V. P. Gupta & Co.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To

The Members of Sarvagunaushdhi Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sarvagunaushdhi Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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V.P. Gupta & Co. FRN : 000690N DELHI Chartered Accountants

Information other than the Financial Statements and Auditor's report thereon

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

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

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

Responsibilities of Management for the Financial Statements

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

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

(e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

(g) In our opinion and according to information and explanations given to us, the managerial remuneration for the year ended March 31, 2022 has been paid by the Company to its directors is in accordance with the provisions of Section 197 read with Schedule V to the Act; and

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

i. The Company didn't have any pending litigations as at March 31,2022 which would

V.P. Gupta & Co.
FRN : 000099N
DELHI
Chartered Accountants

impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

For V.P. Gupta & Co
Chartered Accountants
(Firm Registration No. 000699N)

V.P. Gupta & Co.
CA
FRN : 000699N
DELHI
Chartered Accountants

CA V.P. Gupta
Partner
Membership No.: 080557
Place: Delhi
Date: 08.06.2022
UDIN.: 22080557AKYLYW8384

Annexure A referred to in the Independent Auditor's Report of even date to the members of Sarvagunaushdhi Private Limited on the financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

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

(d) The Company has not revalued its Plant and Equipment and Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted a physical verification of inventory at reasonable intervals during the year, except for goods-in-transit aggregating to Rs. 48,25,765/- as at 31 March 2022, which have not been verified during the year. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed. However, in respect of inventories which were not physically verified we are unable to comment on the discrepancies which could have arisen between physical inventory and book records.

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

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

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

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were

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DELHI
Chartered Accountants

outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

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

(b) According to the information and explanations given to us including confirmations received from lender and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

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

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

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

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

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

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

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

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

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

V.P. Gupta & Co.
FRN : 000699N
DELHI
Chartered Accountants

Annexure A referred to in the Independent Auditor's Report of even date to the members of Sarvagunaushdhi Private limited on the financial statements for the year ended 31 March 2022

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

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

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **V.P Gupta & Co.**
Chartered Accountants
Firm's Registration No.: **000699N**

CA V.P Gupta
Partner
Membership No.: 080557
UDIN: 22080557AKYZYW8384

Place: Delhi
Date: 08.06.2022

Annexure "B" to the independent auditor's report of even date on the financial statements of Sarvagunaushdhi Private Limited

Report on the Internal Financial Controls under Clause (i) of sub section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of "Report on Other Legal and Regulatory Requirements" section:

We have audited the internal financial controls with reference to financial statements of **Sarvagunaushdhi Private Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

V.P. Gupta & Co.
FRN : 000699N
DELHI
Chartered Accountants

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

V.P. Gupta & Co.
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Chartered Accountants

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For V.P. Gupta & Co
Chartered Accountant
(Firm Registration No. 000699N)

V.P. Gupta & Co. FRN : 000699N DELHI Chartered Accountants

CA V.P. Gupta
Partner
Membership No.: 080557
Place: Delhi
Date: 08.06.2022
UDIN: 22080557AKYLYW8384

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Balance Sheet as at 31 March 2022
(All amounts in ₹ unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2a	4,686,208	4,991,526
(b) Right-of-use assets	2a	6,116,771	8,658,396
(c) Intangible assets	3	2,163,546	2,991,762
(d) Intangible assets under development	4	174,000	-
(e) Financial assets			
(i) Investments	5	90,000	90,000
(ii) Others financial assets	6	934,290	922,189
(f) Non-current tax assets (net)	7	1,127,231	1,600,650
(g) Other non-current assets	8	79,857	-
Total non-current assets		**15,371,903**	**19,254,523**
(2) Current assets			
(a) Inventories	9	37,980,355	58,590,411
(b) Financial assets			
(i) Trade receivables	10	161,690,667	17,487,666
(ii) Cash and cash equivalents	11a	23,691,514	12,571,692
(iii) Bank balances other than (ii) above	11b	43,984,584	38,670,834
(iv) Others financial assets	12	169,851	37,800
(c) Other current assets	13	18,835,971	31,164,052
Total current assets		**286,352,942**	**158,522,455**
Total assets		**301,724,845**	**177,776,978**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	100,000	100,000
(b) Other equity	15	(362,183,138)	(317,603,086)
Total equity		**(362,083,138)**	**(317,503,086)**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	410,000,000	380,000,000
(ii) Lease liability	42	5,173,339	7,649,033
(iii) Other financial liabilities	17	11,721,440	10,913,000
(b) Provisions	18	2,197,350	2,633,884
Total non-current liabilities		**429,092,129**	**401,195,917**
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	19		
Total outstanding dues to micro and small enterprises; and		646,917	20,772
Total outstanding dues of creditors other than micro and small enterprises		222,031,425	80,564,193
(ii) Lease liability	42	2,475,694	2,146,626
(iii) Other financial liabilities	20	7,348,259	7,515,615
(b) Other current liabilities	21	2,102,368	3,752,980
(c) Provisions	22	111,191	83,961
Total current liabilities		**234,715,854**	**94,084,147**
Total equity and liabilities		**301,724,845**	**177,776,978**
Summary of significant accounting policies and other explanatory information	1-43		

This is the Balance Sheet referred to in our report of even date

For **V. P. Gupta & Co**
Chartered Accountants
Firm Registration No.: 000699N

V.P. Gupta & Co. Chartered Accountants FRN: 000699N DELHI

CA V. P. Gupta
Partner
Membership No.

For and on behalf of Board of Directors of
Sarvagunaushdhi (P) Ltd

Binod Kumar Yadav
Director
DIN:09030742

Rashmi Gupta
Director
DIN: 02583595

SARVAGUNAUSHDHI PVT LTD

Place : New Delhi
Date : June 8, 2022
UDIN: 22080557AKYLYW8384

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Statement of profit and loss for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
INCOME			
Revenue from operations	23	450,656,631	101,870,882
Other income	24	4,396,721	6,659,605
Total Income		**455,053,352**	**108,530,487**
EXPENSES			
Purchase of stock-in-trade		341,128,223	67,255,949
Changes of inventories in Stock-in-trade	25	20,610,055	4,479,295
Employee benefits expense	26	74,687,359	61,294,952
Other expenses	27	58,448,686	34,269,453
Total		**494,874,323**	**167,299,649**
Earnings before finance costs, depreciation and amoritisation and tax (EBITDA)		(39,820,971)	(58,769,162)
Finance costs	28	978,187	1,250,318
Depreciation and amortisation	29	4,621,553	4,503,496
Loss before tax		**(45,420,711)**	**(64,522,976)**
Tax expenses:			
Income Tax			
Current year		-	-
Deferred tax charge/(credit)		-	-
Total tax expense		-	-
Loss for the year		**(45,420,711)**	**(64,522,976)**
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Re-measurement gains on defined benefit plans		840,659	226,091
Tax effect relating to these items		-	-
Total other comprehensive income, net of tax		**840,659**	**226,091**
Total comprehensive income [comprising of loss for the year and other comprehensive income for the year]		**(44,580,052)**	**(64,296,885)**
Earnings per equity share of ₹ 10 (31 March 2021: ₹ 10) each			
Basic and diluted	30	(4,542.07)	(6,429.69)

Summary of significant accounting policies and other explanatory information 1-43

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

For V. P. Gupta & Co
Chartered Accountants
Firm Registration No.: 000699N

V.P. Gupta & Co.
FRN : 000699N
DELHI
Chartered Accountants

CA V. P. Gupta
Partner
Membership No. 080557

Place : New Delhi
Date : June 8, 2022
UDIN: 22080557AKYLYW8384

For and on behalf of Board of Directors of
Sarvagunaushdhi (P) Ltd

Binod Kumar Yadav
Director
DIN:09030742

Rashmi Gupta
Director
DIN: 02583595

SARVAGUNAUSHDHI PVT. LTD.

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Statement of changes in equity for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

a. Equity share capital

Particulars	Amount
As at 1 April 2020	100,000
Changes in equity share capital	-
As at 31 March 2021	100,000
Changes in equity share capital	-
As at 31 March 2022	100,000

b. Other equity

Particulars	Other equity Retained earnings	Total
Balance as at 1 April 2020	(253,306,201)	(253,306,201)
Add: (Loss) for the year	(64,522,976)	(64,522,976)
Add: Other comprehensive income for the year, net of tax		
- Remesurement of defined benefit plans	226,091	226,091
Balance as at 31 March 2021/ 1 April 2021	(317,603,086)	(317,603,086)
Add: (Loss) for the year	(45,420,711)	(45,420,711)
Add: Other comprehensive income for the year, net of tax		
- Remesurement of defined benefit plans	840,659	840,659
Balance as at 31 March 2022	(362,183,138)	(362,183,138)

Summary of significant accounting policies and other explanatory information

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

For V. P. Gupta & Co
Chartered Accountants
Firm Registration No.: 000699N

V.P. Gupta & Co. FRN : 000699N DELHI Chartered Accountants

CA V. P. Gupta
Partner
Membership No. 080557

Place : New Delhi
Date : June 8, 2022
UDIN: 22080557AKYLYW8384

For and on behalf of Board of Directors of
Sarvagunaushdhi (P) Ltd

Binod Kumar Yadav
Director
DIN:09030742

Rashmi Gupta
Director
DIN: 02583595

SARVAGUNAUSHDHI PVT. LTD.

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Statement of cash flow for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities			
Net profit/ (loss) before tax		(45,420,711)	(64,522,976)
Adjustments for:			
Depreciation and amortisation		4,621,553	4,503,496
Bad debts		1,815,886	-
Interest expense		978,187	1,250,318
Interest income		(2,466,529)	(2,376,096)
Gain on termination of lease			(288,015)
Operating profit before working capital changes		**(40,471,614)**	**(61,433,273)**
Adjustments for movement in working capital changes:			
Inventories		20,610,055	4,479,296
Trade receivables		(146,018,886)	(4,611,812)
Other financial assets		(144,153)	2,559,846
Other assets		12,248,225	(231,973)
Trade payables		142,093,377	51,802,478
Other financial liabilities		641,084	(913,743)
Provisions		431,355	2,179,377
Other liabilities		(1,650,613)	3,245,547
Cash flow generated from operations (gross)		**(12,261,170)**	**(2,924,257)**
Less: taxes paid (net)		473,419	(700,894)
Net cash flow generated from/ (used in) operating activities	**(A)**	**(11,787,751)**	**(3,625,151)**
B. Cash flow from investing activities			
Purchase of property, plant and equipment and intangible assets (including investment property, capital work-in-progres, capital advances and payable towards property, plant and equipment)		(1,120,394)	(2,021,667)
Other bank balances		(5,313,750)	(23,652,078)
Interest received		2,466,529	2,307,260
Net cash flow (used in) investing activities	**(B)**	**(3,967,615)**	**(23,366,485)**
C. Cash flow from financing activities			
Proceeds from / (repayment of) long-term borrowings (net)		30,000,000	-
Payment of lease liabilitities		(3,119,059)	(1,854,382)
Interest paid		(5,753)	(1,250,318)
Net cash flow generated from financing activities	**(C)**	**26,875,188**	**(3,104,700)**
Net increase/ (decrease) in cash and cash equivalents	**(A+B+C)**	**11,119,822**	**(30,096,336)**
Cash and cash equivalents at the beginning of the year (refer note 11a)		12,571,692	42,668,028
Cash and cash equivalents at the end of the year (refer note 11a)		**23,691,514**	**12,571,692**

Components of cash and cash equivalents are as below:

	As at 31 March 2022	As at 31 March 2021
Balance with scheduled banks		
in current accounts	23,581,830	10,048,791
in deposit accounts with original maturity of less than 3 months	-	2,500,000
Cash on hand	109,684	22,901
	23,691,514	**12,571,692**

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V.P. Gupta & Co.
FRN : 000699N
DELHI
Chartered Accountants

Lashmi

SARVAGUNAUSHDHI PVT LTD

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Statement of cash flow for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

Disclosures as required in terms of Ammendment to Ind AS 7 'Statement of cash flows' related to the change in financial liabilities arising from financing activity is as below

Particulars	Long- term borrowings	Lease liabilities	Total
Net debt as on 1 April 2020	380,000,000	17,241,680	397,241,680
Cash flows			
Repayments	-	(8,696,339)	(8,696,339)
Non cash changes			-
Interest on lease liability	-	1,250,318	1,250,318
Balance as on 31 Mach 2021	**380,000,000**	**9,795,659**	**389,795,659**
Cash flows			
Repayments	-	(3,119,059)	(3,119,059)
Proceeds	30,000,000	-	30,000,000
Non cash changes			
Interest on lease liability	-	972,434	972,434
Balance as on 31 Mach 2022	**410,000,000**	**7,649,033**	**417,649,033**

Summary of significant accounting policies and other explanatory information 1-43

This is the Statement of cash flows referred to in our report of even date.

For V.P Gupta & Co.
Chartered Accountants
Firm Registration No.: 000699N

CA V. P. Gupta
Partner
Membership No. 080557

Place : New Delhi
Date : June 8, 2022
UDIN: 22080557AKYLYW8384

For and on behalf of Board of Directors of
Sarvagunaushdhi (P) Ltd.

Binod Kumar Yadav
Director
DIN:09030742

Rashmi Gupta
Director
DIN: 02583595

V.P. Gupta & Co. Chartered Accountants FRN: 000699N DELHI

SARVAGUNAUSHDHI PVT. LTD.

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1 Company overview and summary of significant accounting policies

1.1 Company overview

Sarvagunaushdhi Private Limited (the 'Company') is engaged in trading of the pharmaceutical formulations. The Company is a private limited Company incorporated and domiciled in India and has its registered office at Delhi, India. The Company is the wholly owned subsidiary of Akums Drugs and Pharmaceuticals Ltd.

The financial statements are approved for issue by the Company's Board of Directors on 08.06.2022.

1.2 Basis of preparation

These standalone financial statement ('financial statement') of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These standalone financial statements have been prepared under the historical cost convention basis except for certain financial assets and liabilities which are measured at fair value. 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 standalone financial statements of the Company are presented in Indian Rupees (₹), which is also its functional currency and all amounts disclosed in the financial statements and notes have been made in Indian Rupees as per the requirement of Schedule III to the Act, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The standalone financial statements of the Company for the year ended 31 March 2021 were approved and authorised for issue by Board of Directors in their meeting held on 27 September 2021. The Board of Directors can permit revisions to these financial statements after obtaining necessary approvals or at the instance of regulatory authorities, as per provisions of the Act.

The standalone financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These accounting policies have been used throughout all periods presented in the standalone financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to newly effective Ind AS.

The 'Ministry of Corporate Affairs ('MCA') notifies new accounting standards or amendments to the existing standards. However, there are no such notifications which have been issued but are not yet effective or applicable from 1 April 2021.

1.3 Use of judgment, estimates and assumptions

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

Judgements, estimates and assumptions

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

Significant management judgement in applying accounting policies and estimation uncertainty

a) **Recognition of deferred tax assets** - The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

b) **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

c) **Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of Company's plant and equipment.

d) **Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

e) **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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V.P. Gupta & Co. FRN : 000699N DELHI Chartered Accountants

SARVAGUNAUSHDHI PVT. LTD.

i) **Contingent liabilities –** The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

1.4 Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs 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 attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

In case an item of property, plant and equipment is acquired on deferred payment basis if any, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight line method. The following useful life of assets has been taken by the Company:

Asset class	Useful lives
Furniture and fittings	10 years
Office equipment	5 years
Computers	3/6 years

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

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'capital work-in-progress.

De-recognition

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

1.5 Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortisation)

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The cost thereof is amortised over a period of 5 years. The amortisation period and the amortisation method for intangible assets are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Revenue expenditure on research is recognised as expense in the year in which it is incurred and are included with the respective nature of account heads in the standalone statement of profit and loss.

Capital expenditure on research is shown as addition to property, plant and equipment and depreciation is computed in a manner prescribed for property, plant and equipment.

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De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the standalone statement of profit and loss when the asset is derecognised.

1.6 Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.
Non-derivative financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

(i) **Financial assets at amortised cost** – a financial instrument is measured at amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

(ii) **Financial assets at fair value**

Investments in equity instruments other than above – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Company also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Financial liabilities

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

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SARVAGUNAUSHDHI PVT LTD.

Financial liabilities at amortised cost

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

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

1.7 Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss, the calculation of which is based on historical data, on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

The Company writes off trade receivables after it is established beyond doubt that the account is uncollectible. Financial assets that are written-off are still subject to enforcement activity by the Company.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

1.8 Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed which is the higher of fair value less costs of disposal and value-in-use and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

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V.P. Gupta & Co. FRN : 000699N DELHI Chartered Accountants

SARVAGUNAUSHDHI PVT LTD

1.90 Provisions and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

1.10 Operating expenses

Operating expenses are recognised in the standalone statement of profit or loss upon utilisation of the service or as incurred.

1.11 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue if any.

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

1.12 Taxes

Current income-tax

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred tax assets are reviewed at each balance sheet date and derecognized to the extent it is no longer probable that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of profit and loss and presented as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not probable that the Company will pay normal income tax during the specified period.

1.13 Employee benefits

The Company provides post-employment benefits through various defined contribution and defined benefit plans:

Defined contribution plans

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

Defined benefit plans

The defined benefit plans sponsored by the Company define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Company.

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V.P. Gupta & Co. FRN : 000690N DELHI Chartered Accountants

SARVAGUNAUSHDHI PVT. LTD.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering services (such as, salaries, wages, short-term compensated absences, performance incentives, expected cost of bonus, ex-gratia, etc.) are classified as short-term employee benefits. Expense in respect of short-term employee benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred. The Company shall recognise a liability and expense for termination benefits at the earlier of the following dates:

- when the entity can no longer withdraw the offer of those benefits; and
- when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

1.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and on hand and bank deposit with banks where original maturity is three months or less.

1.15 Inventories

Inventory comprises of traded goods and is measured at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition, measured by applying the FIFO method.

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

1.16 Revenue recognition

The five step model of Ind AS 115 - 'Revenue from Contracts from Customers' is used to determine whether revenue should be recognised at a point in time or over time, and at what amount is as below:
- Step 1: Identify the contract with the customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer (usually on dispatch of the goods from the factory) which coincides with the performance obligation under the contract with the customer.

- Revenue from services is recognized in accordance with the terms of contract when the services are rendered and the related costs are incurred.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer.

Revenue also excludes goods and service tax (GST) collected from customers, since GST not received by the Company on its own account. Rather, it is collected tax on value added to the commodity/services by the seller, on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Accordingly, it is excluded from revenue. Revenue from the sale of goods is net of returns.

1.17 Other income

Other income is comprised primarily of interest income, exchange gain/loss on translation of other assets and liabilities.

Interest

Interest income is recognised as and when due on the time proportion basis by using effective interest method. Interest income is included under the head "other income" in the standalone statement of profit and loss.

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SARVAGUNAUSHDHI PVT. LTD.

1.18 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. 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. 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 has 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.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses.

Right-of-use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the standalone Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

1.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of production of pharmaceuticals and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 46.

The board of directors of the Company has been identified as being the chief operating decision maker by the management of the Company.

1.20 Earnings before interest, tax, depreciation and amortisation (EBITDA)

The Company presents EBITDA in the statement of profit and loss; this is not specifically required by Ind AS 1 or defined under Ind AS. Schedule III to the Act allows companies to present line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/ sector-specific disclosure requirements or when required for compliance with the amendments to the Act or under Ind AS.

Measurement of EBITDA

Accordingly, the Company has elected to present earnings before interest, tax, depreciation and amortization ('EBITDA') as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss). In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

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SARVAGUNAUSHDHI PVT. LTD.

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

2a. Property, plant and equipment

Particulars	Property, plant and equipment				
	Furniture and fittings	Office equipment	Computers	Total	Right of use (ROU) assets
Gross Block					
Balance as at 1 April 2020	2,962,655	1,976,212	2,906,548	7,845,415	19,926,093
Additions	59,571	167,069	146,302	372,942	-
Transition on account of Ind AS 116 (refer note 50)					
Disposals/ adjustments				-	
Termination of Lease	-	-	-	-	6,421,404
Balance as at 31 March 2021/ 1 April 2021	3,022,226	2,143,281	3,052,850	8,218,357	13,504,689
Additions	270,190	127,204	549,000	946,394	-
Balance as at 31 March 2022	3,292,416	2,270,485	3,601,850	9,164,751	13,504,689
Accumlated depreciation					
Balance as at 1 April 2020	406,471	608,259	889,105	1,903,835	3,025,424
Charge for the year	283,535	387,847	651,614	1,322,996	2,541,625
Termination of lease	-	-	-	-	720,756
Balance as at 1 April 2021	690,006	996,106	1,540,719	3,226,831	4,846,293
Charge for the year	290,506	432,178	529,028	1,251,712	2,541,625
Balance as at 31 March 2022	980,512	1,428,284	2,069,747	4,478,543	7,387,918
Net block					
As at 31 March 2021	2,332,220	1,147,175	1,512,131	4,991,526	8,658,396
As at 31 March 2022	2,311,904	842,201	1,532,103	4,686,208	6,116,771

Note

1.The aggregate depreciation expense on right of use(ROU) assets is included under depreciation and amortization expenses in the statement of profit and loss.

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SARVAGUNAUSHDHI PVT. LTD.

3. Intangible assets

Particulars	Brands /trademarks	Software license	Total
Gross carrying value			
Opening balance as at 1 April 2020	234,000	1,458,359	1,692,359
Additions during the year	-	2,448,725	2,448,725
Closing balance as at 31 March 2021/ 1 April 2021	**234,000**	**3,907,084**	**4,141,084**
Additions during the year	-	-	-
Closing balance as at 31 March 2022	**234,000**	**3,907,084**	**4,141,084**
Amortisation			
Accumulated as at 1 April 2020	88,064	422,382	510,446
Charge for the year	46,800	592,075	638,875
Balance as on 31 March 2021/ 1 April 2021	**134,864**	**1,014,457**	**1,149,321**
Charge for the year	46,800	781,416	828,216
Balance as on 31 March 2022	**181,664**	**1,795,874**	**1,977,538**
Net carrying value			
As at 31 March 2021	99,136	2,892,626	2,991,762
As at 31 March 2022	**52,336**	**2,111,210**	**2,163,546**

4. Intangible asset under development

Particulars	Amount
As at 1 April 2020	-
Add: Additions during the year	-
Less: Capitalised during the year	-
As at 31 March 2021/ 1 April 2021	-
Add: Additions during the year	174,000
Less: Capitalised during the year	-
As at 31 March 2022	**174,000**

Ageing of intangible asset under development

The table below analyse the intangible asset under development ageing:

Particular	Ageing Less than 1 year	Total
SAP Installation under progress	174,000	174,000
	174,000	**174,000**

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SARVAGUNAUSHDHI PVT. LTD.

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
5. Investments		
Investment in subsidiary Unquoted, trade (measured at cost) Dhanwantri Vedaresearch LLP Name of the partners and share of profit/ capital - Sarvagunausdhi Pvt. Ltd. (90%) & Ms. Arushi Jain (9.98%) Total Capital of firm-Rs.1 Lakhs	90,000	90,000
Aggregate amount of unquoted investments	**90,000**	**90,000**
6. Other financial assets (Non-current)		
Security deposits	934,290	922,189
	934,290	**922,189**
**pledged with government authorities and others.*		
7. Non-current tax assets		
Advance income-tax (net of provision)	1,127,231	1,600,650
	1,127,231	**1,600,650**
8. Other non-current assets		
Unsecured, considered good		
Prepaid expenses	79,857	-
	79,857	**-**
9. Inventories		
(mode of valuation refer note 1.15 on inventories)		
Stock in trade (including GIT)	37,980,355	58,590,411
	37,980,355	**58,590,411**

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SARVAGUNAUSHDHI PVT. LTD.

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
10. Trade receivables		
Trade receivables considered good (unsecured)	161,690,667	17,487,666
Trade receivables-credit impaired	1,997,564	-
	163,688,230	**17,487,666**
Less: Allowance for expected credit losses	1,997,564	-
	161,690,667	**17,487,666**
11. Cash and bank balances		
11a. Cash and cash equivalents		
Balance with scheduled banks		
in current accounts	23,581,830	10,048,791
in deposit accounts with original maturity of less than 3 months	-	2,500,000
Cash on hand	109,684	22,901
	23,691,514	**12,571,692**
11b. Other bank balances		
Deposits with original maturity of more than 3 months and remaining maturirty of less than 12 months	43,984,584	38,670,834
	43,984,584	**38,670,834**
12. Other financial assets		
Unsecured, considered good		
Staff advance	169,851	37,800
	169,851	**37,800**
13. Other current assets		
Unsecured, considered good		
Advance to suppliers	1,533,903	1,815,532
Prepaid expenses	1,722,743	67,579
Balance with statutory authorities	15,579,325	29,280,940
	18,835,971	**31,164,052**

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SARVAGUNAUSHDHI PVT LTD

Particulars	As at 31 March 2022	As at 31 March 2021
14. Equity share capital		
Authorised		
10,000(10,000) Equity Shares of Rs.10/-each	100,000	100,000
Issued, subscribed and fully paid up		
10,000(10,000) Equity Shares of Rs.10/-each		
[the entire subscribed capital is held by Holding Company and its nominees]	100,000	100,000
	100,000	**100,000**

14.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning / end of the year	10,000	100,000	10,000	100,000

14.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having face value of ₹ 10 per share. Each equity shareholder is entitled to one vote per share.

In the event of winding up of the Company, the equity shareholders shall be entitled to be repaid remaining assets of the Company, after distribution of all preferential amounts, in the ratio of the amount of capital paid upon such equity shares.

14.3 Details of shareholders holding more than 5% shares in the Company*

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% Holding	No. of shares	% Holding
Akums Drugs & Pharmaceuticals Ltd & its nominees	10,000	100.00	10,000	100.00

promoters of the Company. There has been no change during the year in the number of shares held by them from the preceding year
**As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.*

14.4 No shares have been issued as bonus shares or issued for consideration other than cash or bought back during the period of five years immediately preceding the reporting date.

14.5 No shares have been reserved for issue under options.

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SARVAGUNAUSHDHI PVT. LTD.

Particulars	As at 31 March 2022	As at 31 March 2021
15. Other equity		
(a) Retained earnings		
Balance as per last financial statements	(317,603,086)	(253,306,201)
Add: Profit/ (loss) for the year	(45,420,711)	(64,522,976)
Add: Other comprehensive income for the year, net of tax		
- Remesurement of defined benefit plans	840,659	226,091
Balance as at end of the year	**(362,183,138)**	**(317,603,086)**

Nature of reserves

The description of nature and purpose of each of the above reserve within equity is as under:

1.Retained earnings

Retained earnings are the profits that the Company has earned till date and not distributed. Retained earnings is a free reserve available to the Company and includes actuarial gain/ loss arising on account of defined benefit plan.

Particulars	As at 31 March 2022	As at 31 March 2021
16. Borrowings-Non Current		
Unsecured loan		
Loan from Holding Company	410,000,000	380,000,000
	410,000,000	**380,000,000**

Note:
The above unsecured loan has been take from Holding company for meeting its working capital requirements. The loan of Rs. 3800 lacs is interest free while the additional loan taken of Rs. 300 lakhs carries an interest rate of 7% p.a.. Subsequent to balance sheet date, the entire amount is subject to interest as would be agreed within the parties

Particulars	As at 31 March 2022	As at 31 March 2021
17. Financial liabilities		
Security deposit received from customers	11,721,440	10,913,000
	11,721,440	**10,913,000**

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SARVAGUNAUSHDHI PVT. LTD.

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
18. Provisions - Non-current		
Provision for employee benefits		
Gratuity (refer note 33)	1,271,446	1,441,399
Compensated absences (refer note 33)	925,904	1,192,485
	2,197,350	2,633,884
19. Trade payables		
Total outstanding dues of micro and small enterprises (ref note 41): and	646,917	20,772
Total outstanding dues of creditors other than micro and small enterprises	222,031,425	80,564,193
	222,678,342	80,584,965
Refer note 36 for disclosure in respect of ageing of the above payables.		
20. Other financial liabilities		
Employee payables	7,348,259	7,515,615
	7,348,259	7,515,615
21. Other current liabilities		
Advance from customers	686,851	384,430
Statutory dues payable	1,415,517	3,368,550
	2,102,368	3,752,980
22. Provisions - Current		
Provision for employee benefits		
Gratuity (refer note 33)	2,738	3,324
Compensated absences (refer note 33)	108,453	80,637
	111,191	83,961

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FRN : 000699N
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SARVAGUNAUSHDHI PVT. LTD.

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
23. Revenue from operations			
Sale of finished products		438,656,631	89,870,882
Supply of services		12,000,000	12,000,000
		450,656,631	**101,870,882**
Refer Note 35 in terms of disclosures required under Ind AS 115			
24. Other income			
Interest income on:			
fixed deposits		2,248,450	2,307,260
Interest -Other		218,079	-
Interest Income on Right of Use Assets		76,801	68,836
Gain on termination of lease		-	288,015
Liabilities not payable/ writtenoff		127,847	-
Miscellaneous income		1,725,544	3,995,495
		4,396,721	**6,659,605**
25. Change in inventory of stock in trade			
Opening stock			
Stock in trade		58,590,411	63,069,706
	(A)	**58,590,411**	**63,069,706**
Less: Closing stock			
Stock in trade		37,980,355	58,590,411
	(B)	**37,980,355**	**58,590,411**
Change in inventory of stock in trade (A-B)		**20,610,055**	**4,479,295**
26. Employee benefits expense			
Salaries, wages and bonus		71,691,266	59,169,692
Contributions to provident and other funds (refer note 33)		2,388,600	1,614,400
Staff welfare expense		607,493	510,861
		74,687,359	**61,294,952**

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SARVAGUNAUSHDHI PVT LTD

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
27. Other expenses		
Power and fuel	591,643	588,558
Rent	3,116,693	3,579,575
General repairs & maintenance	4,886,264	1,615,593
Insurance	279,965	581,054
Printing and stationery	169,445	204,995
Travelling expense	8,912,858	4,209,400
Conveyance	2,149,195	1,696,577
Fees and subscription	168,071	81,714
Legal and professional expenses	376,900	163,000
Telephone expenses	358,872	417,907
Postage charges	1,563,221	908,922
Security expenses	349,729	355,407
Payment to auditors (refer note 32)	25,000	25,000
Bad debts written off	1,815,886	-
Provision for expected credit loss on trade receivables	1,997,564	-
Freight and cartage outward	3,855,366	2,097,724
Commission on sales	183,515	811,453
Assets Written off	3,665,364	-
Selling and distribution expenses	20,781,094	12,626,472
Director sitting fees	16,000	16,000
Bank charges	307,311	189,793
Staff recruitment	309,037	439,048
Miscellaneous expenses	2,569,694	3,661,261
	58,448,686	**34,269,453**
28. Finance costs		
Interest expense on lease liability	972,434	1,250,318
Interest on unsecured loan from holding Company	5,753	-
	978,187	**1,250,318**
29. Depreciation and amortisation expense		
Depreciation on property, plant and equipment	1,251,712	1,322,996
Amortisation of right-of-use assets (refer note 42)	2,541,625	2,541,625
Amortisation of intangible assets	828,216	638,875
	4,621,553	**4,503,496**

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SARVAGUNAUSHDHI PVT. LTD.

30 Earning per equity share (EPS)	Year ended 31 March 2022	Year ended 31 March 2021
Profit/ (loss) attributable to equity shareholders (₹)	(45,420,711)	(64,296,885)
Total number of equity shares outstanding at the end of the year	10,000	10,000
Weighted average number of equity shares in calculating basic and diluted EPS	10,000	10,000
Nominal value per share (₹)	10	10
Basic and diluted EPS (₹)	(4,542.07)	(6,429.69)

31 Capital commitment

Capital commitment (net of advances)	1,566,000	-

32 Payment to auditor

(a) as auditor	25,000	25,000
	25,000	25,000

33 Employees benefits

A Defined contribution plan

The amount recognised as expense towards contribution to defined contribution plans for the year is as

	Year ended 31 March 2022	Year ended 31 March 2021
Company's contribution to Provident Fund	2,127,835	1,447,962
Company's contribution to Employees' State Insurance Scheme	260,765	166,438
	2,388,600	1,614,400

B Defined benefit plan - Gratuity

(i) Present value of defined benefit obligation as at the end of the year	Year ended 31 March 2022	Year ended 31 March 2021
Non-current	1,271,446	1,441,399
Current	2,738	3,324
	1,274,184	1,444,723

(ii) Movement in the present value of defined benefit obligation recognised in the balance	Year ended 31 March 2022	Year ended 31 March 2021
Present value of the obligation as at the beginning of the year	1,444,723	764,559
Service cost	684,885	854,341
Interest cost	98,097	51,914
Benefits paid	(112,862)	-
Actuarial gain/ (loss) recognised during the year in other comprehensive income	(840,659)	(226,091)
Present value of the obligation as at end of the year	1,274,184	1,444,723

(iii) Expense recognised in the statement of profit and loss consists of:	Year ended 31 March 2022	Year ended 31 March 2021
Service cost	684,885	854,341
Interest cost	98,097	51,914
Net impact on profit before tax	782,982	906,255
Actuarial gain/ (loss) recognised during the year in other comprehensive income	840,659	226,091
Amount recognised in total comprehensive income	1,623,641	1,132,346

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(iv) Breakup of actuarial gain/(loss):

Actuarial gain/ (loss) from change in demographic assumption	-	-
Actuarial gain/ (loss) from change in financial assumption	(69,429)	-
Actuarial gain/ (loss) from experience adjustment	(771,230)	(226,091)
Total actuarial gain/ (loss)	(840,659)	(226,091)

(v) Change in fair value of plan assets

There are no plan assets against the aforesaid liability. Therefore, the return of change in fair value of plan assets is not given.

(vi) Actuarial assumptions

Discount rate (per annum)	7.18%	6.79%
Future salary increase (per annum)	5.50%	5.50%
Withdrawal rate		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Retirement age	58 years	58 years
Mortality rate	100% of IALM (2012-14)	100% of IALM (2012-14)
Average future service (in years)	19.32 years	18.22 years

Notes:

- The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(vii) Sensitivity analysis for gratuity liability

	Year ended 31 March 2022	Year ended 31 March 2021
Impact of change in discount rate		
Present value of obligation at the end of the year	1,274,184	1,444,723
- Impact due to increase of 0.5 %	(94,377)	(114,796)
- Impact due to decrease of 0.5 %	104,596	128,363
Impact of change in salary increase		
Present value of obligation at the end of the year	1,274,184	1,444,723
- Impact due to increase of 0.5 %	105,826	129,370
- Impact due to decrease of 0.5 %	(96,232)	(116,638)

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defind benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

(vii) Maturity profile of defined benefit obligation (discounted)

	As at 31 March 2022	As at 31 March 2021
Within next 12 months	2,738	3,324
Between 1-5 years	151,111	191,294
Beyond 5 years	1,120,335	1,250,105

C Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefits expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Remeasurement as a result of experience adjustments and changes in the actuarial assumption are recognised in the standalone statement of profit and loss.

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34 Related party disclosures

In accordance with Ind AS-24 on related party disclosures where control exist and where transactions in ordinary course of business have taken place and description of the relationships as identified and certified by the management are as follows:

a) Holding Company

-Akums Drugs and Pharmaceutical Ltd.

b) Entity of Holding Company' group(Fellow Subsidiaries)

-Amazing Research Laboratories Limited
-Avha Lifesciences Private Limited
-Delcure Lifesciences Limited
-Malik Lifesciences Private Limited
-Maxcure Nutravedics Limited
-May and Baker Pharmaceuticals Limited
-Nicholas Healthcare Limited
-Plenteous Pharmaceuticals Limited
-Pure and Cure Healthcare Private Limited
-Akums Health & Education Society
-Akums Foundation
-Akumentis Healthcare Ltd.
-Medibox Digital Solutions Private Limited
-Akums Healthcare Limited
-Akums Lifesciences Ltd.
-Upadhrish Reserchem LLP

c) Entity of Holding Company' group(i.e. related to Fellow Subsidiary)

-Medibox Digital Solution (P) Ltd.

d) Key managerial personnel(KMP) of Parent Company and their relatives

-Mr. Sanjeev Jain
-Mr. D.C.Jain
-Ms. Arushi Jain

e) List of key managerial personnel (KMPs) of the Company

Other Directors of the Company:
Mr. Jaswant Singh (resigned on 03.01.2022), Binod Kumar Yadav (appoint on 03.01.2022) and Ms. Rashmi Gupta

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V.P. Gupta & Co.
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DELHI
Chartered Accountants

SARVAGUNAUSHDHI PVT. LTD.

Sarvagunaushdhi Pvt. Ltd.
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

II Summary of related party transactions-

	Particulars	31 March 2022	31 March 2021
(a)	**Transactions during the year**		
	Sales of goods and others		
	Akums Drugs and Pharmaceuticals Limited	546,571	1,005,325
	Amazing Research Laboratories Limited	-	3,927
	AVHA Lifesciences Private Limited	11,067	80,610
	Akums Healthcare Limited	46,413	-
	Nicholas Healthcare Limited	42,141,668	-
	Maxcure Nutravedics Limited	30,138	56,821
	Malik Lifesciences Private Limited	151,142	83,077
	May and Baker Pharmaceuticals Limited	3,555	-
	Plenteous Pharmaceuticals Limited	2,152,134	1,103
	Pure and Cure Healthcare Private Limited	4,502,241	2,103,783
	Akums Foundation	396,402	7,620
	Upadhrish Reserchem LLP	11,778	12,415
	Borrough Welcome Pharmcia Pvt. Ltd.	13,811,155	-
	Akums Heath and Education Society	1,736,317	61,018
	Akums Lifesciences Limited	8,668	20,585
	Expenses received		
	May and Backer Pharmaceuticals Limited	-	1,235
	Supply of Services		
	May and Baker Pharmaceuticals Limited	12,000,000	12,000,000
	Purchase of goods and others		
	Akums Drugs and Pharmaceuticals Limited	42,945,965	16,434,156
	AVHA Lifesciences Private Limited	3,491,265	513,491
	Amazing Research Laboratories Limited	195,343	45,304
	Maxcure Nutravedics Limited	3,964,756	2,396,658
	May and Backer Pharmaceuticals Limited	1,579,946	297,474
	Malik Lifesciences Private Limited	18,274,050	2,566,161
	Medibox Digital Solution Pvt. Ltd	18,904	-
	Plenteous Pharmaceuticals Limited	8,607,035	3,267,106
	Nicholas Healthcare Limited	16,381,142	-
	Akumentis Healthcare Ltd.	21,855	-
	Pure and Cure Healthcare Private Limited	171,886,914	27,544,000
	Upadhrish Reserchem LLP	-	59,315
	Interest Expense		
	Akums Drugs and Pharmaceuticals Limited	5,753	-
	Purchase of assets		
	Pure and Cure Healthcare Private Limited	-	38,447
	Expense Reimbursment		
	Akums Drugs and Pharmaceuticals Limited	6,589,012	-
	Pure and Cure Healthcare Private Limited	147,762	-
	May and Backer Pharmaceuticals Limited	27,600	-
	Expenses paid		
	Akums Drugs and Pharmaceuticals Limited	1,325,000	1,533,717
	Plenteous Pharmaceuticals Limited	780	-
	Pure and Cure Healthcare Private Limited	1,000	460,274
	Malik Lifesciences Private Limited	-	124,925
	May and Backer Pharmaceuticals Limited	-	43,794
	Maxcure Nutravedics Limited	-	19,280
	Plenteous Pharmaceuticals Limited	-	1,900
	Medibox Solutions Private Limited	-	463,929

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SARVAGUNAUSHDHI PVT LTD

II Summary of related party transactions-

Particulars	31 March 2022	31 March 2021
Remuneration paid*		
Ms. Arushi Jain	3,500,000.00	6,000,000.00
Sitting fees		
Mr. Jaswant Singh	6,000.00	8,000.00
Ms. Rashmi Gupta	8,000.00	8,000.00
Mr.Binod Kumar	2,000.00	-
Professional charges		
Mr. D.C. Jain	60,000.00	60,000.00

** Excluding the post employment benefits*

(b)

Balance outstanding at the year end		
Inter-corporate loan given		
Akums Drugs and Pharmaceuticals Limited	410,000,000	380,000,000
Trade receivable		
Akums Drugs and Pharmaceuticals Limited	151,240	237,319
AVHA Lifesciences Private Limited	-	12,622
Akums Healthcare Limited	8,997	-
Maxcure Nutravedics Limited	6,345	2,508
Malik Lifesciences Private Limited	13,657	9,301
May and Backer Pharmaceuticals Limited	-	1,383
Plenteous Pharmaceuticals Limited	-	1,235
Borrough Welcome Pharmcia Pvt. Ltd.	15,425,428	-
Akums Health and education society	174	69,072
Pure and Cure Healthcare Private Limited	2,440,839	55,200
Akums Lifesciences Limited	-	23,803
Akums Foundation	-	8,535
Trade payable		
Akums Drugs and Pharmaceuticals Limited	29,491,854	24,018,057
Plenteous Pharmaceuticals Limited	62,931	1,800,201
Nicholas Healthcare Limited	9,921,687	-
AVHA Lifesciences Private Limited	-	574,535
Pure and Cure Healthcare Private Limited	151,036,511	44,589,805
Maxcure Nutravedics Limited	2,392,352	2,808,311
Malik Lifesciences Private Limited	18,673,733	3,026,915
Amazing Research Laboratories Limited	45,227	-
May and Baker Pharmaceuticals Limited	84,970	11,881
Akumentis Healthcare Ltd.	22,824	-
Security deposit payable		
Akums Drugs and Pharmaceuticals Limited	600,000	600,000
Other liabilities		
Expense Payable		
Medibox Digital Solutions Private Limited	-	106,899
Akums Drugs and Pharmaceuticals Limited (Interest Payable)	5,178	-

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SARVAGUNAUSHDHI PVT. LTD.

35 Disclosure required under Ind AS 115 - Revenue from customers

A Disaggregation of revenue:

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products		
Revenue from sale of goods - manufactured	438,656,631	89,870,882
Testing charges	12,000,000	12,000,000
	450,656,631	**101,870,882**

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

	Year ended 31 March 2022	Year ended 31 March 2021
Contract liabilities		
Advance received from customers	686,851	384,430
Total contract liabilities	**686,851**	**384,430**
Receivables		
Trade receivables	161,690,667	17,487,666
Total receivables	**161,690,667**	**17,487,666**

Receivable is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

C Significant changes in the contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
	Contract liabilities	Contract liabilities
	Advances from customers	Advances from customers
Opening balance	384,430	539,012
Addition during the year	686,851	384,433
Revenue recognised during the year	384,430	539,012
Closing balance	686,851	384,433

The amounts receivable from customers become due after expiry of credit period which on an average is less than 30 days. There is no significant financing component in any transaction with the customers.

The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

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SARVAGUNAUSHDHI PVT. LTD.

36 Financial instruments

A Financial instruments by category

The carrying value of financial instruments by categories were as follows:

Particulars	Amortised cost	
	As at 31 March 2022	As at 31 March 2021
Financial assets		
Trade receivables	161,690,667	17,487,666
Cash and cash equivalents	23,691,514	12,571,692
Other bank balances	43,984,584	38,670,834
Other financial assets	1,104,142	959,989
Total financial assets	**230,470,906**	**69,690,181**
Financial liabilities		
Borrowings	410,000,000	380,000,000
Trade payables	222,678,342	80,584,965
Lease liabilities	7,649,033	9,795,659
Other financial liabilities	19,069,699	18,428,615
Finanacial laibilities carried at fair value		
Total financial liabilities	**659,397,074**	**488,809,239**

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalent are considered to be the same as their fair values, due to short-term in nature.

The carrying value of the amortised financial assets and liabilities approximate to the fair value on the respective reporting dates. Investments are carried at cost per Ind AS 27.

B. Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the standalone financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:
Level 1: Quoted prices (unadjusted) for identical instruments in an active market;
Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 Financial liabilities measured at fair value - recurring fair value measurements

There is no financial assets/liabilities carried at fair value

Financial risk management

Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, investments, trade and other receivables, cash and cash equivalents and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks and also ensure that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Financial risk factors

The Company's activities expose it to a variety of financial risks:
a) Market risk
b) Credit risk
c) Liquidity risk

The primary market risk to the Company is foreign exchange risk. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Liquidity risk is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

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V.P. Gupta & Co. Chartered Accountants FRN : 000699N DELHI

SARVAGUNAUSHDHI PVT LTD

(a) Market risk

(i) Foreign currency risk

There is no foreign currency transaction during the year

(ii) Interest rate risk

The entity's policy is to minimise interest rate cash flow risk exposures on long-term financing. As on 31 March 2020, the entity is exposed to changes in market interest rates through bank borrowings at variable interest rates.
The entity's investments in Fixed Deposits all pay fixed interest rates.

Interest rate risk exposure
Below is the overall exposure of the entity to interest rate risk:

Particulars		As at 31 March 2022	As at 31 March 2021
Variable rate borrowing	Other Than Akums	-	-
Fixed rate borrowing	Loan From Akums	410,000,000	380,000,000
Total borrowings		410,000,000	380,000,000

Sensitivity

Since there is no variable rate borrowing, the company is not exposed to the risk owing to change in the interest rates.

(b) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by investments in cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(i) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in the statement of profit and loss.

The Company provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Loans, Cash and cash equivalents, financial assets measured at amortised cost	12 month expected credit loss
Moderate credit risk	Trade receivables	Trade receivables - Life time expected credit loss
High credit risk	Trade receivable	Trade receivables - Life time expected credit loss or specific provision whichever is higher

Financial assets that expose the entity to credit risk –
31 March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Low credit risk			
Cash and cash equivalents	23,691,514	-	23,691,514
Other bank balances	43,984,584	-	43,984,584
Trade receivables	163,688,230	1,997,564	161,690,667
Other financial assets	1,104,142	-	1,104,142
Total	**232,468,470**	**1,997,564**	**230,470,906**

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31 March 2021

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Low credit risk			
Cash and cash equivalents	12,571,692	-	12,571,692
Other bank balances	38,670,834	-	38,670,834
Trade receivables	17,487,666	-	17,487,666
Other financial assets	959,989	-	959,989
Total	**69,690,181**	**-**	**69,690,181**

(ii) Expected credit loss for trade receivables under simplified approach

As at 31 March 2022	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Carrying amount net of loss allowance
Less than 6 months	155,679,172	0.10%	160,639	155,518,533
6 months - 1 years	3,092,224	2.80%	86,727	3,005,497
More than 1 years	6,732,721	52.97%	3,566,084	3,166,637
Total	**165,504,117**		**3,813,450**	**161,690,667**

As at 31 March 2021	Gross carrying amount	% of expected credit losses	Allowance for expected credit losses	Carrying amount net of loss allowance
Less than 6 months	10,555,118	-	-	10,555,118
6 months - 1 years	6,932,548	-	-	6,932,548
More than 1 years	-	-	-	-
More than 1 years	-	0.00%	-	-
Total	**17,487,666**		**-**	**17,487,666**

Reconciliation of loss provision – Trade receivables

Particulars	Total
Loss allowance on 1 April 2020	-
Changes in provision	-
Loss allowance on 31 March 2021	-
Changes in provision	3,813,450
Loss allowance on 31 March 2022	**3,813,450**

Trade receivables ageing

The table below analyse the outstanding trade receivables:

31 March 2022

Particulars	Outstanding for the following periods from due date of payment					
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables- considered gooc	61,201,004	97,570,393	741,654	5,991,066	-	165,504,117
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	(247,366)	(3,566,084)	-	-	**(3,813,450)**
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-
	61,201,004	97,323,027	(2,824,430)	5,991,066	-	161,690,667

31 March 2021

Particulars	Outstanding for the following periods from due date of payment					
	Not yet due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables- considered gooc	-	17,487,666	-	-	-	17,487,666
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-
	-	17,487,666	-	-	-	17,487,666

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SARVAGUNAUSHDHI PVT LTD

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

(c) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the entity's liquidity position and cash and cash equivalents on the basis of expected cash flows. The entity takes into account the liquidity of the market in which the entity operates.

Financing arrangements

The Company has only taken loan from holding company.

Maturities of financial liabilities

The tables below analyse the entity's financial liabilities into relevant maturity entitling's based on their contractual maturities.

31 March 2022

Particulars	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	-	410,000,000	-	410,000,000
Trade payable	222,678,342	-	-	222,678,342
Lease liabilities	2,475,694	5,173,339	-	7,649,033
Other financial liabilities	7,348,259	11,721,440	-	19,069,699
Total	**232,502,295**	**426,894,779**	**-**	**659,397,074**

31 March 2021

Particulars	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	-	380,000,000	-	380,000,000
Trade payable	80,584,965	-	-	80,584,965
Lease liabilities	2,146,626	7,649,033	-	9,795,659
Other financial liabilities	7,515,615	10,913,000	-	18,428,615
Total	**90,247,206**	**398,562,033**	**-**	**488,809,239**

Trade payables ageing

The table below analyse the outstanding trade payables:

31 March 2022

Particulars	Not yet due	Outstanding for the following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	250,764	396,154	-	-	-	646,917
Others	108,787,961	112,775,590	467,874	-	-	222,031,425
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues				-	-	-
	109,038,725	**113,171,743**	**467,874**	**-**	**-**	**222,678,342**

31 March 2021

Particulars	Not yet due	Outstanding for the following periods from due date of payments				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	20,772	-	-	-	-	20,772
Others	16,012,022	64,552,171	-	-	-	80,564,193
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues				-	-	-
	16,032,794	**64,552,171**	**-**	**-**	**-**	**80,584,965**

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SARVAGUNAUSHDHI PVT. LTD.

37 Taxes

Income tax expense in the statement of profit and loss comprises: -

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current taxes		
-on profit and loss	-	-
-tax for earlier years	-	-
Total	-	-
Deferred taxes	-	-
Tax expense	-	-

(a) Current tax

a) Reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before income taxes	(45,420,711)	(64,522,976)
Income tax using the Company's domestic tax rate *	27.82%	26.00%
Expected tax expense [A]	(12,636,042)	(16,775,974)
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Additional benefit claimed on expenditure incurred on research and development	-	-
Effect of non-deductible expenses and others	-	-
Tax earlier years	-	-
Total adjustments [B]	12,636,042	16,775,974
Actual tax expense [C=A+B]	-	-
*Domestic tax rate applicable to the Company has been computed as follows		
Base tax rate	25%	25%
Surcharge (% of tax)	7%	0%
Cess (% of tax)	4%	4%
Applicable rate of tax	27.82%	26.00%

Note:
The Taxation Laws (Amendment) Act, 2019 (2019 Tax Act) provides the Company with an option to move to a lower tax rate of 25.17% accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax (MAT) credit and certain other concessional tax rate benefits enjoyed by the Company presently. The Company has reviewed the implications of 2019 Tax Ordinance on its tax liability for the year and has chosen to continue to be taxed as per old regime.

b) Changes in deferred tax assets and liabilities for the year ended 31 March 2022 :-

Particulars	As at 31 March 2021	Recognised in OCI	Recognised in profit and loss	As at 31 March 2022
Deferred tax liability consists of:				
Property, plant and equipment and intangible assets	(1,590,361)	-	(1,590,361)	(1,590,361)
Deferred tax assets consists of:				
Employee benefits	606,069	-	606,069	606,069
Provision for credit losses on financial assets	-	-	698,029	698,029
Property, plant and equipment and intangible assets	326,903		326,903	326,903
Unused business losses	92,733,912		92,733,912	92,733,912
Preliminery Expenses	520		520	520
Security deposit for rent	185		185	185
Lease liability	1,988,749	-	1,988,749	1,988,749
Provision for sales tax	-	-	-	-
Provision for diminution in value of loans given	-	-	-	-
Net deferred tax asset / (liability)	94,065,977	-	94,764,006	94,764,006

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SARVAGUNAUSHDHI PVT. LTD.

Changes in deferred tax assets and liabilities for the year ended 31 March 2021:-

Particulars	As at 31 March 2020	Recognised in OCI	Recognised in profit and loss	As at 31 March 2021
Deferred tax liability consists of:				
Property, plant and equipment and intangible assets	(2,251,183)	-	(2,251,183)	(2,251,183)
Deferred tax assets consists of:				
Employee benefits	642,701	-	642,701	642,701
Provision for credit losses on financial assets	-		-	-
Property, plant and equipment and intangible assets	397,429		397,429	397,429
Unused business losses	80,748,455		80,748,455	80,748,455
Preliminery Expenses	520		520	520
Security deposit for rent	70,541		70,541	70,541
Lease liability	2,546,871		2,546,871	2,546,871
Provision for sales tax	-	-	-	-
Provision for diminution in value of loans given	-	-	-	-
Net deferred tax asset / (liability)	**82,155,334**	**-**	**82,155,334**	**82,155,334**

The applicable statutory tax rate for financial year 2020-21 and 2021-22 is 26.00% respectively.

Due to temporary difference and unused tax losses for above items, deferred tax assets has been worked out to Rs.9,47,64,006/- (For FY 20-21 amounts to 8,21,55,334/-) . As deferred tax asset shall be recognised for the temporary differences and carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they can be utilized. As a matter of prudence, during the year deferred tax assets is not being recognized in the books of accounts in respect of temporary differences and unused tax losses.

38 Segment reporting

The Company is primarily engaged in the trading of "pharmaceuticals formulations".The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget and planning

There is only one Reportable Segment for the Company which is "Trading of Pharmaceuticals Formulations", hence no specific disclosures have been made. Accordingly, information has been presented for entity-wide disclosures as under:

Entity wide disclosures

(a). Information about product revenue
The Company drives its product revenue mainly from pharmaceuticals formulations.

(b). Information about geographical areas
Non-current assets (Property, plant and equipment, Intangible assets and other non-current assets) are in India.

(c). Information about major customers (from external customers)

Particular	No. of Customer	2021-22	No. of Customer	2020-21
Revenue- Domestic(Pharmaceuticals Products) (Net)		450,656,631		101,870,882
Revenue from customers amounting to 10% or more of Company's total revenue	1	145,811,838	1	9,280,798

39 Capital management

For the purpose of the Company's capital management, equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less current investments and cash and cash equivalents. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

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.

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FRN : 000699N
DELHI
Chartered Accountants

SARVAGUNAUSHDHI PVT. LTD.

Particulars	As at 31 March 2022	As at 31 March 2021
Short term borrowing	-	-
Less:		
Cash and cash equivalents	23,691,514	12,571,692
Other bank balances	43,984,584	38,670,834
Net debt (A)	**(67,676,098)**	**(51,242,526)**
Total equity* (B)	(362,083,138)	(317,503,086)
Gearing ratio (A/B)	**15.75%**	**13.90%**

*Equity includes capital and all reserves of the Company that are managed as capital.

In order to achieve this overall objective, the entity's capital management, amongst other things, aims to ensure that it meets financial covenants and attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowings in the current period.
No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

40 Ratio Disclosures

Particulars	Numerator	Denominator	Current year	Previous year	% Variance
(a) Current ratio	286,352,942	234,715,854	1.22	1.68	-27.59%
(b) Debt - Equity ratio	415,173,339	(362,083,138)	(1.15)	(1.22)	-6.09%
(c) Debt service coverage ratio	(35,199,418)	978,187	(35.98)	(43.40)	-17.09%
(d) Return on equity ratio	(45,420,711)	(339,793,112)	0.13	0.05	181.58%
(e) Inventory turnover ratio	361,738,278	48,285,383	7.49	1.18	535.28%
(f) Trade receivables turnover ratio	450,656,631	89,589,166	5.03	6.71	-25.03%
(g) Trade payables turnover ratio	341,128,223	151,631,653	2.25	1.23	82.92%
(h) Net capital turnover ratio	450,656,631	51,637,088	8.73	1.58	452.05%
(i) Net profit ratio	(45,420,711)	450,656,631	(0.10)	(0.63)	-84.09%
(j) Return on capital employed	(39,820,971)	47,916,862	(0.83)	(0.94)	-11.62%
(k) Return on investment	(45,420,711)	47,916,862	(0.95)	(1.03)	-8.19%

The above variance is on account of increase in operations of the company. However owing to high operational expenses the margins are lowes.

41 Disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 due to micro enterprises and small enterprises

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due	646,917	20,772
- Interest amount due	-	-
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

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V.P. Gupta & Co.
FRN : 000699N
DELHI
Chartered Accountants

SARVAGUNAUSHDHI PVT. LTD.

Sarvagunaushdhi Pvt. Ltd.
CIN - U51909DL2017PTC324616
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ unless otherwise stated)

42 Lease

(a) The Company has adopted Ind AS 116 'Leases' from 1 April 2019, which resulted in changes in accounting policies in standalone financial statement

(b) **Practical expedients applied**
In applying Ind AS 116 for the first time, the Company has used the practical expedients permitted by the standard:
• applying a single discount rate to a portfolio of leases with reasonably similar characteristics
• accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases

(c) The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2020 is 9% p.a (1 April 2019: 9% p.a.)

(d) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised as on 31 March 2022:

Right-of-use assets	No of right-of-use assets leased	Range of remaining term(years)	Average remaining lease term (years)
Building	3	1-7 years	3 years

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised as on 31 March 2021:

Right-of-use assets	No of right-of-use assets leased	Range of remaining term(years)	Average remaining lease term (years)
Building	3	1-8 years	4 years

There are no leases entered by the company which have any extention, termination or purchase option and the payment of lease rentals is not based on variable payments which are linked to an index.

(f) **Lease payment not recognised as lease liability**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Expenses relating to short term leases(included in other expenses)	3,116,693	3,579,575
Total	3,116,693	3,579,575

(g) The total cash outflow for leases for the year ended 31 March 2021 was ₹ 31.19 lakhs. (31 March 2021: 35.79 lakhs)

(i) Future minimum lease payments as on 31 March 2022 are as follows:

Minimum Lease payments due	As on 31 March 2022		
	Lease payment	Finance charges	Net Present Value
Within 1 Year	3,189,850	714,156	2,475,694
1-5 Year	6,460,792	1,506,305	4,954,487
More than 5 Year	221,866	3,014	218,852
Total	9,872,508	2,223,475	7,649,033

Future minimum lease payments as on 31 March 2021 are as follows:

Minimum Lease payments due	As on 31 March 2021		
	Lease payment	Finance charges	Net Present Value
Within 1 Year	3,119,060	972,434	2,146,626
1-5 Year	8,339,616	2,122,000	6,217,616
More than 5 Year	1,532,892	101,476	1,431,416
Total	12,991,568	3,195,909	9,795,659

43 The amounts for the previous year have been re-grouped/ re-classified, where applicable, to conform the current year classification & to changes in Schedule III as per notified under notification dated 24 March 2021.

For V.P Gupta & Co.
Chartered Accountants
Firm Registration No.: 000699N

CA V. P. Gupta
Partner
Membership No 080557

Place : New Delhi
Date : June 8, 2022
UDIN: 22080557AKYLYW8884

For and on behalf of Board of Directors of
Sarvagunaushdhi (P) Ltd.

Binod Kumar Yadav
Director
DIN:09030742

Rashmi Gupta
Director
DIN: 02583595

V.P. Gupta & Co. Chartered Accountants FRN : 000699N DELHI

SARVAGUNAUSHDHI PVT. LTD.