its refund liability at the end of each reporting period.



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

22 Revenue from operation

| | Rs. In Lacs | |
|-------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Sale of Products | | |
| Traded Goods | 60,824.01 | 53,250.68 |
| Finished Goods | 98.44 | 61.53 |
| Other operating revenue | | |
| Sale of Services | 129.89 | - |
| | 61,052.34 | 53,312.21 |

22.1 Contract balances

| | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|------------------------------|------------------------------|
| Trade receivables | 1,942.85 | 1,235.05 |
| Contract liabilities - Advance from Customers | 10.70 | 5.36 |

Trade receivables are non-interest bearing and are generally on terms of 3 to 30 days.

Contract liabilities include advances received from customers to deliver health care and FMCG products.

22.2 Performance obligation

The performance obligation is satisfied upon delivery of the products and is generally payment is due within 3 to 30 days from delivery.

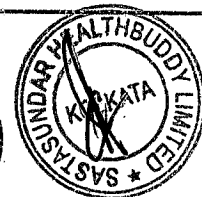
Other income

| | Rs. In Lacs | |
|--|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Interest Income on: | | |
| loans and deposits * | 243.54 | 13.44 |
| Income Tax Refund | 2.14 | 0.22 |
| Security deposit at FVTPL | 0.49 | - |
| Profit on sale of Current investments | 321.34 | 3.80 |
| Profit on fair valuation of Investments carried at FVTPL | 116.34 | - |
| Liability no longer required written back | 7.95 | 0.06 |
| Profit on sale of property, plant and equipment | - | 1.73 |
| Other miscellaneous Income | 5.24 | 9.70 |
| | 697.04 | 28.95 |

* Includes interest on loans to subsidiaries/associates (Refer Note 34)

24 Cost of raw material consumed & Purchases of traded goods

| | Rs. In Lacs | |
|--|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
| a. Raw Material consumed | | |
| Inventory at the beginning of the year | 10.98 | - |
| Add : Purchases during the year | 52.56 | 43.22 |
| Less : Inventory at the end of the year (Refer Note 9) | 6.57 | 10.98 |
| Cost of raw material consumed | 56.97 | 32.24 |
| b. Purchase of traded goods | | |
| Purchase of : | | |
| Healthcare | 57,551.32 | 43,267.61 |
| FMCG Products | 4,157.35 | 5,859.49 |
| | 61,708.67 | 49,127.10 |



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

25 (Increase) / decrease in inventories of traded goods and finished goods

| Particulars | Rs. In Lacs | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Inventories at the beginning of the year | | |
| Traded goods | 7,439.20 | 7,546.42 |
| Finished goods | 3.07 | - |
| | 7,442.27 | 7,546.42 |
| Less: Inventories at the end of the year (Refer Note 9) | | |
| Traded goods | 11,196.81 | 7,439.20 |
| Finished goods | 2.05 | 3.07 |
| | 11,198.86 | 7,442.27 |
| | (3,756.59) | 104.15 |
| (Increase)/Decrease in Right of return assets (Refer Note 8) | (86.40) | - |
| | (3,842.99) | 104.15 |

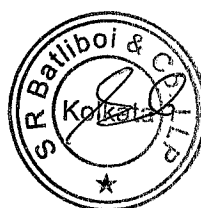
26 Employee benefits expense

| Particulars | Rs. In Lacs | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Salaries, wages and bonus (Including Director's Remuneration) (Refer Note 34) | 2,511.07 | 1,289.09 |
| Contribution to Provident and Other Funds | 109.11 | 76.59 |
| Contribution to Employees' State Insurance | 23.40 | 18.05 |
| Gratuity expense (Refer Note 32) | 50.24 | 37.59 |
| Staff welfare expenses | 28.94 | 27.33 |
| | 2,722.76 | 1,448.65 |

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

27 Finance costs

| Particulars | Rs. In Lacs | |
|-----------------------|------------------------------|------------------------------|
| | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Interest Expense: | | |
| -On borrowings | 189.94 | 54.65 |
| -On lease liabilities | 9.43 | 16.55 |
| Other Borrowing Cost | 6.59 | 18.54 |
| | 205.96 | 89.74 |



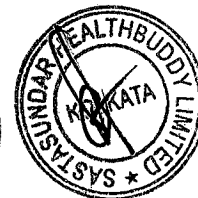
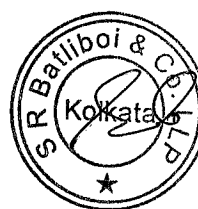
Notes to financial statements as at and for the year ended March 31, 2022

28 Other Expenses

| Particulars | Rs. In Lacs | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Electricity expenses | 188.89 | 172.34 |
| Logistics expenses | 950.55 | 704.52 |
| Packing materials consumed | 229.18 | 171.55 |
| Rent (Refer Note 33) | 122.10 | 60.71 |
| Repairs and maintenance | | |
| Building | 7.05 | 1.78 |
| Others | 89.75 | 78.75 |
| Service charges | 1,351.47 | 964.87 |
| Insurance | 26.45 | 18.57 |
| Rates and taxes | 27.28 | 6.17 |
| Advertisement and selling expenses | 0.25 | - |
| Business Promotion Expenses | 8.69 | 8.16 |
| Bank & Demat Charges | 4.75 | 0.66 |
| Commission and Brokerage | 107.72 | 75.73 |
| Communication Expenses | 11.71 | 9.79 |
| Legal and Professional Fees | 162.03 | 106.02 |
| Printing and Stationery | 48.37 | 30.81 |
| Travelling and Conveyance | 30.95 | 106.79 |
| Security Service Charges | 106.39 | 91.42 |
| Director Sitting Fees | 4.40 | 4.30 |
| Server hosting, bandwidth and other data service charges | 51.73 | 23.35 |
| Loss on Sale of property, plant and equipment | 1.19 | - |
| Loan & sundry balances written off | 89.24 | - |
| Provision for bad and doubtful debts | 5.47 | 6.09 |
| Provision for bad and doubtful advances | 19.25 | - |
| Auditors' Remuneration | | |
| As Auditors | | |
| Audit Fees | 16.00 | 11.50 |
| In other capacity for certificates and other services | 0.50 | - |
| Limited Review | 12.00 | 12.00 |
| Reimbursement of expenses | 0.50 | 0.31 |
| Miscellaneous Expenses | 13.10 | 26.36 |
| | 3,686.96 | 2,692.55 |

29 Exceptional Items

| Particulars | Rs. In Lacs | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Gain on fair valuation of Bonus 0.01% Non Cumulative Compulsory Convertible Preference share (Refer Note 29.1) | 13,700.00 | - |
| Profit on sale of investment in subsidiary company (Refer Note 29.2) | 62,592.30 | - |
| | 76,292.30 | - |

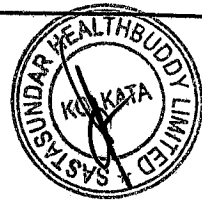
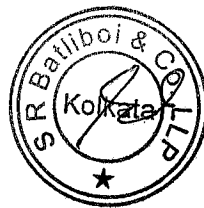


Notes to financial statements as at and for the year ended March 31, 2022

- 29.1 The Company has received 99,873 number of 0.01% Non Cumulative Compulsorily Convertible Preference shares as Bonus (Bonus CCPS) from Flipkart Health Limited (formerly Sastasundar Marketplace Limited), a wholly owned subsidiary. These Bonus CCPS would be converted into variable number of Equity shares in the manner prescribed in the Terms of Bonus CCPS, as amended. The Company has also entered into an arrangement with the Investor to sale 75.1% of Bonus CCPS at a specified price on achievement of certain milestones by the Company. The management has engaged an independent valuer to carry out the fair valuation of Bonus CCPS. At the year end, the fair valuation of 99,873 CCPS has been estimated at Rs 13,700.00 lacs with corresponding gain in Statement of profit and loss.
- 29.2 During the year, Sastsundar Healthbuddy Limited ("the Company") has sold 3,67,359 Equity Shares of face value of Rs 10/- each of Flipkart Health Limited (formerly Sastasundar Marketplace Limited), a wholly owned subsidiary of the Company, to Flipkart Health Private Limited ('FHPL') vide terms and conditions of Share Subscription and Purchase Agreement (SSPA) dated November 19, 2021 and Shareholders Agreement, which includes non- compete and non-solicit restrictions in relation to this transaction. The Company on the same date has also signed a Business Cooperation Agreement in relation to this transaction.

The Company has received a total consideration of Rs 68,575.56 lacs (net of related expense) for above transaction with net gain of Rs 62,592.30 lacs, which has been disclosed as Exceptional item in Statement of Profit & Loss.

Consequent to above transaction, Flipkart Health Limited (formerly Sastasundar Marketplace Limited) ceases to be the subsidiary of the Company and has become an Associate of the Company.



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

30. Earning Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| | | Rs. In Lacs |
| Profit/(Loss) attributable to equity holders of the company after exceptional items (Rs. in lacs) | 60,284.53 | (448.90) |
| Profit/(Loss) attributable to equity holders of the company before exceptional items (Rs. In Lacs) | (3,069.62) | (448.90) |
| Weighted Average number of Equity shares * | 23,703,524 | 23,703,524 |
| Basic and Diluted Earnings Per Share after exceptional items | 254.33 | (1.89) |
| Basic and Diluted Earnings Per Share before exceptional items | (12.95) | (1.89) |

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, 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 assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the accounting policies, Management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

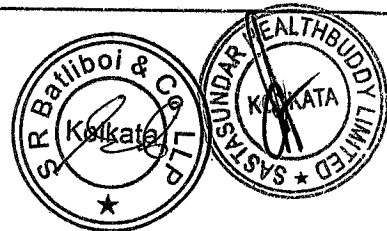
Determining the lease term of contracts with renewal and termination options – Company as lessee

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).

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. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. In the absence of reasonable certainty of future taxable profits, supported by convincing evidence, the net deferred tax assets have not been recognised in these financial results.



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

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 32

Fair value measurement of financial instruments

When the fair values 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 DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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. See Note 36 and 37 for further disclosures.

32. Gratuity and other post-employment benefit plans

The Company has a defined employee benefit plan in the form of gratuity. Every employee, who has completed five years or more of services, is entitled to gratuity on terms not less favourable than the provisions of the payment of Gratuity Act, 1972. The Gratuity plan provides a lump sum payment to vested employees 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. The scheme is insured with Life Insurance Corporation of India.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Net employee benefits expense recognized in the employee cost.

| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|--|------------------------------|------------------------------|
| Current service cost | 41.32 | 29.97 |
| Interest cost on the net defined benefit liability | 8.92 | 7.62 |
| Benefit Cost (Expense Recognized in Statement of Profit & loss) | 50.24 | 37.59 |

Remeasurement gains/(losses) in other comprehensive income (OCI)

| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|--|------------------------------|------------------------------|
| Actuarial (gains) / Losses | | |
| - Changes in demographic assumptions | - | - |
| - Changes in financial assumptions | (11.31) | (5.07) |
| - Changes in Unexpected Experience | 27.30 | (17.33) |
| Return on plan assets, excluding amount recognized in net interest expense | 0.05 | 0.02 |
| Net (Income)/Expense recognised for the period in OCI | 16.04 | (22.38) |

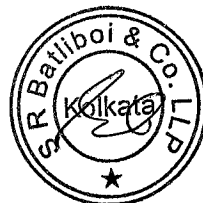
Balance Sheet

By asset / liability

| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|---|------------------------------|------------------------------|
| Present value of defined benefit obligation | 192.20 | 129.96 |
| Fair value of plan assets | 7.03 | 6.59 |
| Net liability | 185.17 | 123.37 |

Changes in the present value of the defined benefit obligation are as follows :

| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|---|------------------------------|------------------------------|
| Opening defined benefit obligation | 129.96 | 117.15 |
| Current service cost | 41.32 | 29.97 |
| Interest cost | 9.11 | 8.04 |
| Re-measurement (or Actuarial) (gain) / loss arising from | | |
| - Changes in financial assumptions | (11.31) | (5.07) |
| Experience variance (i.e. Actual experience vs assumptions) | 27.30 | (17.33) |
| Benefits paid | (4.18) | (2.80) |
| Closing defined benefit obligation | 192.20 | 129.96 |



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

Changes in the fair value of plan assets are as follows :

| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|--|------------------------------|------------------------------|
| Opening fair value of plan assets | 6.59 | 6.18 |
| Expected return / Investment income | 0.48 | 0.43 |
| Employers contribution | 4.18 | 2.80 |
| Benefits paid | (4.18) | (2.80) |
| Return on plan assets, excluding amount recognised in net interest expense | (0.05) | (0.02) |
| Closing fair value of plan assets | 7.02 | 6.59 |

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

| Particulars | March 31, 2022 % | March 31, 2021 % |
|---------------------------------------|---------------------|---------------------|
| Investments in insurance managed fund | 100% | 100% |

The Principal assumptions used in determining gratuity obligation for the company's plan are as follows

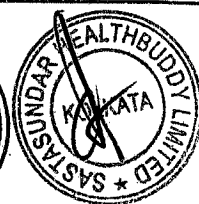
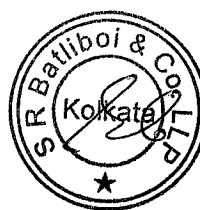
| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|-----------------------------------|------------------------------|------------------------------|
| Discount rate | 7.36% | 6.95% |
| Expected rate of return on assets | 7.36% | 6.95% |
| Future salary increases | 6.00% | 6.00% |
| Mortality Rate | IALM 2012-2014 Ultimate | IALM 2006-2008 Ultimate |

Contribution to defined contribution plans recognized as expense are as under :

| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|---|------------------------------|------------------------------|
| Contribution to Provident and other fund | 109.11 | 76.59 |
| Contribution to Employees State Insurance | 23.40 | 18.05 |

Assumptions sensitivity analysis for significant assumptions is as below:

| Assumptions Sensitivity Level | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|----------------------------------|--------------------------------------|------------------------------|
| | Change in defined benefit obligation | |
| Discount Rate | | |
| Increase by 0.5% | (12.28) | (8.67) |
| Decrease 0.5% | 14.21 | 9.62 |
| Salary Growth Rate | | |
| Increase by 0.5% | (13.46) | (8.76) |
| Decrease 0.5% | 11.66 | 7.92 |
| Mortality Rate | | |
| Increase by 10% | (0.42) | (0.07) |
| Decrease 10% | (0.17) | 0.07 |
| Attrition Rate | | |
| Increase by 0.5% | 0.04 | 0.24 |
| Decrease 0.5% | (0.64) | (0.25) |



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

Expected payment for future years

| | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|--|------------------------------|------------------------------|
| Within the next 12 months (next annual reporting period) | 16.74 | 11.67 |
| Between 2 and 5 years | 11.91 | 11.74 |
| Between 5 and 10 years | 69.14 | 46.25 |
| Beyond 10 years | 585.09 | 369.19 |
| Total expected payments | 682.88 | 438.85 |

Discount rate: The discount rate is based on the government bond yield as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This 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 obligations.

Salary escalation rate: The estimates of future salary increases considered taking into account the inflation, seniority, promotion and other relevant factors.

The Company expects to contribute Rs 16.74 lacs to the fund in the next financial year. The weighted average duration of the defined benefit obligation as at March 31, 2022 is 20 years (March 31, 2021 is 21 years).

33. Contingent liabilities, commitments and leasing arrangements

33.a. Lease

Company as a lessee

The Company has entered into lease transactions for office and warehouse premises etc. These lease agreements are for period from 1 to 9 years. The warehouse premises are generally rented on cancellable terms and renewable at the option of the Company.

Below are the carrying amounts of right-of-use assets recognised and the movements during the year:

| | Office premises & warehouse | Rs. In Lacs Total |
|-----------------------------|--------------------------------|----------------------|
| As at March 31, 2021 | 95.42 | 95.42 |
| Additions (Refer Note 3) | 171.45 | 171.45 |
| Depreciation expense | 77.66 | 77.66 |
| As at March 31, 2022 | 189.21 | 189.21 |

Below are the carrying amounts of lease liabilities and the movements during the year:

| | 2021-22 | Rs. In Lacs 2020-21 |
|-----------------------|---------------|------------------------|
| As at April 01 | 108.52 | 179.34 |
| Additions | 167.64 | - |
| Accretion of interest | 9.43 | 16.55 |
| Payments | (94.56) | (87.37) |
| As at March 31 | 191.03 | 108.52 |
| Current | 42.06 | 83.78 |
| Non-current | 148.97 | 24.74 |

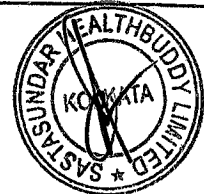
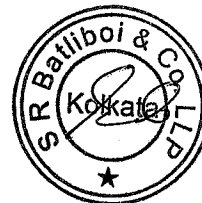
The maturity analysis of lease liabilities are disclosed in Note 38.3.

The effective interest rate for lease liabilities is 11.20% for Innovation Tower & Mumbai warehouse, with maturity between 2022-2023 and for Guwahati warehouse the effective interest rate is 10.50% with maturity between 2027-2028.

The following are the amounts recognised in profit or loss:

| | 2021-22 | Rs. In Lacs 2020-21 |
|--|---------------|------------------------|
| Depreciation expense of right-of-use assets | 77.66 | 74.69 |
| Interest expense on lease liabilities | 9.43 | 16.55 |
| Expense relating to short-term leases (included in other expenses) | 122.10 | 60.71 |
| Total amount recognised in profit or loss | 209.19 | 151.95 |

The company had total cash outflows for leases of Rs 94.56 lacs in March 31, 2022 (Rs 87.37 lacs in March 31, 2021).



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

33.b. Commitments

| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|--|------------------------------|------------------------------|
| Estimated amount of contracts remaining to be executed on capital account. | 191.30 | - |
| Total | 191.30 | - |

33.c. Contingent Liabilities

Claims against the Company not acknowledged as debts:

| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|--|------------------------------|------------------------------|
| Bank Guarantee outstanding in favour of West Bengal State Electricity Distribution Company Limited | 34.71 | 34.71 |
| West Bengal Tax on Entry of Goods into Local Areas Act, 2012 | 0.89 | 0.89 |
| Total | 35.60 | 35.60 |

33.d. Fixed Deposits with banks aggregating to Rs. 250.00 lacs (March 31, 2021: Rs. Nil) are pledged as follows :

| Particulars | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|--|------------------------------|------------------------------|
| HDFC Bank Limited (As security against Overdraft facilities) | 250.00 | - |
| Total | 250.00 | - |

33.e. Sastasundar Ventures Limited (Holding Company) has provided Corporate guarantee amounting Rs. 25.00 lacs against credit card facility availed from HDFC Bank Limited Company. The amount of facility / guarantee actually availed by the company as at balance sheet date amounts to Rs. 1.33 Lakhs (March 31, 2021: Rs. 0.15 Lakhs).

34. Related parties transactions

Name of related parties and description of relationship

i) Related parties where control exists

a) Holding Company

Sastasundar Ventures Limited

b) Subsidiary Companies

Retailer Shakti Supply Chain Private Limited

Happymate Foods Limited

Genu Path Labs Limited

Flipkart Health Limited (Formerly known as Sastasundar Marketplace Limited) (Upto December 08, 2021)

ii) Name of other related parties with whom transactions have taken place during the year

a) Fellow Subsidiary Companies/Limited Liability Partnership

Innogrow Technologies Limited

Microsec Resources Private Limited

Dreamscape Advisors LLP

Alokik Advisory Services LLP

b) Enterprise exercising significant influence directly/indirectly over the Company

Rohto Pharma (India) Limited (subsidiary of Rohto Pharmaceutical Co. Ltd. , Japan)

Mitsubishi Corporation India Private Limited (subsidiary of Mitsubishi Corporation , Japan)

c) Associates Company

Flipkart Health Limited (Formerly known as Sastasundar Marketplace Limited) (w.e.f December 09, 2021)

d) Key Managerial Personnel

Mr. Banwari Lal Mittal, Chairman & Managing Director

Mr. Ravi Kant Sharma, Managing Director & CEO

Mr. Ramesh Sharma, Whole-time director

Mr. Parimal Kumar Chattaraj

Dr. Saibal Chandra Pal (upto March 17, 2021)

Ms. Ruparjana Dey (w.e.f March 23, 2021)

Mr. Abhishek Singhi, Chief Financial Officer

Mr. Pratap Singh, Company Secretary (upto November 08, 2020)

Mr. Arnab Chakraborty, Company Secretary (w.e.f November 09, 2020)



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

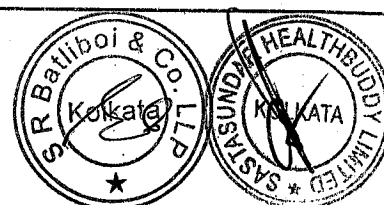
Related party transactions during the year:

Rs. In Lacs

| Sl.No | Related Parties | Nature of Transactions | Transactions during the year ended March 31, 2022 | Transactions during the year ended March 31, 2021 | (Payable)/Receivable | |
|---|---|---|---|---|----------------------|----------------|
| | | | | | March 31, 2022 | March 31, 2021 |
| Holding Company | | | | | | |
| 1 | Sastasundar Ventures Limited | Corporate guarantee taken | 1.33 | 978.59 | - | - |
| Subsidiary Companies | | | | | | |
| 2 | Happymate Foods Limited | Purchase of Traded Goods | 26.81 | 64.78 | 12.81 | 7.63 |
| | | Amount paid towards Other expense | 0.65 | - | | |
| | | Sale of Traded Goods | 9.55 | 17.05 | | |
| | | Loan Given | - | 16.50 | - | 85.56 |
| | | Interest Income | - | 9.59 | | |
| | | Loan recovered (including interest) | - | 20.23 | | |
| | | Loan balance written off | 85.71 | - | | |
| Written off of Provision for bad and doubtful debt | 219.33 | - | 395.58 | 647.63 | | |
| 3 | Retailer Shakti Supply Chain Private Limited | Sale of Traded Goods | | | 13,769.35 | 11,057.92 |
| | | Amount paid towards Other expense | | | 0.11 | 16.14 |
| | | Sale of fixed assets | | | 0.14 | - |
| | Genu Path Labs Limited | Investment in Equity Share Capital | 1,150.00 | 200.00 | - | - |
| | | Loan Given | 50.00 | - | - | - |
| | | Loan recovered (including interest) | 52.18 | - | - | - |
| | | Interest Income | 2.18 | - | - | - |
| Subsidiary Company which became Associates during the year | | | | | | |
| 5 | Flipkart Health Limited (Formerly known as Sastasundar Marketplace Limited) | Loan Given | 200.00 | - | 203.41 | - |
| | | Interest Income (including interest) | 3.79 | - | - | - |
| | | Sale of Traded Goods | 2.61 | 0.47 | - | - |
| | | Sale of services (Professional fees) | 16.50 | - | 3.89 | - |
| | | Sale of services (Unbilled revenue) | 113.39 | - | 113.39 | - |
| | | Fair value gain on Bonus Non-Cumulative Convertible Preference Shares (Refer Note 29) | 13,700.00 | - | - | - |
| | | Reimbursement of stamp duty | 4.01 | - | - | - |
| | | Investment in Equity Share Capital | 1,200.00 | 1,100.00 | - | - |
| Fellow Subsidiary Companies / Limited Liability Partnership | | | | | | |
| 6 | Innogrow Technologies Limited | Payment towards rent | 68.65 | 24.48 | - | - |
| | | Amount paid towards electricity charge | 14.36 | 13.17 | (1.13) | (1.28) |
| | | Loan taken | 800.00 | - | - | - |
| | | Loan refunded (including interest) | 813.92 | - | | |
| | | Interest Expenses | 13.92 | - | | |
| | Microsec Resources Private Limited | Loan taken | 1,000.00 | - | - | - |
| | | Loan refunded (including interest) | 1,033.45 | - | - | - |
| | | Interest Expenses | 33.45 | - | - | - |
| 9 | Alokik Advisory Services LLP | Purchase of Traded Goods | - | 5.79 | - | - |
| 10 | Dreamscape Advisors LLP | Purchase of Traded Goods | 0.18 | 1.33 | - | - |
| Enterprise exercising significant influence over the Company | | | | | | |
| 11 | Rohto Pharma (India) Limited | Professional Fees | - | 40.00 | - | (3.68) |
| 12 | Mitsubishi Corporation India Private Ltd | Professional Fees | 40.00 | 40.00 | (3.60) | (3.68) |
| Key Managerial Personnel | | | | | | |
| 13 | Mr. Banwari Lal Mittal | Director's Remuneration | 470.49 | 88.69 | (4.01) | (11.51) |
| 14 | Mr. Ravi Kant Sharma | Director's Remuneration | 470.49 | 88.69 | (4.92) | (11.51) |
| 15 | Mr. Ramesh Kumar Sharma | Director's Remuneration | 29.66 | 25.13 | (3.00) | (3.00) |
| 16 | Mr. Parimal Kumar Chattaraj | Sitting Fees | 2.20 | 2.20 | - | - |
| 17 | Dr. Saibal Chandra Pal | Sitting Fees | - | 1.85 | - | - |
| 18 | Ms. Rupanjana Dey | Sitting Fees | 2.20 | 0.25 | - | - |
| 19 | Mr. Abhishek Singhi | Repayment of loan given (including interest) | 3.00 | 3.00 | 6.83 | 8.91 |
| | | Interest Income | 0.93 | 1.27 | | |
| | | Remuneration | 30.36 | 22.44 | (3.31) | (2.30) |
| 20 | Mr. Pratap Singh | Remuneration | - | 4.13 | - | - |
| 21 | Mr. Arnab Chakraborty | Remuneration | 15.84 | 6.60 | (1.83) | (1.26) |

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except as disclosed above.



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

35. Segment reporting

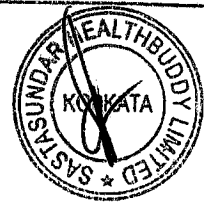
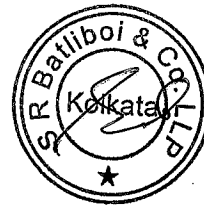
The Company operates in only one business segment i.e. trading of healthcare and FMCG products and in only one geographic segment i.e. India. Accordingly there are no separate reportable segments under Ind AS - 108 - Operating Segments.

36. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

| Particulars | Carrying Value as at | | Fair Value as at | |
|---|----------------------|------------------|------------------|------------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| (i) Financial Assets | | | | |
| a) Measured at Fair Value through Profit & Loss (FVTPL) | | | | |
| Investment in Quoted mutual funds | 12,687.37 | - | 12,803.71 | - |
| Investment in Unquoted Bonus 0.01% Non-Cumulative Compulsory Convertible Preference share | 13,700.00 | - | 13,700.00 | - |
| b) Measured at Amortized Cost | | | | |
| (i) Investments | 6,268.74 | 9,579.95 | 6,268.74 | 9,579.95 |
| (ii) Loan | 206.83 | 92.71 | 206.83 | 92.71 |
| Trade receivables | 1,942.85 | 1,235.05 | 1,942.85 | 1,235.05 |
| Cash and cash equivalents | 963.20 | 627.93 | 963.20 | 627.93 |
| (v) Other bank balances | 19,912.00 | - | 19,912.00 | - |
| (vi) Other financial assets | 12,408.02 | 71.09 | 12,408.02 | 71.09 |
| Total Financial assets | 68,089.01 | 11,606.73 | 68,205.35 | 11,606.73 |
| (ii) Financial Liabilities | | | | |
| a) Measured at Amortized Cost | | | | |
| (i) Borrowings | - | 978.59 | - | 978.59 |
| (ii) Trade Payables | 2,121.86 | 2,292.67 | 2,121.86 | 2,292.67 |
| (iii) Lease liabilities | 191.03 | 108.52 | 191.03 | 108.52 |
| (iv) Other financial liabilities | 944.21 | 771.07 | 944.21 | 771.07 |
| Total Financial liabilities | 3,257.10 | 4,150.85 | 3,257.10 | 4,150.85 |

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other financial liabilities and assets approximate their carrying amounts largely due to the short-term maturities of these instruments.



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

36.1. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 37.

37. Fair Value Hierarchy of assets and liabilities

I. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2022 is as follows:

Assets

| Particulars | Fair Value through Profit & Loss Accounts | | | | | |
|---|---|------------------|-----------|------------------|------------------|------------------|
| | Carrying Value | Fair Value | Level - 1 | Level - 2 | Level - 3 | Total |
| Investment in Quoted mutual funds | 12,687.37 | 12,803.71 | - | 12,803.71 | - | 12,803.71 |
| Investment in Unquoted Bonus 0.01% Non-Cumulative Compulsory Convertible Preference share | 13,700.00 | 13,700.00 | - | - | 13,700.00 | 13,700.00 |
| Total | 26,387.37 | 26,503.71 | - | 12,803.71 | 13,700.00 | 26,503.71 |

II. There are no financial instrument measured at FVTPL as at March 31, 2021.

37.1 Valuation technique used

The majority of equity instruments are actively traded on public stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1.

Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2.

Equity instruments in non-listed entities included investment in private equity funds are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case are classified as Level 3.

Level 2 Hierarchy:

Investment in Quoted mutual funds

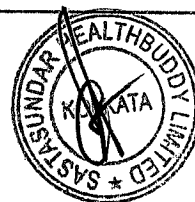
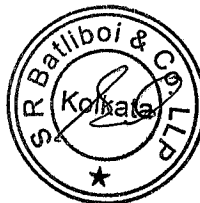
Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions.

Level 3 Hierarchy:

Investment in Unquoted Bonus 0.01% Non-Cumulative compulsory Convertible Preference share ("Bonus CCPS")

The Company has computed the value of Bonus CCPS by discounting the cash flows i.e., using Discounted Cash Flow Method. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

There have been no transfer between Level 1, 2 and 3 during the year ended March 31, 2022 and March 31, 2021.



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

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown below:

| | Valuation Technique | Significant unobservable inputs | Sensitivity of the input to fair value |
|---|-----------------------------|---------------------------------|--|
| Bonus 0.01% Non-Cumulative Compulsory Convertible Preference share (Bonus CCPS) | Discounted Cash Flow Method | Discount Rate | 1% increase/(decrease) in Discount Rate would result in (decrease)/ increase in fair value by: March 31, 2022: (99.37) Lakhs/ 101.16 Lacs March 31, 2021: NA |

38. Financial risk management objectives and policies

The Company's financial liabilities comprise loans and borrowing and other payables. The main purpose of these financial liabilities is to finance the Company's operation. The Company's financial assets include loans, trade & other receivables and cash & cash equivalents. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management has the overall responsibility for establishing and governing the Company's financial risk management framework and developing and monitoring the Company's financial risk management policies. The Company's financial risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate controls.

38.1 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risk i.e. currency risk, interest rate risk and other price risk such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payable, trade receivables, borrowings etc. Currency risk is not applicable to the Company as it is not involved in substantial foreign currency transactions.

38.1.1 Interest rate risk

The Company takes debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Company to interest rate risk.

Interest rate risk exposure:

| | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|-------------------------|------------------------------|------------------------------|
| Variable rate borrowing | - | 978.59 |
| Fixed rate borrowing | - | - |
| | - | 978.59 |

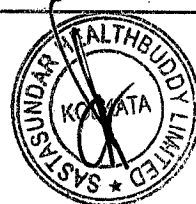
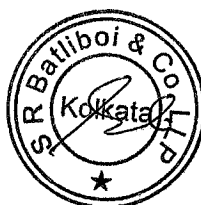
Interest rate sensitivity:

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| | March 31, 2022 Rs in lacs | March 31, 2021 Rs in lacs |
|--|---|------------------------------|
| | Effect on Statement of profit & loss - (Loss)/Profit | |
| Interest Rates increase by 50 basis points | - | (3.64) |
| Interest Rates decrease by 50 basis points | - | 3.64 |

38.1.2. Price Risk

The Company's mutual funds and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all investment decisions.



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

38.2. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, bank balances, loans, investments and other financial assets. At each reporting date, the Company measures loss allowance for certain class of financial assets based on historical trend, industry practices and the business environment in which the Company operates.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Credit risk arising from investments, financial instruments and balances with banks is limited because the counterparties are banks and recognised financial institutions with high credit worthiness.

The ageing analysis of trade receivables considered from the date of invoice as follows:

| Financial Year Ended as on | Less than 1 Year Rs in lacs | More than 1 Year Rs in lacs | Total Rs in lacs |
|----------------------------|--------------------------------|--------------------------------|---------------------|
| March 31, 2022 | 1,899.10 | 43.75 | 1,942.85 |
| March 31, 2021 | 1,217.43 | 17.62 | 1,235.05 |

Reconciliation of Loss Allowance

| | Trade receivable |
|---|------------------|
| As at April 1, 2020 | 249.94 |
| Add : Allowance for Credit Loss | 6.09 |
| Less: Bad Debts adjusted with provision | - |
| As at March 31, 2021 | 256.03 |
| Add : Allowance for Credit Loss | 5.47 |
| Less: Bad Debts adjusted with provision | 219.33 |
| As at March 31, 2022 | 42.17 |

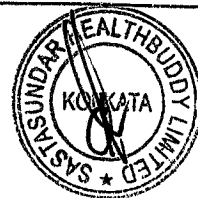
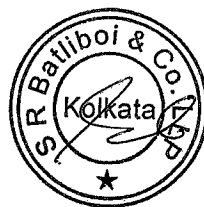
38.3. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of Financial Liabilities :

The table below analyzes the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities :

| As at March 31, 2022 | Less than 1 Year | Between 1 - 2 Years | Between 2 - 3 Years | More than 3 years | Total |
|-----------------------------|------------------|------------------------|------------------------|-------------------|----------|
| Financial Liabilities | | | | | |
| Trade Payables | 2,121.86 | - | - | - | 2,121.86 |
| Lease Liabilities | 42.06 | 21.00 | 25.18 | 102.79 | 191.03 |
| Other Financial Liabilities | 944.21 | - | - | - | 944.21 |
| As at March 31, 2021 | | | | | |
| Financial Liabilities | | | | | |
| Borrowings | 978.59 | - | - | - | 978.59 |
| Trade Payables | 2,292.67 | - | - | - | 2,292.67 |
| Lease Liabilities | 83.78 | 24.74 | - | - | 108.52 |
| Other Financial Liabilities | 771.07 | - | - | - | 771.07 |



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

39. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, security premium and all other equity reserves attributable to the equity holders of the Company.

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and

| | March 31, 2022 | March 31, 2021 |
|--------------------------------|-----------------|----------------|
| | Rs in lacs | Rs in lacs |
| Borrowings | - | 978.59 |
| Less : Cash & cash equivalents | 963.20 | 627.93 |
| Net debt | (963.20) | 350.66 |
| Equity | 2,370.35 | 2,370.35 |
| Equity and Net debts | 1,407.15 | 2,721.01 |
| Gearing ratio | - | 0.36 |

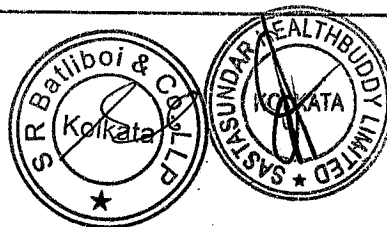
40.1. Deferred Tax Assets (Net)

| | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| | Rs in lacs | Rs in lacs |
| Deferred Tax Liabilities: | | |
| Tax impact arising on temporary differences in depreciable assets | 69.37 | 107.69 |
| Deferred Tax Assets*: | | |
| Impact on Expense Allowable in Future Years | 51.45 | 53.67 |
| Tax Impact on provision of expected sales return | 17.92 | - |
| Tax impact on Brought Forward Business Losses/ unabsorbed depreciation to the extent of deferred tax liabilities on taxable temporary differences available (net) | - | 54.02 |
| Net Deferred Tax Assets | - | - |

* Deferred tax assets are recognised for unused tax losses only to the extent it is probable that the taxable profit will be available against which the losses can be utilised. In the absence of reasonable certainty of future taxable profits, the net deferred tax assets have not been recognised in these financial statements.

Unused tax losses for which no deferred tax asset is recognized amount to Rs. 2,728.28 lacs as at March 31, 2022 and Rs. 12,797.88 lacs as at March 31, 2021.

40.2. During the current year, the Company has elected to apply tax rates permitted under Section 115BAA of the Income-tax Act, 1961. Accordingly, the Company has considered new tax rates for deferred tax determination and disclosure purposes. MAT liability is not recognised in the books as on March 31, 2022 as per the provisions of Section 115BAA.



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

41. Ratio Analysis and its elements

| Sr No. | Ratios | Numerator | Denominator | March 31, 2022 | March 31, 2021 | Variance (%) | Reason for Variance greater than 25% |
|--------|----------------------------------|--|---|----------------|----------------|--------------|---|
| 1 | Current Ratio | Current Assets | Current Liabilities | 11.29 | 2.55 | 343% | The Company has received a total consideration of Rs 68,976.24 lacs from sale of equity shares of subsidiary resulting into net gain of Rs 62,592.30 lacs in profit and loss account in current year. Accordingly, the Company's Current Investments & Other Financial Assets have increased and there is no borrowing outstanding as at year end March 31, 2022. |
| 2 | Debt - Equity Ratio | Debt (Borrowing + Lease liabilities) | Total Equity | 0.00 | 0.06 | -96% | There is no borrowing outstanding as at year end March 31, 2022. |
| 3 | Debt Service Coverage Ratio | Earnings for Debt Service (Profit for the period/year + Finance cost + Depreciation - Profit on sale of property, plant and equipment - Liabilities/provisions no longer required written back + Provision for doubtful debts & advances + Bad debts/advances written off) - Exceptional Item - Fair value gain on financials instrument at FVTPL - Profit on sale of current investments + Loss on sale of fixed assets | Debt Service (Interest & Lease Payments + Principal Re-payments) | (12.61) | (0.48) | 2507% | There is no borrowing outstanding as at year end March 31, 2022. |
| 4 | Return on Equity Ratio | Profit for the period | Average Shareholder's Equity | 1.25 | (0.02) | -5201% | The Company has received a total consideration of Rs 68,976.24 lacs from sale of equity shares of subsidiary resulting into net gain of Rs 62,592.30 lacs in profit and loss account in current year. |
| 5 | Inventory Turnover Ratio | Revenue from operations | Average Inventory | 6.51 | 7.07 | -8% | |
| 6 | Trade Receivables Turnover Ratio | Revenue from operations | Average Trade Receivables | 38.42 | 40.83 | -6% | |
| 7 | Trade Payables Turnover Ratio | Purchases during the year of raw materials and stock in trade + Other Expenses (excluding non cash provisions) | Average Trade Payables | 29.60 | 19.11 | 55% | Purchase of traded goods has increased during the year. |
| 8 | Net Capital Turnover | Revenue from operations | Working Capital * | 1.15 | 8.22 | -86% | |
| 9 | Net Profit Ratio | Profit for the year | Revenue from operations | 0.99 | (0.01) | -11827% | |
| 10 | Return on Capital employed | Earnings before interest and taxes (Profit Before Tax + Finance Cost) | Capital Employed [Tangible Net Worth + Total Debt (Borrowing + Lease liabilities) + Deferred Tax Liability] | 0.93 | (0.02) | -5094% | The Company has received a total consideration of Rs 68,976.24 lacs from sale of equity shares of subsidiary resulting into net gain of Rs 62,592.30 lacs in profit and loss account in current year |
| 11 | Return on Investment | Interest Income on fixed deposits, bonds and debentures + Profit on sale of investments + Profit on fair valuation of investments carried at FVTPL + Fair value on Bonus CCPS | Average (Current investments + Non current Investments + Other bank balances) | 2.07 | 0.00 | 315142% | |

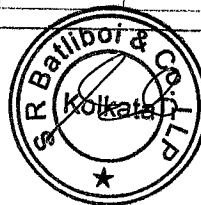
* Working capital has been calculated as current assets minus current liabilities.

Ratios without considering lease liabilities as debt

| Sr No. | Ratios | Numerator | Denominator | March 31, 2022 | March 31, 2021 | Variance (%) | Reason for Variance |
|--------|-----------------------------|--|---|----------------|----------------|--------------|---|
| 1 | Debt - Equity Ratio | Debt (Borrowing) | Shareholder's Equity | - | 0.05 | -100% | There is no borrowing outstanding as at year end March 31, 2022. |
| 2 | Debt Service Coverage Ratio | Earnings for Debt Service (Profit for the period/year + Finance cost on others + Depreciation - Profit on Sale of property, plant and equipment) | Debt Service (Interest paid other than interest on lease liabilities) | (13.78) | (1.71) | 708% | There is no borrowing outstanding as at year end March 31, 2022. |
| 3 | Return on Capital employed | Earnings before interest and taxes (Profit Before Tax + Finance cost) | Capital Employed [Tangible Net Worth + Total Debt (Borrowing)] | 0.94 | (0.02) | -4858% | The Company has received a total consideration of Rs 68,976.24 lacs from sale of equity shares of subsidiary resulting into net gain of Rs 62,592.30 lacs in profit and loss account in current year. |

Ratio without considering exceptional items i.e. Profit of sale of non current investment and Fair value gain on Bonus CCPS (refer note 29)

| Sr No. | Ratios | Numerator | Denominator | March 31, 2022 | March 31, 2021 | Variance (%) | Reason for Variance |
|--------|----------------------|--|---|----------------|----------------|--------------|---|
| 1 | Return on Investment | Return on investment excluding non current investment and exceptional item | Average investment (excluding Non-Current investment) | 0.03 | 0.01 | 268% | Due to increase in redemption of mutual fund during the year. |



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

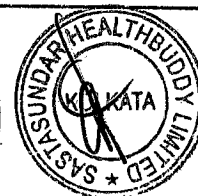
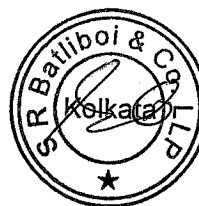
42. The company is filing monthly statement of inventories and trade receivables with Union Bank for working capital loan. The below is summary of quarterly reconciliation of statement filed to the banks and books of accounts.

Summary of stock statement for the year ended March 31, 2022

| Class of Asset | Quarter ending | Value per books of accounts | Value per quarterly return/statement | Reason for discrepancy |
|-------------------|--------------------|--|--------------------------------------|---|
| | | (Rs in Lacs) | (Rs in Lacs) | |
| Inventories | | | | |
| | June 30, 2021 | 6,800.33 | 6,706.34 | The discrepancy is on account of the details being submitted on the basis of provisional books / financial statements. Adjustments pertaining to provision for slow moving goods, cut offs etc are done only on finalization of books of accounts / financial statements. |
| | September 30, 2021 | 8,008.37 | 7,729.92 | |
| | December 31, 2021 | 7,519.53 | 7,444.17 | |
| | March 31, 2022 | The working capital facility has been repaid and closed during the quarter | | |
| Trade Receivables | | | | |
| | June 30, 2021 | 1,613.55 | 1,617.13 | The discrepancy is on account of the details being submitted on the basis of provisional books/ financial statements. Adjustments pertaining to cut offs etc are done only on finalization of books of accounts/ financial statements. |
| | September 30, 2021 | 1,853.94 | 2,034.15 | |
| | December 31, 2021 | 2,093.16 | 2,256.25 | |
| | March 31, 2022 | The working capital facility has been repaid and closed during the quarter | | |
| Trade Payables | | | | |
| | June 30, 2021 | 1,655.89 | 1,663.60 | The discrepancy is on account of the details being submitted on the basis of provisional books / financial statements. |
| | September 30, 2021 | 3,311.38 | 3,370.61 | |
| | December 31, 2021 | 2,976.84 | 3,083.82 | |
| | March 31, 2022 | The working capital facility has been repaid and closed during the quarter | | |

Summary of stock statement for the year ended March 31, 2021

| Class of Asset | Quarter ending | Value per books of accounts | Value per quarterly return/statement | Reason for discrepancy |
|-------------------|--------------------|-----------------------------|--------------------------------------|---|
| | | (Rs in Lacs) | (Rs in Lacs) | |
| Inventories | | | | |
| | June 30, 2020 | 8,582.37 | 8,284.31 | The discrepancy is on account of the details being submitted on the basis of provisional books / financial statements. Adjustments pertaining to provision for slow moving goods, cut offs etc are done only on finalization of books of accounts / financial statements. |
| | September 30, 2020 | 7,882.92 | 7,884.07 | |
| | December 31, 2020 | 7,756.94 | 7,756.94 | |
| | March 31, 2021 | 7,500.95 | 7,508.36 | |
| Trade Receivables | | | | |
| | June 30, 2020 | 1,285.52 | 1,561.84 | The discrepancy is on account of the details being submitted on the basis of provisional books/ financial statements. Adjustments pertaining to cut offs etc are done only on finalization of books of accounts/ financial statements. |
| | September 30, 2020 | 1,344.96 | 1,344.84 | |
| | December 31, 2020 | 1,407.04 | 1,407.04 | |
| | March 31, 2021 | 1,235.05 | 1,261.25 | |
| Trade Payables | | | | |
| | June 30, 2020 | 1,748.56 | 1,748.25 | The discrepancy is on account of the details being submitted on the basis of provisional books / financial statements. |
| | September 30, 2020 | 1,715.82 | 1,715.82 | |
| | December 31, 2020 | 1,350.57 | 1,350.57 | |
| | March 31, 2021 | 2,292.67 | 2,331.53 | |



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

43. Other statutory information:

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii. The Company has not traded or invested in Cryptocurrency transactions / balances during the current and previous financial year.
- iv. The Company has 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:
 1. 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
 2. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- v. The Company has 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:
 1. 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
 2. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vi. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the 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 transactions with companies struck off.

In terms of our report attached on the even date

For S.R.Batliloi & Co. LLP

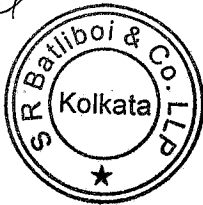
Chartered Accountants

ICAI Firm Registration No: 301003E/E300005

per Sanjay Agarwal

Partner

Membership No. 055833

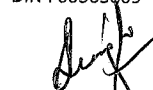


Place: Kolkata

Date : May 23, 2022

For and on behalf of Board of Directors
Sastasundar Healthbuddy Limited


B. L. Mittal
Chairman & Managing Director
DIN : 00365809


Abhishek Singhi
Chief Financial Officer


Ravi Kant Sharma
Managing Director & CEO
DIN : 00364066


Arun Chakraborty
Company Secretary
CSI Membership No. FCS8557

