ZENLABS ETHICA LIMITED
Corporate Identity Number: L74900CH1993PLC033112

Zenlabs

Balance Sheet as at 31st March, 2022

₹ in Lakhs

Particulars	Note	As at 31st March, 2022	As at 31st March, 2021
Assets			
Non-current assets			
Property, plant and equipment	4	127.71	149.37
Right of use of assets	5	225.08	201.95
Financial assets			
Investments	6	70.20	70.20
Other financial assets	7	3.45	4.56
Deferred tax assets (net)	8	23.44	44.68
Total Non - Current Assets		**449.88**	**470.76**
Current assets			
Inventories	9	865.50	518.49
Financial assets			
Trade receivables	10	2,074.47	1,887.96
Cash and cash equivalents	11	150.84	157.33
Bank balances other than above	12	-	12.64
Other financial assets	13	6.78	1.16
Other current assets	14	242.44	171.75
Total Current Assets		**3,340.03**	**2,749.33**
Total Assets		**3,789.91**	**3,220.09**
Equity and Liabilities			
Equity			
Equity share capital	15	651.00	651.00
Other equity	16	286.46	205.42
Total Equity		**937.46**	**856.42**
Non-current liabilities			
Financial liabilities			
Borrowings	17	17.02	23.41
Lease liabilities	18	191.40	166.16
Provisions	19	33.95	28.82
Total Non - Current Liabilities		**242.37**	**218.39**
Current liabilities			
Financial liabilities			
Borrowings	20	119.30	14.29
Lease liabilities	21	62.62	56.02
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	22	1,590.15	1,194.45
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	593.25	729.24
Other financial liabilities	23	118.12	43.29
Other current liabilities	24	113.55	101.06
Provisions	25	3.78	3.17
Current tax liabilities (net)	26	9.31	3.76
Total Current Liabilities		**2,610.08**	**2,145.28**
Total Liabilities		**2,852.45**	**2,363.67**
Total Equity and Liabilities		**3,789.91**	**3,220.09**
See accompanying notes forming part of the financial statements	**1 to 54**		

This is the balance sheet referred to in our report of even date.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

N. KUMAR CHHABRA & CO. CHARTERED ACCOUNTANTS CHANDIGARH

CA Ashish Chhabra
FCA, Partner
Membership Number 507083
Place : Chandigarh
Date : 10th May, 2022
UDIN: 22507083AISJRK2992

for **and on behalf of the Board of Directors**

Sanjeev Kumar
Managing Director cum Chief Executive Officer
DIN 01154896
Place : Chandigarh
Date : 10th May, 2022

Sanjay Dhir
Whole Time Director cum Chief Financial Officer
DIN 08649906

Divya Gupta
Company Secretary
Membership Number A66127

ZENLABS ETHICA LIMITED
Corporate Identity Number: L74900CH1993PLC033112

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

₹ in Lakhs

Particulars	Note	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from operations	27	6,908.78	5,664.02
Other income	28	8.73	12.41
Total Income		**6,917.51**	**5,676.43**
Expenses			
Purchases of stock-in-trade	29	5,986.41	4,730.77
Changes in inventories of stock-in-trade	30	(347.01)	(58.00)
Employee benefits expense	31	389.68	342.01
Finance costs	32	37.09	28.81
Depreciation and amortisation expense	33	89.11	71.42
Other expenses	34	636.08	475.42
Total Expenses		**6,791.36**	**5,590.43**
Profit before tax		**126.15**	**86.00**
Tax expense	35		
Current tax		31.51	9.26
Short/ (Excess) tax provision for earlier years		0.02	-
Deferred Tax		12.37	-
Total tax expenses		**43.90**	**9.26**
Profit for the year		**82.25**	**76.74**
Other comprehensive income			
Items that will not be reclassified to profit or Loss			
Remeasurement of post employment benefit obligation		(1.67)	15.31
Income tax relating to these items		0.46	-
Total other comprehensive income/ (expense) for the year		**(1.21)**	**15.31**
Total comprehensive income/ (expense) for the year		**81.04**	**92.05**
Earning per equity share (nominal value of shares ₹ 10 each) in ₹	36		
Basic		1.26	1.18
Diluted		1.26	1.18
See accompanying notes forming part of the financial statements	1 to 54		

This is the statement of profit and loss referred to in our report of even date.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

CA. Ashish Chhabra
FCA, Partner
Membership Number 507083
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Date : 10th May, 2022
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N. KUMAR CHHABRA & CO. CHARTERED ACCOUNTANTS CHANDIGARH

for **and on behalf of the Board of Directors**

Sanjeev Kumar
Managing Director cum Chief Executive Officer
DIN 01154896
Place : Chandigarh
Date : 10th May, 2022

Sanjay Dhir
Whole Time Director cum Chief Financial Officer
DIN 08649906

Divya Gupta
Company Secretary
Membership Number A66127

Statement of Cash Flow for the year ended 31st March, 2022		
		₹ in Lakhs
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A. Cash flow from operating activities		
Profit before tax	126.15	86.00
Adjustments for		
Depreciation and amortisation expenses	89.11	71.42
Loss/ (Profit) on property, plant and equipment sold/discarded	-	1.26
Finance cost	37.09	28.81
Interest income	(8.49)	(9.57)
Operating profit before working changes in working capital	243.86	177.92
Adjustments for changes in working capital		
(Increase)/Decrease inventories	(346.77)	(57.99)
(Increase)/Decrease trade receivable	(186.51)	336.30
Increase/(Decrease) trade payables	259.71	316.13
Increase/(Decrease) provisions	5.74	-
(Increase)/Decrease other financial and non-financial assets	(72.63)	(1,056.42)
Increase/(Decrease) other financial and non-financial liabilities	70.91	(547.80)
Cash Generated from operations	(25.69)	(831.87)
Income tax paid	(12.02)	(9.26)
Net gain / loss on foreign currency transactions	(0.24)	-
Net cash flow from/ (used in) operating activities (A)	**(37.95)**	**(841.13)**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment including capital advances	(2.72)	(0.16)
Proceeds from sale of property, plant and equipment	-	6.00
Interest received	2.87	9.57
Net cash flow from/ (used in) investing activities (B)	**0.15**	**15.41**
C. Cash flow from financing activities		
Proceeds from/ (repayment of) long-term borrowings	(14.29)	(9.08)
Proceeds from/ (repayment of) short-term borrowings	125.55	-
Payment of lease liabilities	(74.42)	(39.55)
Interest paid	(5.53)	(3.73)
Net cash generated from financing activities (C)	**31.31**	**(52.36)**
Net increase/ (decrease) in cash and cash equivalents during the year (A+B+C)	(6.49)	(878.08)
Add: Cash and cash equivalents as at the beginning of the year	157.33	1,035.41
Cash and cash equivalents as at the end of the year (refer Note 11)	**150.84**	**157.33**
See accompanying notes forming part of the financial statements		

Notes to the Cash Flow Statement

1. The above cash flow statement has been prepared under the "Indirect method" as set out in Ind AS-7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
2. All the figures in brackets indicates cash outflow.
3. Previous year's figures have been regrouped wherever necessary.

N. KUMAR CHHABRA & CO.
CHARTERED ACCOUNTANTS
CHANDIGARH

Notes to the Cash Flow Statement (Contd.)

4. Cash and cash equivalents included in the Statement of Cash Flows comprise the following

₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash on hand (including imprest)	0.62	0.45
Balances with banks		
in current accounts	0.56	8.37
in deposit accounts with original maturity upto 3 months	149.66	148.51
Total	**150.84**	**157.33**

This is the cash flow statement referred to in our report of even date.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

CHARTERED ACCOUNTANTS N. KUMAR CHHABRA & CO. CHANDIGARH

CA. Ashish Chhabra
FCA, Partner
Membership Number 507083
Place : Chandigarh
Date : 10th May, 2022
UDIN: 22507083AISJRK2992

for **and on behalf of the Board of Directors**

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Place : Chandigarh
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DIN 08649906

Divya Gupta
Company Secretary
Membership Number A66127

ZENLABS ETHICA LIMITED
Corporate Identity Number: L74900CH1993PLC033112

Zenlabs

Statement of Change in Equity for the year ended 31st March, 2022

A. Equity share capital

Particulars	Number of shares	₹ in Lakhs
Balance as on 1st April, 2020	2500000	2,500.00
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
Balance at on 31st March, 2021	**2500000**	**2,500.00**
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
Balance at on 31st March, 2022	**2500000**	**2,500.00**

B. Other equity ₹ in Lakhs

Particulars	Reserve and Surplus	Accumulated Other Comprehensive Income	Total
	Retained Earnings	Actuarial gains/ (losses)	
Balance as on 1st April, 2020	103.46	(13.38)	90.08
Changes in accounting policy or prior period errors	14.03	-	14.03
Restated balance at the begining of the reporting period	**117.49**	**(13.38)**	**104.11**
Profit for the year	76.74	-	76.74
Remeasurements of net defined benefit plans (Net of taxes)	-	15.31	15.31
MAT credit recognised	9.26	-	9.26
Any other change (to be specified)	-	-	-
Balance at on 31st March, 2021	**203.49**	**1.93**	**205.42**
Profit for the year	82.25	-	82.25
Remeasurements of net defined benefit plans (Net of taxes)	-	(1.21)	(1.21)
Any other change (to be specified)	-	-	-
Balance at on 31st March, 2022	**285.73**	**0.72**	**286.46**

This is the statement of changes in equity referred to in our report of even date.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

CA. Ashish Chhabra
FCA, Partner
Membership Number 507083
Place : Chandigarh
Date : 10th May, 2022
UDIN: 22507083AISJRK2992

N. KUMAR CHHABRA & CO. CHARTERED ACCOUNTANTS CHANDIGARH

for **and on behalf of the Board of Directors**

Sanjeev Kumar
Managing Director cum Chief Executive Officer
DIN 01154896
Place : Chandigarh
Date : 10th May, 2022

Sanjay Dhir
Whole Time Director cum Chief Financial Officer
DIN 08649906

Divya Gupta
Company Secretary
Membership Number A66127

Note 1 Corporate Information

M/s Zenlabs Ethica Limited (the 'Company') is a public company domiciled and incorporated on 20th July 1993 [Corporate Identification Number (CIN) L74900CH1993PLC033112]. The shares of the Company are listed and traded on the BSE Limited in India. The Company deals in marketing and distribution of pharmaceutical products.

The financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on 10th May, 2022.

Note 2 Basis of Preparation

a) Statement of compliance

These financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, under Section 133 of the Companies Act, 2013 (the "Act").

b) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be 'Indian Rupees' [INR (₹)]. The financial statements are presented in INR (₹) which is Company's functional and presentational currency.

c) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items

Items	Measurement Basis
Certain financial assets and liabilities	Fair value

e) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March, 2022 is included in the following notes:

Note 3 (f) - measurement of useful lives and residual values to property, plant and equipment;
Note 3 (p) - leases: whether an arrangement contains a lease;
Note 3 (p) - lease classification; and
Note 3 (h) - measurement of useful lives of intangible assets;
Note 3 (j) - measurement of defined benefit plans;
Note 3 (k), and 3 (l) - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Note 3 Summary of Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- Ø It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- Ø It is held primarily for the purpose of being traded;
- Ø It is expected to be realised within 12 months after the reporting date; or
- Ø It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- Ø It is expected to be settled in the Company's normal operating cycle;
- Ø It is held primarily for the purpose of being traded;
- Ø It is due to be settled within 12 months after the reporting date; or
- Ø The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of financial liabilities some part of which may be noncurrent. All other liabilities are classified as non-current.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

b) Fair value measurement

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 to/ 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) 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.

c) Financial instruments

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

i. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Classification and subsequent measurement

Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortised cost;
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met

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

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified are measured at amortised cost are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Impairment

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, is recognised as an impairment gain or loss in the statement of profit and loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Financial liabilities

Initial recognition and measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified and measured at amortised cost.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

d) Equity share capital

Proceeds from issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

e) Cash and cash equivalents

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

f) Property, plant and equipment

Recognition and measurement
Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

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

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work-in-progress includes assets under construction and cost attributable to construction of assets not ready for use before the year end.

Subsequent expenditure
Subsequent expenditure are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.
All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

i. Depreciation on property, plant and equipment has been provided as per guidance set out in Schedule II of the Companies Act, 2013 on straight line basis.
ii. Depreciation method, useful lives and residual values are reviewed at each reporting period end.

g) Intangible assets

Recognition and measurement
Intangible assets are recognised if it is probable that the future economic benefits attributable to the assets will flow to the enterprise and cost of the asset can be measured reliably in accordance with the notified Indian Accounting Standard – 38 on '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.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

i. 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;
ii. 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;
iii. 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.

h) 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 fair value or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

i) Inventories

The stock-in-trade and promotional items are valued at lower of cost or net realizable value in accordance with Accounting Standard. The stock-in-trade and promotional items costs are based on 'first in first out' method. Cost of inventories include all costs of purchase, cost and other cost incurred in bringing the inventories to their present condition and location.

j) Employee benefits

i. Short-term obligations

All employee benefits payable / available within twelve months of rendering the service such as salaries, wages and bonus etc., are classified as short-term employee benefits and are recognised in the statement of profit and loss in the period in which the employee renders the related service.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees. The Company makes specified contributions towards the following schemes:

Employees' provident fund
The Company has a scheme of state insurance for its employees, registered with the regional state insurance commissioner. The Company's contribution to the state insurance is charged to the statement of profit and loss every year.

Employees' provident fund
All directly recruited employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan. Both employee and employer make monthly contribution to the plan at a predetermined rate of employee's basic salary and dearness allowance. These contributions to provident fund are administered by the provident fund commissioner. Employer's Contribution to provident fund is expensed in the statement of profit and loss as and when incurred.

iii. Defined benefit plans
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity
The Company provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all directly recruited eligible employees. In accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment.

The calculation of defined benefit obligation is performed annually by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit, are recognised immediately in the balance sheet a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

k) Provisions

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.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. 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.

l) 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 not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

m) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax which are collected by the Company on behalf of the Government and deposited to the credit of respective Governments.

Sale of goods

Revenue from the sale of goods is recognized as revenue on the basis of customer contracts and the performance obligations contained therein. Revenue is recognised at a point in time when the control of goods or services is transferred to a customer. Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service. Revenues from product deliveries are recognised at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of significant risks and rewards and acceptance by the customer. Revenue from sales is based on the price in the sales contracts, net of Goods and Services Tax (GST). When a performance obligation is satisfied, Revenue is recognised with the amount of the transaction price that is allocated to that performance obligation. Historical experience, specific contractual terms and future expectations of sales returns are used to estimate and provide for damage or expiry claims. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Export Incentives

Export incentives under various schemes notified by the Government are recognised as and when the right to receive is established.

Other non-operative income

Other non-operative income is recognised when no significant uncertainty as to its determination or realisation exists.

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is received.

n) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs (for general and specific borrowings) directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time (qualifying assets) to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

o) Income tax

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they are related to income taxes levied by the same tax authority.

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternative Tax ('MAT') expense under the provisions of the Income Tax Act, 1961 is recognised as an asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT Credit Entitlement has been presented as Deferred Tax in Balance Sheet.

p) Lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

Right of use assets and lease liabilities

For any new contracts entered into on or after 1st April, 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company enters into leasing arrangements for various assets. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company obtains substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Recognition and initial measurement
At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Subsequent measurement
The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in standalone statement of profit and loss on a straight-line basis over the lease term.

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

q) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (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.

r) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

s) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Managing Director and Chief Financial Officer of the Company are the chief operating decision makers.

t) Government subsidy / grants

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

Ø Subsidy related to assets is recognized as deferred income which is recognized in the Standalone Statement of Profit and Loss on systematic basis over the useful life of the assets.

- Purchase of assets and receipts of related grants are separately disclosed in Standalone Statement of Cash Flow.
- Grants related to income are treated as other operating income in Standalone Statement of Profit and Loss subject to due disclosure about the nature of grant.

u) Foreign currency transactions and translations

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Standalone Statement of Profit and Loss in the year in which they arise.

v) Policies not specifically mentioned are consistent with generally accepted accounting principles.

w) Recent accounting pronouncements

Recent pronouncements - Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

- Ind AS 16 – Property, Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022.
- Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022, although early adoption is permitted.
- Ind AS 103 – Reference to Conceptual Framework – The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.
- Ind AS 109 – Annual Improvements to Ind AS (2021) – The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.
- Ind AS 106 – Annual Improvements to Ind AS (2021) – The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company has evaluated the above amendments and there is no material impact on its standalone financial statements.

Note 4 Property, Plant and Equipment

₹ in Lakhs

Particulars	Gross Block				Accumulated depreciation					Net Block
	As at 1st April, 2021	Additions/ Capitalised	Sale/ Adjustments	As at 31st March, 2022	As at 1st April, 2021	For the year	Adjustment to retained earnings	On Sale/ Adjustments	As at 31st March, 2022	As at 31st March, 2022
Machinery	1.07	-	-	1.07	0.61	0.07	-	-	0.68	0.39
Electrical equipments	21.14	-	-	21.14	3.20	3.64	-	-	6.84	14.29
Motor vehicles	188.73	-	-	188.73	66.13	17.92	-	-	84.05	104.68
Furniture and fixture	21.75	-	-	21.75	20.63	0.03	-	-	20.66	1.09
Office equipment	16.60	2.72	-	19.32	10.98	2.03	-	-	13.01	6.31
Computer	15.87	-	-	15.87	14.24	0.69	-	-	14.93	0.94
Total	**265.15**	**2.72**	**-**	**267.87**	**115.79**	**24.38**	**-**	**-**	**140.17**	**127.71**

Particulars	Gross Block				Accumulated depreciation					Net Block
	As at 1st April, 2020	Additions/ Capitalised	Sale/ Adjustments	As at 31st March, 2021	As at 1st April, 2020	For the year	Adjustment to retained earnings	On Sale/ Adjustments	As at 31st March, 2021	As at 31st March, 2021
Machinery	1.07	-	-	1.07	0.54	0.09	(0.02)	-	0.61	0.46
Electrical equipments	1.98	19.16	-	21.14	1.88	1.31	0.01	-	3.20	17.93
Motor vehicles	164.11	42.33	17.71	188.73	58.76	21.91	(4.08)	10.45	66.13	122.60
Furniture and fixture	21.75	-	-	21.75	19.45	1.55	(0.37)	-	20.63	1.12
Office equipment	16.60	-	-	16.60	8.96	1.67	0.35	-	10.98	5.62
Computer	15.87	-	-	15.87	13.12	0.82	0.30	-	14.24	1.63
Total	**221.38**	**61.49**	**17.71**	**265.15**	**102.71**	**27.35**	**(3.82)**	**10.45**	**115.79**	**149.37**

Note 5 Right of Use of Assets

₹ in Lakhs

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at 1st April, 2021	Additions/ Capitalised	Sale/ Adjustments	As at 31st March, 2022	As at 1st April, 2021	For the year	On Sale/ Adjustments	As at 31st March, 2022	As at 31st March, 2022
Building	285.24	87.86	-	373.10	83.29	64.73	-	148.02	225.08
Total	**285.24**	**87.86**	**-**	**373.10**	**83.29**	**64.73**	**-**	**148.02**	**225.08**

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at 1st April, 2020	Additions/ Capitalised	Sale/ Adjustments	As at 31st March, 2021	As at 1st April, 2020	For the year	On Sale/ Adjustments	As at 31st March, 2021	As at 31st March, 2021
Building	156.89	128.35	-	285.24	39.22	44.07	-	83.29	201.95
Total	**156.89**	**128.35**	**-**	**285.24**	**39.22**	**44.07**	**-**	**83.29**	**201.95**

Note 6 Non-current Financial Assets - Investment

₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investment in equity		
Investment in Equity Instruments	70.20	70.20
Total	**70.20**	**70.20**

Note 6A Aggregate Value of Investments

₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Aggregate value of unquoted investments	70.20	70.20
Total	**70.20**	**70.20**

Note 7 Other Non-current Financial Assets ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security deposits	3.45	4.56
Total	**3.45**	**4.56**

Note 8 Deferred Tax Assets (Net) ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax liability arising on account of		
Difference between written down value of property, plant and equipment as per the books of accounts and income tax act, 1961	4.07	8.13
Right of use assets and lease liabilities	8.05	-
Unabsorbed depreciation and carry forward losses	-	17.49
Accrued expenses deductible on payment	10.50	8.90
MAT credit	0.82	10.16
Total	**23.44**	**44.68**

Note 9 Inventories ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Stock-in-trade	865.50	518.49
Total	**865.50**	**518.49**

Note 10 Current Financial Assets - Trade Receivables ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade receivables considered good - unsecured	2,074.47	1,887.96
Total	**2,074.47**	**1,887.96**

Ageing for trade receivables as at 31st March, 2022 is as follows

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	1,923.49	1.94	17.83	58.88	72.33	**2,074.47**

Ageing for trade receivables as at 31st March, 2021 is as follows

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	1,752.54	16.40	59.34	0.41	59.27	**1,887.96**

Note 11 Cash and Cash Equivalents ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash on hand	0.62	0.45
Bank balances		
in current accounts	0.56	8.37
in fixed deposit accounts with original maturity upto 3 months	149.66	148.51
(Held as lien marked for overdraft)		
Total	**150.84**	**157.33**

For the purpose of statement of cash flows, cash and cash equivalents comprises following

₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents as per balance sheet	150.84	157.33
Total	**150.84**	**157.33**

Note 12 Bank Balances Other Than Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Bank overdraft	-	12.64
Total	**-**	**12.64**

Note 13 Other Current Financial Assets

₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest accrued	6.78	1.16
Total	**6.78**	**1.16**

Note 14 Other Current Assets

₹ in Lakhs

Prepaid expenses	3.72	0.55
Amount recoverable from		
Employees	0.08	1.73
Balance with government authorities	3.97	17.38
Others	234.67	152.09
Total	**242.44**	**171.75**

Note 15 Share Capital

₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorised shares		
7000000 (March 31, 2021 - 7000000) equity shares of ₹ 10/- each with voting rights	700.00	700.00
Issued, Subscribed and fully paid-up shares		
6510015 (March 31, 2021 - 6510015) equity shares of ₹ 10/- each with voting rights	651.00	651.00
Total	**651.00**	**651.00**

Note 15A Rights, preference and restrictions attached to equity shares

₹ in Lakhs

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation of the Company, the equity shareholders are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Note 15B Reconciliation of Number of Shares Outstanding at the Beginning and End of the Year

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Opening balance	6510015	651.00	6510015	651.00
Issued during the year	-	-	-	-
Closing balance	6510015	651.00	6510015	651.00

Note 15C The details of shareholders holding more than 5% shares as at March 31, 2022 is set out as below*

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	Percentage	Number	Percentage
Preet Remedies Limited	2681960	41.20%	2004003	30.78%
Sanjeev Kumar	857728	13.18%	678074	10.42%
Satish Kumar	-	-	359000	5.51%
Harpreet Singh	-	-	677957	10.41%
Sanjay Dhir	857574	13.17%	678228	10.42%

* The above information is furnished as per the shareholder's register as at the year end.

Note 15D Shareholding of Promoters

Particulars	As at 31st March, 2022	As at 31st March, 2021
Number of shares		
Sanjeev Kumar	857728	678074
Sanjay Dhir	857574	678228
Harpreet Singh	-	677957
Satish Kumar	-	359000
Preet Remedies Limited	2681960	2004003
Himjyoti	1000	1000
Daman Singal	1000	1000
Harjinder Kaur	1000	1000
Jasbir Singh	1000	1000
% of total shares		
Sanjeev Kumar	13.18%	10.42%
Sanjay Dhir	13.17%	10.42%
Harpreet Singh	-	10.41%
Satish Kumar	-	5.51%
Preet Remedies Limited	41.20%	30.78%
Himjyoti	0.02%	0.02%
Daman Singal	0.02%	0.02%
Harjinder Kaur	0.02%	0.02%
Jasbir Singh	0.02%	0.02%
% Change during the year		
Sanjeev Kumar	26.49%	-
Sanjay Dhir	26.44%	-
Harpreet Singh	-100.00%	-
Satish Kumar	-100.00%	-
Preet Remedies Limited	33.83%	-

Note 16 Other Equity

₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Retained earnings	285.73	203.49
Accumulated other comprehensive income	0.72	1.93
Total	**286.46**	**205.42**

Nature and Purpose of the Reserve

Retained Earnings: Retained earnings are the accumulated profits earned by the Company till date, less dividend paid to the shareholders.

Zenlabs

Note 16 Other Equity (Contd.) ₹ in Lakhs

Retained earnings

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the year	203.49	103.46
Previous years adjustment	-	14.03
Profit for the year	82.25	76.74
MAT credit recognised	-	9.26
Balance at the end of the year	**285.73**	**203.49**

Accumulated other comprehensive income

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the year	1.93	(13.38)
Remeasurements of net defined benefit plans (Net of taxes)	(1.21)	15.31
Balance at the end of the year	**0.72**	**1.93**

Note 17 Non-current Borrowing ₹

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Non current	Current	Non current	Current
Secured				
Vehicle loan				
From banks				
HDFC Bank Limited	17.02	6.39	23.41	14.29
Total	**17.02**	**6.39**	**23.41**	**14.29**

Secured
Vehicle loan
From banks
HDFC Bank Limited

The loan of ₹ 33,00,000/- is taken during financial year 2020-21 at the rate 7.9% from HDFC Bank Limited against hypothecation of vehicle. The loan is payable in 60 equal instalments of ₹ 0.67/- Lakhs per month including interest. The repayment of principal due within next 12 months is ₹ 6.39 Lakhs (previous year ₹ 5.91 Lakhs).

The loan of ₹ 25,00,000/- is taken during financial year 2018-19 from HDFC Bank Limited against hypothecation of vehicle. The loan is payable in 60 equal instalments of ₹ 0.80 Lakhs per month including interest. The loan has been squared up during the year. The repayment of principal due within next 12 months is ₹ Nil (previous year ₹ 8.38 Lakhs).

Note 18 Non-current Lease Liabilities ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease liabilities	191.40	166.16
Total	**191.40**	**166.16**

Note 19 Long-term Provisions ₹

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provisions for employee benefits		
Gratuity	33.95	28.82
Total	**33.95**	**28.82**

Disclosures as per IND AS 19 in respect of provision made towards various employee benefits are made in note 37 employee benefits expense.

Note 20 Current Borrowings ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured		
Loan repayable on demand, from banks		
Bank overdraft (against fixed deposit receipt)	112.91	-
Current maturities of long-term borrowing	6.39	14.29
Total	**119.30**	**14.29**

Note 21 Current Lease Liabilities ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease liabilities	62.62	56.02
Total	**62.62**	**56.02**

Note 22 Trade Payables ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total outstanding dues of micro enterprises and small enterprises (Refer note 41)	1,590.15	1,194.45
Total outstanding dues of creditors other than micro enterprises and small enterprises	593.25	729.24
Total	**2,183.40**	**1,923.69**

Ageing for trade payable as at 31st March, 2022 is as follows

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	1,590.15	-	-	-	**1,590.15**
Undisputed dues - Others	592.09	0.17	-	0.99	**593.25**
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Ageing for trade payable as at 31st March, 2021 is as follows

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	1,194.45	-	-	-	**1,194.45**
Undisputed dues - Others	514.59	213.81	-	0.84	**729.24**
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Note 23 Other Current Financial Liabilities ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not on borrowings	0.03	-
Other payables towards		
Services and others	118.09	43.29
Total	**118.12**	**43.29**

Note 24 Other Current Liabilities ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Statutory dues	10.80	7.30
Advance from customers	102.75	93.76
Total	**113.55**	**101.06**

Note 25 Short-term Provisions ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits		
Gratuity	3.78	3.17
Total	**3.78**	**3.17**

Disclosures as per IND AS 19 in respect of provision made towards various employee benefits are made in note 37 employee benefits expense.

Note 26 Current Tax Liabilities (net) ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for income tax including interest thereon [Net of advance income tax / TDS]	9.31	3.76
Total	**9.31**	**3.76**

Note 27 Revenue from Operations ₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Sale of stock-in-trade	6,908.78	5,664.02
Total	**6,908.78**	**5,664.02**

Note 28 Other Income ₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest income from financial assets measured at amortised cost		
On fixed deposit with banks	7.53	9.43
On security deposits	0.22	-
Income tax refund Interest on income-tax refund	0.74	0.14
Foreign currency transactions and translations (net)	0.24	1.55
Other income	-	1.29
Total	**8.73**	**12.41**

Note 29 Purchases of Stock-in-trade ₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchases of stock-in-trade	5,986.41	4,730.77
Total	**5,986.41**	**4,730.77**

Note 30 Changes in Inventories of Stock-in-Trade

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening stock		
Stock-in-trade	518.49	460.49
Closing stock		
Stock-in-trade	865.50	518.49
Total	**(347.01)**	**(58.00)**

Note 31 Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salary, wages, and bonus	381.18	332.40
Contribution to welfare funds	4.49	4.27
Staff welfare expenses	4.01	5.34
Total	**389.68**	**342.01**

Disclosures as per IND AS 19 in respect of provision made towards various employee benefits are made in note 37 employee benefits expense.

Note 32 Finance Costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest expenses on		
Overdraft	0.15	0.01
Term loan	2.53	3.45
Lease liability	31.00	25.03
Others[Note]	2.82	-
Other borrowing costs	0.59	0.32
Total	**37.09**	**28.81**

Note: The above interest includes provision for interest on income-tax for the financial year 2021-22 under section 234B and 234C of Income Tax Act, 1961.

Note 33 Depreciation and Amortisation Expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on property, plant and equipment	24.38	27.35
Depreciation on right-of-use-assets	64.73	44.07
Total	**89.11**	**71.42**

Note 34 Other Expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Advertisement Expenses	5.65	1.73
Auditor Remuneration	4.00	4.16
Business Promotion Expenses	42.54	42.03
Freight and forwarding charges	241.54	193.73
Communication expenses	1.87	2.23
Discount and Commission	119.88	22.87

Note 34 Other Expenses (Contd.)

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Power and fuel	4.18	4.70
Rate, fees and taxes	0.32	8.90
Insurance expenses	4.94	9.23
Loss on sale of property, plant and equipment	-	1.26
Miscellaneous expenses	6.41	4.99
Office expenses	5.74	10.63
Printing and stationary	2.48	2.26
Legal and professional charges	17.86	12.31
Rent expenses	27.27	27.51
Repair and maintenance expenses	10.15	9.87
Watch and ward expenses	15.05	13.06
Tour and travel expenses	126.20	103.95
Total	**636.08**	**475.42**

Note 34A Auditor's Remuneration

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Payments to the Auditor (net of taxes, wherever applicable)		
Statutory audit fee	4.00	4.16
Total	**4.00**	**4.16**

Note 35 Income Tax Expense

₹ in Lakhs

a) Income tax expense recognised in Statement of profit and loss

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current tax		
In respect of the current year	31.51	9.26
In respect of the previous year	0.02	-
Deferred tax		
Relating to origination and reversal of temporary differences	12.37	-
Total	**43.90**	**9.26**

b) Income tax on other comprehensive income

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of Defined Benefit Obligations	0.46	-
Total	**0.46**	**-**

Note 35 Income Tax Expense (Cont.) ₹ in Lakhs

c) The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit before tax	126.15	86.00
Income tax expense calculated at 27.82% (2020-21: 27.82%)	35.09	23.93
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Others	8.81	(14.67)
Income-tax recognised in profit or loss	**43.90**	**9.26**
Income tax rate		
Basic rate	25.00%	25.00%
Surcharge - 7% (applied on basic rate)	1.75%	1.75%
Cess - 4% (applied on basic plus surcharge)	1.07%	1.07%
	27.82%	**27.82%**

Note 36 Earnings per share (EPS)

Particulars	Unit	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit/ (loss) after tax attributable to equity shareholders	₹ in Lakhs	82.25	76.74
Weighted average number of equity shares outstanding during the year	in number	6510015	6510015
Nominal value per share	₹	10	10
Basic earnings per share	₹	1.26	1.18
Diluted earnings per share	₹	1.26	1.18

Note 37 Employee Benefits Expense ₹ in Lakhs

During the year, the Company has recognized the following amounts in the Profit & Loss Account

Defined Contribution Plans

Contribution to defined contribution plan i.e. Employer's contribution to employee state insurance and Employer's contribution to Provident fund for the year is charged to statement profit and loss. These amounts are shown as under:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Employer's contribution to employee state insurance	0.64	0.69
Employer's contribution to provident fund	3.85	3.57

Defined Benefit Plans

Gratuity (non-funded)

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The weighted average duration of the defined benefit obligation is 6.66.

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Change in present value of defined benefit obligation during the year		
Present value of obligation as at the beginning of the period	31.99	40.83
Interest Cost	2.28	2.55
Current Service Cost	2.22	3.92
Benefits Paid	(0.43)	-
Total Actuarial (Gain)/Loss on obligation	1.67	(15.31)
Present value of obligation as at the end of the period	37.73	31.99

Note 37 Employee Benefits Expense (Contd.) ₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current portion	3.78	3.17
Non-current portion	33.95	28.82
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the period	-	-
Expected interest income	-	-
Employer contribution	-	-
Benefits Paid	(0.43)	-
Actuarial (Gain)/Loss for the year on asset	-	-
Fair value of plan assets at the end of the period	(0.43)	-
Net asset/(liability) recognised in the balance sheet		
Present value of obligation at the end	37.73	31.99
Fair value of plan asset	(0.43)	-
Unfunded Liability/provision in the balance sheet	38.16	31.99
Expenses Recognised in the statement of profit or loss during the year		
Service cost	2.22	3.92
Net interest cost	2.28	2.55
Total expenses recognised in employee benefit expenses	4.50	6.47
Recognised in other comprehensive income for the year		
Net cumulative unrecognised actuarial (gain)/loss opening	-	-
Actuarial (gain)/loss for the year of PBO	(1.67)	15.31
Actuarial (gain)/loss for the year on asset	-	-
Unrecognised actuarial (gain)/loss at the end of the year	(1.67)	15.31
Actuarial assumptions		
Discount rate	7.15%	0.06
Future salary in increase	6.00%	0.05
Retirement age (years)	58 Years	58 Years
Morality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)

Note

i) The actuarial valuation of the present valuation of defined benefit obligation were carried out as at 31st March, 2022. The present value of defined benefit obligation and the related current service cost, were measured using the projected unit credit method.

ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term

iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such, as, demand and supply in employment market.

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow

A. Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B. Investment Risk – If Plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C. Discount Rate: Reduction in discount rate In subsequent valuations can increase the plan's liability.

D. Mortality & disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Note 38 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

Note 38 Capital Management (Contd.) ₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Non-current borrowings (refer note 17)	17.02	23.41
Non-current lease liabilities (refer note 18)	191.40	166.16
Other financial liabilities (refer note 20 and 21)	181.92	70.31
Less: Cash and cash equivalents (refer note 11)	(150.84)	(157.33)
Net Debt	**239.50**	**102.55**
Equity share capital (refer note 15)	651.00	651.00
Other equity (refer note 16)	286.46	205.42
Total Capital	**937.46**	**856.42**
Capital and net debt	**1,176.96**	**958.97**
Gearing ratio	**0.20**	**0.11**

In order to achieve this overall objective, the Company's capital Management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2022 and 31st March, 2021.

Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants which include Debt Service Coverage Ratio (DSCR), Fixed Asset Coverage Ratio (FACR) etc. The Company has complied with these covenants throughout the reporting period.

Note 39 Financial instruments – Fair values and risk management ₹ in Lakhs

A. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Categories of financial instruments	As at 31st March, 2022	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Non-current				
Investments	70.20	-	-	70.20
Others	3.45	-	-	-
Current				
Trade receivables	2,074.47	-	-	-
Cash and bank balances	150.84	-	-	-
Other financial assets	6.78	-	-	-
Total	**2,305.74**	**-**	**-**	**70.20**
Financial liabilities				
Non-current				
Borrowings	17.02	-	-	-
Lease liabilities	191.40	-	-	-
Current				
Borrowings	119.30	-	-	-
Lease liabilities	62.62	-	-	-
Trade payables	2,183.40	-	-	-
Other financial liabilities	118.12	-	-	-
Total	**2,691.86**	**-**	**-**	**-**

Categories of financial instruments	As at 31st March, 2021	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Non-current				
Investments	70.20	-	-	70.20
Others	4.56	-	-	-
Current				
Trade receivables	1,887.96	-	-	-
Cash and bank balances	169.97	-	-	-
Other financial assets	1.16	-	-	-
Total	**2,133.85**	-	-	**70.20**
Financial liabilities				
Non-current				
Borrowings	23.41	-	-	-
Lease liabilities	166.16	-	-	-
Current				
Borrowings	14.29	-	-	-
Lease liabilities	56.02	-	-	-
Trade payables	1,923.69	-	-	-
Other financial liabilities	43.29	-	-	-
Total	**2,226.86**	-	-	-

B. Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the country in which customers operate.

At the end of the reporting period, there are no significant concentrations of credit risk. The carrying amount reflected above represents the maximum exposure to credit risk.

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 fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

B. Financial Risk Management (Contd.)

The Company believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of ₹ 150.84 Lakhs as at 31st March 2022 (Previous Year ₹ 157.33 Lakhs), and anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The table below provides amortized value of (discounted) cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

₹ in Lakhs

Particulars	Carrying Amount	On Demand	Less than 1 year	Above 1 years
As at 31st March, 2022				
Interest bearing borrowings	277.43	-	69.01	208.42
Overdraft bank balances	112.91	112.91	-	-
Trade payable	2,183.40	-	2,183.40	-
Other financial liabilities	118.12	-	118.12	-
Total	**2,691.86**	**112.91**	**2,370.53**	**208.42**
As at 31st March, 2021				
Interest bearing borrowings	259.88	-	70.31	189.57
Overdraft bank balances	593.25	593.25	-	-
Trade payable	1,923.69	-	1,923.69	-
Other financial liabilities	43.29	-	43.29	-
Total	**2,820.11**	**593.25**	**2,037.29**	**189.57**

Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/ mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments (Fixed deposits). The Board provides oversight and reviews the Risk management policy on a quarterly basis.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk management.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

b) Foreign currency risk management

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at 31st March, 2022 and 31st March, 2021 are as below:

₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade receivables	3.39	3.18
Total	**3.39**	**3.18**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31st March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2021
Trade receivables	0.03	(0.03)	0.03	(0.03)

c) Competition and price risk

The Company faces competition from local competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Note 40 Related Party Disclosures

In accordance with the Indian Accounting Standard 24 (Ind AS 24) on related party disclosure, the related party including key management personnel, where control exists or where significant influence exists and with whom transactions have taken place, are mentioned below:

Details of Related Parties

Description of relationship	Names of related parties	
Key Management Personnel (KMP) and Relatives of the Key Management Personnel with whom the Company has any transaction during the year	Sanjeev Kumar	Managing Director cum Chief Executive Officer
	Himjyoti	Women Director
	Sanjay Dhir	Whole Time Director cum Chief Financial Officer
	Ashok Kumar Gupta	Independent Director
	Anurag Malhotra	Independent Director
	Kuldeep Singh	Director
	Divya Gupta	Company Secretary (from 10-07-2021)
	Ginny Uppal	Company Secretary (till 30-06-2021)
	Saroj Singhal	Wife of director
Entities over which key management personnel/or Relatives of key management personnel are able to exercise significant influence with which the Company has any transactions during the year	Preet Remedies Limited	
	Quixotic Pharma Private Limited	
	Ultra Chiron Pharmaceuticals Private Limited	
	Oasis Pharma and Phytomolecules Private Limited	
	Quixotic Healthcare Unit I	
	Alpha Products	

Note 40 Related Party Disclosures (contd.)

Detail of related parties transactions

₹ in Lakhs

Particulars	Key Management Personnel (KMP)		Joint Venture	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Remuneration				
Sanjeev Kumar	49.80	49.80	-	-
Sanjay Dhir	37.20	37.20	-	-
Divya Gupta	3.42	-	-	-
Ginny Uppal	-	1.60	-	-
Rent Paid				
Sanjeev Kumar	24.00	19.78	-	-
Sanjay Dhir	27.00	-	-	-
Himjyoti	24.00	19.78	-	-

Note 40 Related Party Disclosures (contd.)

Detail of related parties transactions

₹ in Lakhs

Particulars	Key Management Personnel (KMP)		Joint Venture	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchase stock-in-trade				
Preet Remedies Limited	-	-	3,285.02	2,104.36
Quixotic Pharma Private Limited	-	-	1,982.79	1,598.45
Ultra Chiron Pharmaceuticals Private Limited	-	-	179.95	193.65
Quixotic Healthcare Unit I	-	-	(6.98)	12.97
Alpha Products	-	-	2.81	-
Oasis Pharma and Phytomolecules Private Limited	-	-	-	49.58
Sale of stock-in-trade				
Quixotic Pharma Private Limited	-	-	35.61	-

Note: All the transactions with related parties are reported gross of Goods and Service Tax, wherever applicable.

Balance outstanding at the year end

₹ in Lakhs

Particulars	Key Management Personnel (KMP)		Joint Venture	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Remuneration payable				
Sanjeev Kumar	3.00	3.00	-	-
Sanjay Dhir	2.33	2.33	-	-
Divya Gupta	0.38	-	-	-
Ginny Uppal	-	0.32	-	-
Rent payable				
Sanjay Dhir	2.70	-	-	-
Trade payables				
Preet Remedies Limited	-	-	1,059.94	699.48
Quixotic Pharma Private Limited	-	-	482.85	432.00
Quixotic Healthcare Unit I	-	-	-	329.02
Ultra Chiron Pharmaceuticals Private Limited	-	-	47.36	62.97
Alpha Products	-	-	-	9.27
Amount recoverable				
Oasis Pharma and Phytomolecules Private Limited	-	-	72.12	8.97

Note 41 Disclosures of Micro, Small and Medium Enterprises Development

₹ in Lakhs

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

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,590.15	1,194.45
b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year	-	-
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
e) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
f) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
g) Further interest remaining due and payable for earlier years	-	-

Disclosure of payable to vendors as defined under the MSMED Act is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

Note 42 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. Managing Director and Chief Financial Officer of the Company are the chief operating decision makers. The Company operates in a solitary business segment i.e. 'pharmaceuticals formulations only', which primarily includes marketing and distribution of pharmaceutical products, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

Note 43 disclosure as per Ind AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'

Restatement for the year ended 31st March, 2021 and as at 1st April, 2020

In accordance with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1, 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at 31st March, 2021 and 1st April, 2020 (beginning of the preceding period) and Statement of Profit and Loss and Statement of Cash Flow for the year ended 31st March, 2021 for the reasons as stated in the notes below. Reconciliation of financial statement line items which are retrospectively restated are as under:

Reconciliation of restated items of Balance Sheet as at 31st March 2021 and 1st April 2020

₹ in Lakhs

Particulars	Note	For the year ended 31st March, 2021			For the year ended 1st April, 2020		
		As previously reported	Adjustment	As restated	As previously reported	Adjustment	As restated
Property, plant and equipment	(a)	138.79	10.58	149.37	111.93	6.74	118.67
Right of use of assets	(b)	-	201.95	201.95	-	117.67	117.67
Other Non-current financial assets	(c)	-	4.56	4.56	-	2.90	2.90
Deferred tax assets (net)	(d)	34.52	10.16	44.68	34.53	0.90	35.43
Cash and cash equivalents	(e)	153.39	3.94	157.33	152.80	3.94	156.74
Other financial assets	(c) and (g)	5.60	(4.44)	1.16	4.16	(2.90)	1.26
Other current assets	(c) and (d)	389.48	(217.73)	171.75	284.53	(114.75)	169.78
Total Assets		**721.78**	**9.02**	**730.80**	**587.95**	**14.50**	**602.45**
Other equity	(a) and (e)	190.90	14.52	205.42	89.61	14.50	104.11
Other current liabilities	(f)	346.79	(9.26)	337.53	-	-	-
Current tax liabilities (net)	(f) and (g)	-	3.76	3.76	-	-	-
Total Equity and Liability		**537.69**	**9.02**	**546.71**	**89.61**	**14.50**	**104.11**

Note 43 disclosure as per Ind AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors' (Contd.)

Reconciliation of restated items of Statement of Profit and Loss for the year ended 31st March, 2021

₹ in Lakhs

Particulars	Note	As previously reported	Adjustments	As restated
Employee benefits expense	(h)	335.41	6.60	342.01
Finance costs	(i)	3.73	25.08	28.81
Depreciation and amortisation expense	(j)	27.36	44.07	71.43
Other expenses	(h), (i) and (j)	544.70	(69.28)	475.42
Profit for the year	(h), (i) and (j)	83.19	6.47	76.72
Remeasurement of post employment benefit obligation	(h)	8.84	6.47	15.31
Total comprehensive income/ (expense) for the year	(h), (i) and (j)	92.03	-	92.03

There is no impact on Statement of Cash Flows for the year ended 31st March, 2021.

Note

(a) Correction of depreciation.
(b) 'Right of use of assets' have been shifted from 'Other current assets'.
(c) Security deposits have been shifted from 'Other financial assets' and 'Other current assets' to 'Other Non-current financial assets'.
(d) MAT credit have been shifted from 'Other current assets' to 'Deferred tax assets (net)'.
(e) Correction of 'Balance in fixed deposit accounts with original maturity upto 3 months'.
(f) Current tax have been shifted from 'Other current liabilities' to 'Current tax liabilities (net)'.
(g) Advance tax have been shifted from 'Other current assets' to 'Current tax liabilities (net)'.
(h) 'Remeasurement of post employment benefit' obligation has been from 'Employee benefits expense'.
(i) 'Interest expenses on lease liability' has been shifted from 'Other expenses' to 'Finance Cost'.
(j) 'Depreciation on right-of-use-assets' has been shifted from 'Other expenses' to 'Depreciation and amortisation expense'.

Earnings Per Share

As a result of the above-mentioned adjustments, basic and diluted earnings per share for the financial year 2020-21 changed as below:

Particulars	As previously reported	Adjustments due to restatement [refer notes (h), (i) and (j) above]	As restated
Basic & Diluted (₹) (from operations including regulatory deferral account balances)	1.41	(0.23)	1.18

Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements.

Note 44 Disclosures regarding leases as per Ind As 116 'Leases'

Assets taken on operating lease

The Company has leases for office building, warehouses and related facilities. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Note 44 Disclosures regarding leases as per Ind As 116 'Leases' (Contd)

The following is the break-up of current and non-current lease liabilities as at 31st March, 2022 and 31st March, 2021

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current lease liabilities	62.62	56.02
Non-current lease liabilities	191.40	166.16
Total	**254.02**	**222.18**

The following is the movement in lease liabilities during the year ended 31st March, 2022 and 31st March, 2021

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	222.18	121.98
Additions	87.86	128.35
Payment of lease liabilities and finance cost accrued during the period	(56.02)	(28.15)
Closing balance	254.02	222.18

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2022 and 31st March 31, 2021 on an undiscounted basis:

₹ in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Less than one year	88.02	87.02
One to five years	226.73	314.76
More than five years	-	-
Total	**314.75**	**401.78**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expenses recorded for short-term leases is ₹ 27.00 Lakhs during year ended 31st March, 2022 (Previous year ₹ 27.51 Lakhs).

Note 45 Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers **₹ in Lakhs**

Disaggregation revenue information

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Sale of stock-in-trade	6,908.78	5,664.02
Total	**6,908.78**	**5,664.02**
Revenue from contracts with customers disaggregated based on geography		
Home market	6,908.78	5,576.71
Export	-	87.31
Total	**6,908.78**	**5,664.02**

Note 45 Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers (Contd.)

Timing of revenue recognition ₹ in Lakhs

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	At a point in time	Over a period time	At a point in time	Over a period time
Sale of stock-in-trade	6,908.78	-	5,664.02	-
Total	**6,908.78**	**-**	**5,664.02**	**-**

Contract balances ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade receivables (Note 10)	2,074.47	1,887.96
Contract liabilities - advances from customers (Note 24)	102.75	93.76

Significant movement in the contract liabilities balances during the year ₹ in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
At the beginning of the reporting period	93.76	93.76
Amount received against contract liability/ performance obligation satisfied in current year	8.99	-
At the end of the reporting period	102.75	93.76

Note 46

The balances of trade receivable, trade payable, advances given, and other financial and non-financial assets and liabilities are received in most of the cases. In few cases, such balances are subject to confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

Note 47 Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows ₹ in Lakhs

Particulars	Non-current borrowings	Current borrowings	Total
As at 1st April, 2020	154.47	-	154.47
Proceeds from non-current borrowings (including current maturities) (net)	16.61	-	16.61
Recognition of lease liability (including current) (net)	88.80	-	88.80
Proceeds of current borrowings (net)	-	-	-
As at 31st March, 2021	**259.88**	**-**	**259.88**
Repayment of non-current borrowings (including current maturities) (net)	(14.29)	-	(14.29)
Recognition of lease liability (including current) (net)	19.20	-	19.20
Proceeds of current borrowings (net)	-	125.55	125.55
As at 31st March, 2022	**264.79**	**125.55**	**390.34**

Note 48 Disclosure as per Ind AS 1 'Presentation of Financial Statements'

Certain changes/ updates have been made in the policies and notes to accounts for improved disclosures. There is no impact on the financial statements due to these changes, however, the policy numbers have been rearranged in the current year as required.

Note 49 Disclosure as per Ind AS 36 'Impairment of Assets'

The Company has reviewed the carrying amount of its tangible and intangible assets (being a cash generating unit) with its future present value of cash flows and there has been no indication of impairment of the carrying amount of the Company's such Assets taking consideration into external and internal sources of information.

Note 50 Event occurring after reporting date

No adjusting or significant non-adjusting events have occurred between 31st March, 2022 and the date of authorisation of the Company's financial statements.

Note 51 Financial Ratios

Ratio/Measure	Methodology	As at 31st March, 2022	As at 31st March, 2021	% Variance
Current Ratio (times)	Current assets/ Current liabilities	1.28	1.28	-0.15%
Debt – Equity Ratio (%)[Note1]	(Non current borrowings + Current borrowings + Non current Lease liabilities + Current lease)/ Total equity	41.64%	30.34%	37.22%
Debt Service Coverage Ratio (Times)	EBITDA/ (Interest expense +Borrowings)	2.01	2.40	-16.59%
Return on Equity (ROE) (%)	Net Profit after tax/ Average Shareholder's Equity	9.17%	9.61%	-4.56%
Inventory turnover ratio (Times)	Revenue from operation/ Average Inventory	9.98	11.57	-13.72%
Trade receivables turnover ratio (Times)[Note 2]	Revenue from operation/ Average Trade Receivable	3.49	2.75	26.59%
Trade payables turnover ratio (Times)[Note 3]	Purchases of services and other expenses/ Average Trade Payables	3.10	2.41	28.72%
Net capital turnover ratio (Times)	Revenue from operation/ Average Working Capital	10.36	9.46	9.52%
Net profit ratio (%)	Net Profit/ Revenue from operation	1.19%	1.35%	-12.13%
Return on Capital employed (%)[Note 4]	Earning before interest and taxes/ Capital Employed	18.13%	14.33%	26.51%

Explanation for change in the ratio by more than 25%

1 Due to increase in current borrowings.
2 Working capital deployment has increased in trade receivables.
3 Working capital deployment is compensated by increase in trade payables.
4 Better operational perfomance.

Note 52 Additional Regulatory Disclosures as per Schedule III of Companies Act, 2013

a) The Company doesn't have any immovable property and investment property.

b) As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

c) The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

d) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

e) The Company has sanctioned facilities from banks on the basis of security of current assets (against fixed deposit receipt). As such there is no requirement of periodic returns to be filed by the Company with such banks.

f) The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

g) There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31st March, 2022.

h) All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31st March, 2022.

i) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

j) No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

k) 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:
   i) 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

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

l) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
   i) 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

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

m) The Company has not operated in any crypto currency or Virtual Currency transactions.

n) During the year the Company has not disclosed or surrendered, any income other than the income recoginsed in the books of accounts in the tax assessments under Income Tax Act, 1961.

Note 53 Imapct of COVID-19

The Company has considered the possible impact of pandemic relating to Novel Corona Virus (COVID-19) on its financial results/position using the internal and external sources of information available up to the date of approval of these financial results and expects to recover the carrying value of its assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial results, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.

Note 54

The figures of the financial statements are represented as ₹ in lakhs upto two decimal places leaving the scope of rounding up variations.

In terms of our report attached

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

N. KUMAR CHHABRA & CO. CHARTERED ACCOUNTANTS CHANDIGARH

CA. Ashish Chhabra
FCA, Partner
Membership Number 507083
Place : Chandigarh
Date : 10th May, 2022
UDIN: 22507083AISJRK2992

for **and on behalf of the Board of Directors**

Sanjeev Kumar
Managing Director cum Chief Executive Officer
DIN 01154896
Place : Chandigarh
Date : 10th May, 2022

Sanjay Dhir
Whole Time Director cum Chief Financial
DIN 08649906

Divya Gupta
Company Secretary
Membership Number A66127