

INDEPENDENT AUDITOR's REPORT

To,
The Members of
Butterfly Ayurveda Private Limited

REPORT ON THE AUDIT OF ANNUAL STANDALONE FINANCIAL STATEMENTS

Opinion

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

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

- We draw attention to note no. 33 (VII) "Going Concern" under Notes to account in the standalone financial statements, wherein it is mentioned that the company has accumulated losses of INR 2647.44 Lacs (Previous year ended 31/03/2022 of INR 2297.22) & net current liabilities (i.e. Current liabilities in excess of current assets) of INR 741.10 Lacs (Previous year ended 31/03/2022 of INR 132.63 Lacs). These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However as a result of the mitigating factors elaborated in the aforesaid note i.e. business strategies & operating plans of the Company, management believes that it will be able to pay its obligations as they fall due & continue as a going concern. Accordingly management has prepared these standalone financial statements on going concern basis & consequently, no adjustments have been made to the carrying values of the assets & liabilities in the attached standalone financial statements.
- We draw attention to note no. 33 (IV) "Contingent Liability" under Notes to account in the standalone financial statements, wherein it is mentioned that the company name Barista Coffee Company Ltd. (hereinafter referred to as "BCCL") has filed a Commercial Civil Suit bearing Case no. CS (COMM)/110/2022 before District Judge (Commercial), South-East District, Saket District Court, New Delhi, for recovery of INR 12.88 Lacs for breach of Agreement dated 18.07.2017 against the Company Butterfly Ayurveda Pvt Ltd (hereinafter referred to as "BAPL"). The said Agreement was executed for promotion of BAPL by way of Food and Beverages tie-up and for BAPL branding across selected Cafes across India under the brand name Barista. Thereafter, BAPL has filed its Statement/Reply.

Moreover, BAPL has filed a counter claim of INR 141.03 Lacs against BCCL in Case bearing no. CS (COMM)/315/2023 and BCCL has filed its Statement/Reply to the said Counter Claim. The matter is listed before the Ld. Court as of now for Framing of Issues. The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of Key audit matters as per SA 701, Key audit matters are not applicable to the company as it is an unlisted company.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management and Board of Directors' Responsibilities for the Standalone Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. **(A)** As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B)** With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has pending litigations (*Refer note no 33(IV)*) as at 31 March 2023 on its financial position in its standalone financial statements.
 - b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d)
 - (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (d) (i) and (d) (ii) contain any material misstatement.

- e) The Company has not declared any dividend during the current financial year.
- f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company w.e.f. April 01, 2023 & accordingly, reporting under Rule 11(g) of companies (Audit & Auditors rules, 2014) is not applicable for the financial year ended March 31, 2023.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is Nil. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) of the Act which are required to be commented upon by us.

For Aditya Agarwal & Associates
Chartered Accountants
FRN: 004568C

Place: New Delhi
Date: 27th May, 2023
UDIN: 23438412BGSDMH2758

Micky Bhatia
(Partner)
Membership No. 438412

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

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

- (i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable properties disclosed in the standalone financial statements are held in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has revalued its Property, plant and equipment on transition date in respect to compliance of first time Ind-As adoption. The Company has not revalued its Intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, clause 3 (ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any Investments, provided guarantee or security during the year but granted advances in the nature of loans, which are unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted additional loans in nature of unsecured to companies during the year, details of the loan is stated in sub-clause (a) below.
- (a) **A.** Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiaries.
B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to a party other than subsidiaries as below:

S. no	Particulars	Amount in Lacs
A)	• Aggregate amount advance during the year – Others	
	A. Butterfly Ayurveda Bakery Pvt Ltd	Lacs
	B. BA Bakery Pvt Ltd	NIL
B)	• Balance outstanding as at Balance sheet date- others	
	A. Butterfly Ayurveda Bakery Pvt Ltd	49.90 Lacs
	B. BA Bakery Pvt Ltd	0.18 Lacs

* Butterfly Ayurveda Bakery Pvt Ltd & BA Bakery Pvt Ltd ceased to be a subsidiary of the company w.e.f.10/06/2022

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, prejudicial to the interest of the Company as the company advance loan at 7% rate of interest for the first half of FY & 9% for the second half of the FY which is not at par with Market rate of interest.

S. no	Particulars	Name of the Company		Balance as at 31/03/2023	Remarks
A)	Loan is given at rate of interest lower than market rate of interest	Butterfly Ayurveda Bakery Pvt Ltd*		49.90 Lacs	Loan is unsecured & advanced at 7% rate of interest for the first half of FY & 9% for the second half of the FY which is not at par with Market rate of interest.
B)		BA Bakery Pvt Ltd*		0.18 Lacs	Loan is unsecured & advanced at 7% rate of interest for the first half of FY & 9% for the second half of the FY which is not at par with Market rate of interest.

*** Butterfly Ayurveda Bakery Pvt Ltd & BA Bakery Pvt Ltd ceased to be a subsidiary of the company w.e.f.10/06/2022**

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given is repayable on demand, the repayment of principal and payment of interest is not required to be stipulated and accordingly, clause 3(iii)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loans & advances are repayable on demand & without specifying any terms or period of repayment. Hence there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has given further loans (as mentioned above) to existing parties which are repayable on demand & without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. The Company has granted additional loans in nature of unsecured to companies where one of the director is interested. The provisions of Section 185 of the Companies Act, 2013 are complied with.

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

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

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues pending on account of disputed dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any loans or borrowings from lender which are repayable as per repayment schedule. Accordingly, clause 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis which have been used for the long term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made preferential allotment of Equity Shares to Health care energy foods private limited (Holding company) & proceeds were utilised for the purpose for which it was raised.
- (xi)(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, the Company is not mandatory required to have a vigil mechanism in the Company. Accordingly, clause 3(xi)(c) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company is not compulsory required to have an internal audit system as per the provisions of the Companies Act, 2013. Accordingly, clause 3(xiv)(a) & (b) of the Order is not applicable.

- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has incurred cash losses of INR 348.88 Lacs in the current and INR 291.57 Lacs in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year & we have taken into considerations the issues, objections or concerns raised by the outgoing auditor.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we believe that material uncertainty exists as on the date of the audit report. However as a result of business strategies & operating plans of the Company, management believes that it will be able to pay its obligations as they fall due & continue as a going concern. 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) In our opinion and according to the information and explanations given to us, CSR provisions are not applicable to the company & hence there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx) (a) and 3(xx) (b) of the Order are not applicable.

For Aditya Agarwal & Associates
Chartered Accountants
FRN: 004568C

Place: New Delhi
Date: 27th May, 2023
UDIN:23438412BGSDMH2758

Micky Bhatia
(Partner)
Membership No. 438412

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

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

(Referred to in paragraph 2(A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

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

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Aditya Agarwal & Associates
Chartered Accountants
FRN: 004568C

Place: New Delhi
Date: 27th May, 2023
UDIN: 23438412BGSDMH2758

Micky Bhatia
(Partner)
Membership No. 438412

BUTTERFLY AYURVEDA PRIVATE LIMITED

CIN : U74999DL2014PTC273557

REGISTERED OFFICE : FLAT No 1, GURU NANAK COLONY HEMKUNT COLONY,
GREATER KAILASH I, NEW DELHI-110048

BALANCE SHEET AS AT 31-03-2023

(Amounts In Lacs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
A Assets				
1 Non-current assets				
a) Property, plant and equipment	1	993.79	995.11	997.53
b) Capital work-in-progress	1	2,579.21	2,566.16	2,178.64
c) Intangible assets	1	61.48	61.12	61.13
d) Financial assets				
i) Investments	2	-	2.00	2.00
ii) Loans	-	-	-	-
iii) Other financial assets	-	-	-	-
e) Deferred tax assets (net)	3	0.61	0.70	0.69
f) Other non-current assets	4	1.92	1.66	2.06
Total non-current assets		3,637.01	3,626.74	3242.05
2 Current assets				
a) Inventories	5	32.66	63.51	71.27
b) Financial assets				
i) Trade receivables	6	41.99	140.20	160.73
ii) Cash and cash equivalents	7	32.28	8.79	10.08
iii) Bank balances other than cash and cash equivalents above	-	-	-	-
iv) Loans	8	50.08	40.87	35.25
v) Other financial assets	-	-	-	-
c) Other current assets	9	155.98	223.86	215.69
Total Current assets		312.99	477.24	493.02
Total Assets		3,950.01	4,103.98	3,735.07
B EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	10	4,800.00	1.00	1.00
b) Other equity	11	-1,906.52	-1,556.50	-1,262.51
Total equity		2,893.48	-1,555.50	-1,261.51
Liabilities				
1 Non-current liabilities				
a) Financial liabilities				
i) Borrowings	12	-	5,049.61	4,429.43
ii) Other financial liabilities	-	-	-	-
b) Provisions	13	2.44	-	-
c) Deferred tax liabilities (net)	-	-	-	-
d) Other non-current liabilities	-	-	-	-
Total non-current liabilities		2.44	5,049.61	4,429.43
2 Current liabilities				
a) Financial liabilities				
i) Borrowings	14	1,015.09	435.07	412.07
ii) Trade payables	15	24.58	126.87	121.06
iii) Other financial liabilities	-	-	-	-
b) Other current liabilities	16	13.97	47.41	33.50
c) Provisions	17	0.45	0.52	0.52
Total current liabilities		1,054.09	609.87	567.15
Total liabilities		1,056.53	5,659.48	4,996.58
Total equity and liabilities		3,950.01	4,103.98	3,735.07

Significant accounting Policies

The accompanying Notes & SAP form an integral part of the Financial Statements (1-36)

As per our attached report of even date

For Aditya Agarwal & Associates

Chartered Accountants

For BUTTERFLY AYURVEDA PRIVATE LIMITED

(CA Micky Bhatia)

Partner

Membership No. 438412

Firm Registration No. 004568C

UDIN : 23438412BGSDMH2758

Place : New Delhi

Date: 27-05-2023

(Suresh Kumar)

Director

DIN : 03043918

(Supriya)

Company Secretary

M. No.: A57314

(Akshi Khandelwal)

Director

DIN : 00338977

BUTTERFLY AYURVEDA PRIVATE LIMITED

CIN : U74999DL2014PTC273557

REGISTERED OFFICE : FLAT No 1, GURU NANAK COLONY HEMKUNT COLONY, GREATER KAILASH I, NEW DELHI-110048

Statement of Profit and Loss for the year ended March 31, 2023

(Amounts In Lacs)

Particulars	Note	Figures for the Current reporting period ended on 31- 03-2023	Figures for the Current reporting period ended on 31-03-2022
INCOME			
Revenue from operations	18	53.80	53.61
Other income	19	3.38	2.01
Total Income		57.19	55.62
EXPENSES			
Cost of material consumed	-	8.65	17.65
Purchases of Stock in Trade	-	-	-
Change in inventories of			
* Finished Goods,	5	30.85	7.76
** Work in Progress,			
*** Stock in Trade,			
Employee benefits expenses	20	67.14	59.21
Finance costs	21	54.46	146.42
Depreciation and amortisation expenses	1	1.32	2.43
Other expenses	22	244.98	115.19
Total expenses		407.39	348.66
Profit before exceptional items and tax		(350.20)	(293.04)
Exceptional items		-	0.96
Profit before tax		(350.20)	(294.00)
Tax expenses			
Current tax		-	-
Deferred tax		0.02	-0.01
Tax of Earlier Year		-	-
Tax expenses		0.02	-0.01
Profit for the year from Continuing Operations		(350.22)	(293.99)
Other Comprehensive Income			
a) Items that will not be reclassified to profit and loss			
i) Fair value of equity instruments through other Comprehensive Income (FVOCI)		-	-
ii) Remeasurment gain I (loss) on defined benefit plans		0.28	-
iii) Income tax related to item no (ii) above		0.07	-
b) Items that will be reclassified to profit and loss			
i) Effective portion of gain I (loss) on cash flow hedges		-	-
ii) Income tax related to item no (i) above		-	-
Other Comprehensive Income, net of tax		0.21	-
Total Comprehensive Income for the year		(350.01)	(293.99)
Earnings per Equity share	23	(0.80)	(2,939.90)
Basic and diluted earning Rs. Per equity share of Rs. 10 each	23	(0.80)	(2,939.90)

The accompanying Notes & SAP form an integral part of the Financial Statements (1-36)

As per our attached report of even date

For Aditya Agarwal & Associates

Chartered Accountants

For BUTTERFLY AYURVEDA PRIVATE LIMITED

(CA Micky Bhatia)
Partner
Membership No. 438412
Firm Registration No. 004568C
UDIN : 23438412BGSDMH2758

(Suresh Kumar)
Director
DIN : 03043918

(Akshi Khandelwal)
Director
DIN : 00338977

Place : New Delhi
Date: 27-05-2023

(Supriya)
Company Secretary
M. No.: A57314

BUTTERFLY AYURVEDA PRIVATE LIMITED				
CIN : U74999DL2014PTC273557				
E-mail ID- hcefp12015@gmail.com : Tel. : +91-11-40525757				
Cash Flow Statement for the year ended 31-03-2023				
		Amt in Lacs		
Particulars		F.Y. 2022-2023	F.Y. 2021-2022	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit before tax as per Statement of Profit & Loss		-350.20	-294.00	
Adjustments for Non-Cash Items / Non-Operating Items:				
Add: Depreciation/Assets Writtenoff		1.32	2.43	
Add: Finance Cost		54.28	145.95	
Add: Gratuity		2.72	-	
Less: Interest Income		-3.34	-2.01	
Net Profit From Operating Activities Before Working Capital Changes		-295.23	-147.63	
Changes in current assets and liabilities:				
Change in Current Assets				
Inventories		30.85	7.76	
Trade Receivable		98.21	20.53	
Short Term Loans And Advances		-9.21	-5.62	
Other Current Assets		67.88	-8.17	
Total Change in Current Assets		187.72	14.50	
Change in Current Liabilities				
Short Term Borrowing		580.02	23.00	
Trade Payable		-102.29	5.81	
Other Current Liabilities		-33.44	13.91	
Provisions		-0.07	-	
Total Change in Current Liabilities		444.22	42.72	
Net Cash Generated From Operating Activities Before Income Tax		336.71	-90.41	
Less: Income Tax Paid/ TDS (including Income Tax Demand)		-	-	
Net Cash Generated/(used) From Operating Activities		336.71	-90.41	
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase)/decrease in Investment		2.00	-	
(Increase)/decrease in Other Non Current Assets		-0.26	0.40	
Purchase of Fixed Assets		-13.41	-387.52	
Interest Income		3.34	2.01	
Net Cash Generated/(Used) In Investing Activities		-8.34	-385.10	
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Equity Share Capital		4,799.00	-	
(Increase)/decrease in Long term Borrowings		-5,049.61	620.18	
Interest Paid		-54.28	-145.95	
Net Cash Generated/(Used) In Financing Activities		-304.88	474.23	
Net Increase / (Decrease) In Cash And Cash Equivalents		23.49	-1.28	
Cash And Cash Equivalents At The Beginning Of The Year		8.79	10.08	
Cash And Cash Equivalents At The End Of The Year		32.28	8.79	
Reconciliation of liabilities arising from financing activities				
Particulars	Short term borrowings	Long term borrowings	Total	
As at April 01, 2022	435.07	5,049.61	5,484.68	
Cash flows				
Receipt of loan	-	-	-	
Repayment of loan	-	4,556.00	4,556.00	
Non cash changes				
Interest on liability component of compound financial instruments	-	48.85	48.85	
Conversion of Director's Credit	-	37.56	37.56	
	435.07	580.02	1,015.09	
Reconciliation of liabilities arising from financing activities				
Particulars	As at 01 April 2022	Cash flows	Non cash changes	As at 31 March 2023
Short term borrowings	435.07	-	37.6	472.63
Long term borrowings	5,049.61	(4,556.00)	48.85	542.46
1. The Above Cash Flow Statement has been prepared under the "Indirect Method" and provide reconciliation of financing activity.				
2. Figures in bracket indicate cash outgo, except for adjustments for operating activities.				
The accompanying Notes & SAP form an integral part of the Financial Statements (1-36)				
As per our attached report of even date				
For Aditya Agarwal & Associates		For BUTTERFLY AYURVEDA PRIVATE LIMITED		
Chartered Accountants				
(CA Micky Bhatia)		(Suresh Kumar)	(Akshi Khandelwal)	
Partner		Director	Director	
Membership No. 438412		DIN : 03043918	DIN : 00338977	
Firm Registration No. 004568C				
UDIN : 23438412BGSDMH2758		(Supriya)	Company Secretary	
Place : New Delhi		M. No.: A57314		
Date : 27-05-2023				

NOTES OF BALANCE SHEET		Amounts In Lacs			
PARTICULARS	As on 31-03-2023	As on 31-03-2022	As on 01-04-2021		
NOTE-1 : FIXED ASSETS					
a) Property, plant and equipment	993.79	995.11	997.53		
b) Capital WIP	2,579.22	2,566.16	2,178.64		
c) Intangible Assets	61.48	61.12	61.13		
TOTAL	3,634.49	3,622.39	3,237.30		
NOTE-2 : INVESTMENT					
Investments in Equity Instruments of Subsidiary company (Unquoted & fully paidup) measured at cost:					
(a) Butterfly Ayurveda India Global Private Limited (formerly known as BA Bakery Private Limited) Nil (P.Y. 10,000 no. of Shares par value at Rs. 10/- each)	-	1.00	1.00		
(b) Butterfly Ayurveda Bakery Pvt Ltd. Nil (P.Y. 10,000 no. of Shares par value at Rs. 10/- each)	-	1.00	2.00	1.00	
TOTAL	-	2.00	2.00		
*Investment in equity shares of Subsidiary companies (Unquoted & fully paidup) is carried at Cost less impairment in the value of Investment, if any.					
NOTE - 3 : DEFERRED TAX ASSETS					
Deferred Tax Assets (Net of Liability)	0.61	0.70	0.69		
TOTAL	0.61	0.70	0.69		
NOTE - 4 : OTHER NON-CURRENT ASSETS					
a) Fdr Haridwar Vat Registration#	0.79	0.64	0.64		
b) Fdr Mumbai Vat Registration#	0.69	0.57	0.57		
c) Security Deposits*	0.45	0.45	0.85		
TOTAL	1.92	1.66	2.06		
#FDR is deposited with bank & lien mark as security with respective government authorities under protest.					
*Security deposit are Interest free & are repayable on demand.					
*The transaction price of Security deposit is itself represent as a fair value.					
NOTE - 5 : INVENTORIES					
FINISHED GOODS					
a) Inventory at the Beginning of the year	63.51	71.27	20.62		
b) Inventory at the End of the year	32.66	63.51	71.27		
Change in Inventory	30.85	7.76	-50.65		
NOTE - 6 : TRADE RECEIVABLE					
Receivables (Unsecured & considered good)	98.72	140.20	160.73		
(-) Allowance for doubtful trade receivables	-56.73	-	-		
TOTAL	41.99	140.20	160.73		
Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any Loss allowance/provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the company's exposure to bad debts is not considered to be material.					
The company has no significant concentrations of credit risk. The company does not have any credit risk outside India.					
The ageing of trade receivable is as follows:					
Ageing Schedule	0-12 Month	>12-24 Month	>24-36 Month	above 36 month	Grand Total
As At 31-03-2023					
Gross Trade Receivables	12.03	2.40	38.55	45.73	98.72
(-) Loss Allowance	1.77	2.40	6.82	45.73	56.73
Net Trade Receivables	10.26	-	31.73	-	41.99
As At 31-03-2022					
Gross Trade Receivables	33.28	72.82	31.27	2.83	140.20
(-) Loss Allowance	-	-	-	-	-
Net Trade Receivables	33.28	72.82	31.27	2.83	140.20

NOTE - 7 : CASH AND CASH EQUIVALENTS					
a) Balance with banks					
i) Balance with schedule banks	28.05	3.43	4.50		
b) Cash in Hand					
	4.24	5.36	5.58		
TOTAL	32.28	8.79	10.08		
NOTE - 8 : LOANS					
Loans & Advances to related parties					
a) Butterfly Ayurveda Bakery Pvt Ltd*	49.90	40.87	35.00		
b) Ba Bakery Pvt Ltd*	0.18	0.01	0.25		
	50.08	40.87	35.25		
*Details of loans and advances given and investment made as required to be disclosed as per provisions of section 186(4) of the Companies Act, 2013 have been disclosed under the respective heads.					
*All the above Loans & advances have been given for business purpose & are repayable on demand.					
*Above Loans & advances are unsecured & considered good.					
NOTE - 9 : OTHER CURRENT ASSETS					
a) Prepaid Expenses	0.01	0.02	-		
b) GST Receivable	154.69	147.29	126.69		
c) TDS Receivable	1.30	0.47	0.17		
d) Advance to Suppliers	-	75.88	88.83		
e) Advance to Employee	-	0.20	-		
TOTAL	155.99	223.86	215.69		
NOTE - 12 : LONG-TERM BORROWINGS					
Secured Loan					
World Wide Holdings Limited*	-	5,049.61	4,429.43		
TOTAL	-	5,049.61	4,429.43		
*The above borrowing is taken for business purposes & are repayable on demand.					
NOTE - 13 : LONG TERM PROVISIONS					
Provision for Gratuity	2.44	-	-		
TOTAL	2.44	-	-		
NOTE - 14 : SHORT-TERM BORROWINGS					
Unsecured Loan					
a) Loan from Director	331.36	158.79	135.79		
b) Loan from Relatives of KMP	276.28	276.28	276.28		
Unsecured Loan					
a) Loan from Others	407.46	-	-		
World Wide Holdings Limited					
TOTAL	1,015.09	435.07	412.07		
*The above borrowing from director, relatives of directors & others is taken for business purposes & are repayable on demand.					
*Loan from director & its relatives are interest free.					
*The Company has satisfied all the covenants prescribed in terms of borrowings.					
NOTE - 15 : TRADE PAYABLE					
a) Payable to Micro, Small and Medium Enterprises	-	-	-		
b) Payable to others	24.58	50.99	121.06		
TOTAL	24.58	50.99	121.06		
*There are no amounts outstanding to Micro, Small and Medium Enterprises as at March 31, 2023 and no amount were over due during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.					
Ageing Schedule	0-12 Month	13-24 Month	>24-36 Month	above 36	Grand Total
As At 31-03-2023					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues MSME	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-
Total	-	-	-	-	-
As At 31-03-2022					
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues MSME	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-
Total	-	-	-	-	-
NOTE - 16 : OTHER CURRENT LIABILITIES					
a) Employees Payable	7.30	11.17	19.61		
b) Expenses Payable	0.89	1.93	0.84		
c) Advance From Customer	-	1.57	1.25		
d) TDS Payables	5.79	32.75	11.80		
TOTAL	13.97	47.41	33.50		
NOTE-17 : SHORT TERM PROVISIONS					
Audit Fees Payable	0.45	0.52	0.52		
TOTAL	0.45	0.52	0.52		

NOTES OF STATEMENT OF PROFIT & LOSS

PARTICULARS	As on 31-03-2023	As on 31-03-2022
NOTE - 18 : REVENUE FROM OPERATION		
a) Sales from Operations	43.96	50.89
b) Other Direct Income	9.84	2.72
TOTAL	53.80	53.61
NOTE - 19 : OTHER INCOME		
a) Interest Earned	3.34	2.01
b) Interest on Income tax refund	0.02	-
c) Miscellaneous Income	0.02	-
TOTAL	3.38	2.01
NOTE - 20: EMPLOYEE BENEFIT EXPENSES		
Employee Benefits	67.14	59.21
TOTAL	67.14	59.21
<i>*Employee benefits includes Salaries & Wages, Contribution to Provident & other funds and Staff welfare expense</i>		
NOTE - 21 : FINANCE COSTS		
a) Interest Expenses	54.28	145.95
b) Bank Charges	0.18	0.47
TOTAL	54.46	146.42
NOTE - 22 : ADMINISTRATION & SELLING EXPENSES		
a) Payment to Auditor as	0.50	0.40
i) Statutory Audit fees	0.50	0.40
ii) For Certification Charges	-	-
b) Business Development Expenses	35.42	32.72
c) Fees & Taxes	26.41	0.62
d) Courier Expenses	1.48	4.66
e) Legal and Professional Charges	40.20	39.32
f) Miscellaneous Expenses	0.03	0.01
g) Sundry Balance w/off	59.11	4.48
h) Printing & Stationery	0.54	1.24
i) Repair & Maintenance Expenses	1.04	0.82
j) Commission Expenses	2.24	0.46
k) Electricity Expenses	6.32	-
l) Telephone Expenses	1.04	1.14
m) Travelling & Conveyance Expenses	0.85	1.10
n) Security Expenses	6.56	-
o) Other Expenses	6.51	8.96
p) Allowance on Trade Receivables	56.73	-
q) Preliminary Expenses w/off	-	19.26
TOTAL (B)	244.98	115.19
NOTE - 23 : Earning Per Share (Amount in Rs.)		
a) Net Profit After Tax as per Statement of Profit & Loss attributable to equity shareholder	(350.01)	(293.99)
b) Weighted Average number of equity shares (Nos)	4,39,89,562	10,000
c) Basic & Diluted Earning Per Share	(0.80)	(2,939.90)
d) Face Value of Shares	10.00	10.00

BUTTERFLY AYURVEDA PRIVATE LIMITED

CIN : U74999DL2014PTC273557

E-mail ID- hcefp12015@gmail.com : Tel. : +91-11-40525757

Statement of changes in equity for the year ended March 31, 2023**Note - 7 : Equity Share Capital**

Particulars	Amount in Lacs
As at March 31,2022	1.00
Change in equity share capital during the year	4,799.00
As at March 31,2023	4,800.00

Note - 11 : Other Equity

Particulars	Reserve and surplus		Revaluation Surplus	Other reserves	Total other equity
	Securities premium reserve	Retained earnings		FVOCI equity Instruments	
As at Apr 01, 2021	-	-2,003.23	740.72	-	-1,262.51
Profit for the year	-	-293.99		-	-293.99
Other Comprehensive Income	-	-		-	-
Total Comprehensive Income for the year		-293.99		-	-293.99
Transfer to retained earnings on disposal of FVOCI Equity Instrument	-	-		-	-
As at March 31, 2022	-	-2,297.22	740.72	-	-1,556.50
Profit for the Period	-	-350.22		-	-350.22
Other Comprehensive Income	-	-		0.21	0.21
Total Comprehensive Income for the year		-350.22		0.21	-350.01
Transfer to retained earnings on disposal	-	-		-	-
As at March 31, 2023	-	-2,647.44	740.72	0.21	-1,906.51

The accompanying Notes & SAP form an integral part of the Financial Statement

As per our attached report of even date

For Aditya Agarwal & Associates

Chartered Accountants

For BUTTERFLY AYURVEDA PRIVATE LIMITED

(CA Micky Bhatia)

Partner

Membership No. 438412

Firm Registration No. 004568C

(Suresh Kumar)

Director

DIN : 03043918

(Akshi Khandelwal)

Director

DIN : 00338977

(Supriya)

Company Secretary

M. No.: A57314

Place : New Delhi

Date : 27-05-2023

BUTTERFLY AYURVEDA PRIVATE LIMITED**CIN : U74999DL2014PTC273557****REGISTERED OFFICE : FLAT No 1, GURU NANAK COLONY HEMKUNT COLONY,
GREATER KAILASH I, NEW DELHI-110048****NOTE - 10: SHARE CAPITAL****(A) Authorised, Issued, Subscribed and paid up share capital****Amt in Lacs**

PARTICULARS	AS AT 31-03-2023	AS AT 31-03-2022
<u>AUTHORISED SHARE CAPITAL</u> 4,80,00,000 EQUITY SHARES OF Rs. 10/- EACH (Previous Year 10,000 Equity Shares of Rs. 10/- each)	4,800.00	1.00
<u>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</u> 4,80,00,000 EQUITY SHARES OF Rs. 10/- EACH (Previous Year 10,000 Equity Shares of Rs. 10/- each)	4,800.00	1.00
	4,800.00	1.00

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	31st March 2023		31st March 2022		AS AT 01.
	No. of Shares	Amounts in Lacs	No. of Shares	Amounts in Lacs	No. of Shares
At the beginning of the period	10,000	1.00	10,000	1.00	10,000
Add: Issued during the period	4,79,90,000	4,799.00	-	-	-
Less: bought back during the period	-	-	-	-	-
At the end of the period	4,80,00,000	4,800.00	10,000	1.00	10,000

(C) Detail of Share Holders holding more than 5% shares in the Company

Name of Shareholder	31st March 2023		31st March 2022		AS AT 01.
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares
Naveen Khandelwal	--	--	6,000	60.00%	6,000
Akshi Khandelwal	--	--	4,000	40.00%	4,000
Healthcare Energy Foods Private Limited	4,80,00,000	100.00%	--	--	--

(D) Shares held by Holding Company ,Ultimate Holding Company and or their subsidiary and associates

Name of Holding Company	31st March 2023		31st March 2022		AS AT 01.
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares
Healthcare Energy Foods Private Limited	4,80,00,000	100.00%	--	--	--

(E) During the period of five years immediately preceeding the reporting date

PARTICULARS	AS AT 31-03-2023	AS AT 31-03-2022	AS AT 31-03-2021	AS AT 31-03-2020
Share allotted as fully paid up without payment being received in cash	NIL	NIL	NIL	NIL
Share allotted as fully paid up by way of bonus shares	NIL	NIL	NIL	NIL
Shares forfeited	NIL	NIL	NIL	NIL

Note - 24: AS PER IND-As 24 "RELATED PARTIES DISCLOSURES"**(i) List Of Related Parties where control exists & relationships:****A Entities that control or are controlled by or under common control with the reporting entity:-**

Name of the Related Party	Relationship
Sai Capital Limited	Ultimate Parent Company
Healthcare Energy foods Private Limited	Parent Company
Unisphere Industries Private Limited	Fellow Subsidiary

B Associates & Joint Venture

Nil

C Individuals owning directly or indirectly, 20% or more voting

Nil

D Key Management personnel (KMP) & relatives of such KMP:

Ms. Akshi Khandelwal	Key Management Personnel
Mr. Suresh Kumar	Key Management Personnel
Ms. Supriya Shishodia	Key Management Personnel
Mr. Naveen Khandelwal	Relatives of Key Management Personnel
Mrs. Sangeeta Khandelwal	Relatives of Key Management Personnel

E Enterprise over which KMP are able to exercise Significant influence

Butterfly Ayurveda Bakery Private Limited	Ms. Akshi Khandelwal is Director/ Member (Holding 74% Shareholding), Mr. Suresh Kumar is Director
Butterfly Ayurveda India Global Private Limited (formerly known as BA Bakery Private Limited)	Ms. Akshi Khandelwal is Director/ Member (Holding 74% Shareholding), Mr. Suresh Kumar is Director
Breakpoint Foods Private Limited	Ms. Akshi Khandelwal is Director/ Member (Holding 98% Shareholding), Mr. Suresh Kumar is Director
World Wide Holdings Limited	Ms. Akshi Khandelwal is significant shareholder holding 25.93% Equity Shares
Peerage Industries Private Limited	Mr. Suresh Kumar is the Director/ Member holding 50% Shares of the Company

F A Firm, in which a director, manager or his relative is a partner

M/s Naveen Brothers	Mr. Naveen Khandelwal and Mr. Akshat Khandelwal (Relative of Director) are partners.
M/s Naveen Enterprises	Mr. Naveen Khandelwal (Relative of Director) is Partner
M/s India Iron Supply Co.	Mr. Naveen Khandelwal (Relative of Director) is Partner

(ii) Transactions during the year with related parties :

Sr. no.	Name of the Related Party	Outstanding Balances Dr/(Cr) as at 31-03-2023	Transaction amount	Nature of Transactions i.e. contractual arrangement
During the Period FY 2022-23				
	Ms. Akshi Khandelwal	-3,31,35,613.00	1,35,00,000.00	Net Loans & Advances given/(returned)
	Ms. Supriya Shishodia	-44,800.00	2,47,123.00	Remuneration paid to KMP
	Mr. Naveen Khandelwal	-2,30,27,713.00	-	--
	Mrs. Sangeeta Khandelwal	-46,00,000.00	-	--
	Butterfly Ayurveda Bakery Private Limited	49,90,184.26	3,07,755.00	Interest received on Loan
	Butterfly Ayurveda Bakery Private Limited		6,26,566.00	Net Loans & Advances given/(returned)
	Butterfly Ayurveda Bakery Private Limited	-	1,00,000.00	Sale of Investments to KMP & Close family members
	Butterfly Ayurveda India Global Private Limited (formerly known as BA Bakery Private Limited)	-	1,00,000.00	Sale of Investments to KMP & Close family members
	Butterfly Ayurveda India Global Private Limited (formerly known as BA Bakery Private Limited)	17,870.00	17,260.00	Net Loans & Advances given/(returned)
	World wide Holdings Ltd	-4,07,45,699.00	-46,90,99,997.00	Net Loans & Advances given/(returned)
			54,27,572.00	Interest Paid on Loan
During the Period FY 2021-22				
	Ms. Akshi Khandelwal	-1,58,79,326.00	23,00,000.00	Net Loans & Advances given/(returned)
	Mr. Naveen Khandelwal	-2,30,27,713.00	-	--
	Mrs. Sangeeta Khandelwal	-46,00,000.00	-	--
	Butterfly Ayurveda Bakery Private Limited		12,30,724.54	Net Loans & Advances given/(returned)
	Butterfly Ayurveda Bakery Private Limited	40,86,639.26	2,01,287.00	Interest received on Loan
	Butterfly Ayurveda Bakery Private Limited		-8,24,785.00	Sales of Goods
	World wide Holdings Ltd	-50,49,60,881.00	3,28,30,000.00	Net Loans & Advances given/(returned)
			3,24,30,587.00	Interest Paid on Loan

* All transactions with related parties are made on terms equivalent to those that prevail in an arm's length transactions and within the ordinary course of business.

Note - 25: Compensation of Key management personnel

The remuneration of director and other member of key management personnel during the year was as follows:

	Particulars	2022-23	2021-22
(i)	Short-term benefits	2,47,123.00	Nil
(ii)	Post employment benefits	Nil	Nil
(iii)	Other long term benefits	Nil	Nil
(iv)	Share based payments	Nil	Nil
(v)	Termination benefits	Nil	Nil

* All transactions with related parties are made on terms equivalent to those that prevail in an arm's length transactions and within the ordinary course of business.

NOTE - 26: Additional Regulatory Information :

The Company do not have any pending charges or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

The Company have not traded or invested in crypto currency or virtual currency during the financial year.

The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

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

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

The company has not granted any loans or advances in the nature of loans, for the business purposes to promoters, directors, KMPs, and the related parties(as defined under Companies Act, 2013), either severally or jointly with any other person except those disclosed in note no 24 "Related parties", that are:

a) repayable on demand; or

b) granted without specifying any terms or period of repayment

The Company has not declared a wilful defaulter by any banks or any other financial institution at any time during the financial year.

All the immovable properties are held in the name of the company.

The Company has not revalued its Property, Plant and Equipment except value of Land. Land is revalued in respect to compliance with first time adoption of IND-As.

The company does not have any subsidiary company.

The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956

The company does not have any working capital limit in excess of 5 crore rupees , in aggregate , from bank or financial institutions on the basis of security of current asset.

NOTE - 27

In the opinion of the Board, current assets and loans and advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated in the balance sheet.

NOTE - 28

Details of loans and advances given and investment made as required to be disclosed as per provisions of section 186(4) of the Companies Act, 2013 have been disclosed under the respective heads. The company has not given any guarantee or provided any security in respect of loan taken by others.

NOTE - 29

Previous years' figures have been regrouped, reclassified and rearranged wherever considered necessary.

NOTE - 30

There is no event which occurred after the reporting period.

Note - 31: First Time IND As Adoption Reconciliations: -						
A) Effect of IND-As adoption on the standal balance sheetas at 31-03-2022 & 01-04-2021						
Particulars	As at March 31, 2022			As at April 01, 2021		
	Previous GAAP	Effect of transition to Ind-As	As Per IND-As	Previous GAAP	Effect of transition to Ind-As	As Per IND-As
A Assets						
I Non-current assets						
a) Property, plant and equipment	254.38	740.72	995.10	256.81	740.72	997.53
b) Capital work-in-progress	2,566.16	-	2,566.16	2,178.64	-	2,178.64
c) Intangible assets	61.12	-	61.12	61.13	-	61.13
d) Financial assets						
i) Investments	2.00	-	2.00	2.00	-	2.00
ii) Loans	-	-	-	-	-	-
iii) Other financial assets	-	-	-	-	-	-
e) Deferred tax assets (net)	0.70	-	0.70	0.69	-	0.69
f) Other non-current assets	1.66	-	1.66	2.06	-	2.06
Total non-current assets	2,886.02	740.72	3,626.74	2,501.33	740.72	3,242.05
II Current assets						
a) Inventories	63.51	-	63.51	71.27	-	71.27
b) Financial assets						
i) Trade receivables	140.20	-	140.20	160.73	-	160.73
ii) Cash and cash equivalents	8.79	-	8.79	10.09	-	10.09
iii) Bank balances other than cash and cash equivalents above	-	-	-	-	-	-
iv) Loans	40.87	-	40.87	23.69	-	23.69
v) Other financial assets	0.01	-	0.01	-	-	-
c) Other current assets	245.23	-21.57	223.66	229.57	-2.31	227.26
Total Current assets	498.61	-21.57	477.04	495.35	-2.31	493.04
Total Assets	3,384.63	719.15	4,103.78	2,996.67	738.41	3,735.08
B EQUITY AND LIABILITIES						
I Equity						
a) Equity share capital	1.00	-	1.00	1.00	-	1.00
b) Other equity	-2,275.65	-21.57	-2,297.22	-2,000.92	-2.31	-2,003.23
Total equity	-2,274.65	-21.57	-2,296.22	-1,999.92	-2.31	-2,002.23
II Liabilities						
II (i) Non-current liabilities						
a) Financial liabilities						
i) Borrowings	-	-	-	-	-	-
ii) Other financial liabilities	-	-	-	-	-	-
b) Provisions	-	-	-	-	-	-
c) Deferred tax liabilities (net)	-	-	-	-	-	-
d) Other non-current liabilities	-	-	-	-	-	-
Total non-current liabilities {II (i)}	-	-	-	-	-	-
II (ii) Current liabilities						
a) Financial liabilities						
i) Borrowings	5,484.68	-	5,484.68	4,841.50	-	4,841.50
ii) Trade payables	126.86	-	126.86	121.06	-	121.06
iii) Other financial liabilities	-	-	-	-	-	-
b) Other current liabilities	47.22	-	47.22	33.51	-	33.51
c) Provisions	0.52	-	0.52	0.52	-	0.52
d) Current tax liabilities (net)	-	-	-	-	-	-
Total current liabilities {II (ii)}	5,659.28	-	5,659.28	4,996.59	-	4,996.59
Total liabilities {II (i) + II (ii)}	5,659.28	-	5,659.28	4,996.59	-	4,996.59
Total equity and liabilities {I + II}	3,384.63	-21.57	3,363.06	2,996.67	-2.31	2,994.36

B) Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP

Sr. No.	Nature of Adjustments	Notes	Amt in Lacs		
			Net Profit	Other Equity	
			Year ended 31st March, 2022	As at 31st March, 2022	As at 1st April, 2021
	Net Profit / Other Equity* as per Previous Indian GAAP		-274.73	-2275.65	-2000.92
1	Fair valuation as deemed cost for Property, Plant and Equipment	I	-	740.72	740.72
2	Others	II	-19.26	-21.57	-2.31
	Total		-19.26	719.15	738.41
	Net profit before OCI / Other Equity as per Ind AS		-293.99	-1,556.50	-1,262.51

NOTES:

Fair valuation as deemed cost for Property, Plant and Equipment:

- I The Company have considered fair value for property, viz land admeasuring over 1,800 sqmts, situated in India, with **impact of INR 740.72 Lacs** in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.

Others:

Other adjustments primarily comprise of :

- II a) Written-off Deferred revenue expenditure i.e. Pre-operative expenses INR 2.31 Lacs & Preliminary expenses INR 21.57 Lacs in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves at the time of transition & thereafter they are recognised in Statement of Profit and Loss or Other Comprehensive Income, as the case may be.

C) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2022

Amt in Lacs

Particulars	As at March 31, 2022		
	Previous GAAP	Effect of transition to Ind-As	As Per IND-As
INCOME			
Revenue from operations	50.89	-	50.89
Other income	4.73	-	4.73
Total Income	55.62	-	55.62
EXPENSES			
Cost of material consumed	17.65	-	17.65
Change in inventories of			
* Finished Goods,			
** Work in Progress,	7.76	-	7.76
*** Stock in Trade,			
Employee benefits expenses	59.21	-	59.21
Finance costs	146.42	-	146.42
Depreciation and amortisation expenses	2.43	-	2.43
Other expenses	95.93	19.26	115.19
Total expenses	329.40	19.26	348.66
Profit before expectional items and tax	(273.78)	(19.26)	(293.04)
Exeptional items	0.96	-	0.96
Profit before tax	(274.74)	(19.26)	(294.00)
Tax expenses			
Current tax	-	-	-
Deferred tax	-0.01	-	-
Tax of Earlier Year	-	-	-
Tax expenses	-0.01	-	-
Profit for the year	(274.73)	(19.26)	(294.00)

Note - 32 : Disclosure Of Financial Ratios

Sr. No	Particulars	March 31, 2023	March 31, 2022	Numerator	Denominator
(i)	Current Ratio	0.30	0.78	Current Asset	Current Liabilities
(ii)	Debt Equity Ratio	-	-3.25	Total Debt	Shareholder's Equity
(iii)	Debt Service Coverage Ratio	-5.36	-0.03	Earnings for debt service = Net profit after taxes + Non-cash operating expenses+ finance cost	Debt service = Interest & Principal Repayments
(iv)	Return on Equity Ratio	-0.12	0.19	Net Profits after taxes	Shareholder's Equity
(v)	Inventory Turnover Ratio	0.73	0.47	Cost of Goods Sold	Inventory
(vi)	Trade Receivables Turnover Ratio	1.28	0.38	Net credit sales = Gross credit sales - sales return	Trade Receivable
(vii)	Trade Payables Turnover Ratio	0.35	0.14	Net credit Purch = Gross Purch - Purch return	Trade Payable
(viii)	Net Capital Turnover Ratio	-0.07	-0.40	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities
(ix)	Net Profit Ratio	-6.51	-5.48	Net Profit after taxes	Net sales = Total sales - sales return
(x)	Return on Capital Employed	-0.10	-0.04	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt
(xi)	Return on Investments	0.07	0.05	Finance Income	Investment
Note 1(a) : During the year company has invested in non-current assets from cash and cash equivalents and other Bank balance and increase in provision and tax liability.					
Note 1(b) : Due to increase in interest income and Supplementary invoice of wheat rate difference which was related to previous financial year and decrease in other expenses as compare to preceeding financial year.					
Note 1(c) : Due to increase in interest income and Supplementary invoice of wheat rate difference which was related to previous financial year and decrease in other expenses as compare to preceeding financial year.					

BUTTERFLY AYURVEDA PRIVATE LIMITED

Annexure to Note - 1 : PROPERTY, PLANT & EQUIPMENTS
(WDV Method)

Amt in Lacs

NAME OF THE ASSET	RATE OF DEP	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		OPENING BALANCE	ADDITIONS	SALE/TFR	CLOSING BALANCE	As At	For the Year	Deductions	Up to	AS AT	AS AT
		01-04-2022			31-03-2023	01-04-2022			31-03-2023	31.03.2023	31.03.2022
I) TANGIBLE ASSETS											
Factory Land (Freehold)	-	990.00	-	-	990.00	-	-	-	-	990.00	990.00
Laptop & Computer	63.16%	11.41	-	-	11.41	10.35	0.46	-	10.81	0.59	1.06
Printer	63.16%	1.08	-	-	1.08	0.99	0.04	-	1.03	0.05	0.08
Refrigerator	31.23%	0.24	-	-	0.24	0.23	-	-	0.23	0.01	0.01
Lab Equipment	31.23%	3.17	-	-	3.17	2.89	0.07	-	2.96	0.21	0.28
Almirah	25.89%	1.72	-	-	1.72	0.60	0.29	-	0.89	0.82	1.11
Machinery	18.10%	5.37	-	-	5.37	2.81	0.46	-	3.28	2.10	2.56
Tally Software	63.16%	0.21	-	-	0.21	0.21	-0.00	-	0.21	(0.00)	-0.00
TOTAL		1,013.20	-	-	1,013.20	18.10	1.32	-	19.42	993.79	995.11
PREVIOUS YEAR FIGURES											
	-		-	-	-					-	-

33. OTHER NOTES TO THE STANDALONE FINANCIAL STATEMENTS

- I. The transactions and balances in respect of Trade Payable / Creditors, Trade Receivables / Debtors, Advances to Suppliers, Advances from Customers, Loans taken other than bank loans, Loans and advances given, from whom confirmations have been received, are reconciled. Few parties (including Debtors) confirmations of transactions and balances are awaited till the closure of the books and in absence of such confirmations, the transactions recorded in the books of accounts have been relied upon, therefore such transactions and balances are as per books of accounts of the company and subject to reconciliation and confirmation with respective parties.
- II. In the opinion of the Board, the Current assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business except otherwise stated. The provision for all known liabilities is adequate and not in excess of the amount considered reasonable necessary.
- III. The Company has no employee in receipt of remuneration aggregating to INR 60.00 Lacs p.a. or employee for a part of the year to INR 5.00 Lacs p.m.
- IV. In the opinion of the Board, there is no contingent liability related to the company. Although a company name Barista Coffee Company Ltd. (hereinafter referred to as “BCCL”) has filed a Commercial Civil Suit bearing Case no. CS (COMM)/110/2022 before District Judge (Commercial), South-East District, Saket District Court, New Delhi, for recovery of INR 12.88 Lacs for breach of Agreement dated 18.07.2017 against the Company Butterfly Ayurveda Pvt Ltd (hereinafter referred to as “BAPL”). The said Agreement was executed for promotion of BAPL by way of Food and Beverages tie-up and for BAPL branding across selected Cafes across India under the brand name Barista. Thereafter, BAPL has filed its Statement/Reply. Moreover, BAPL has filed a counter claim of INR 141.03 Lacs against BCCL in Case bearing no. CS (COMM)/315/2023 and BCCL has filed its Statement/Reply to the said Counter Claim. The matter is listed before the Ld. Court as of now for Framing of Issues. The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.
- V. No Capital expenditure contracted for at the end of the reporting period.
- VI. **Going Concern:**
The Company is principally engaged in the business of manufacturing & trading of ayurvedic Teas, cookies & other similar type of herbal products.
Management is exploring new customers & is expecting fresh tender to be floated soon & intends to start its manufacturing activities on availability of tenders/orders & customers.
Management believes that the company will be able to continue operation as a going concern and meet all its liabilities, as they fall due for payment in the foreseeable future. Company business strategies and operating plan of the company provides assurance that the company will continue to generate adequate cash flow to meet all its liabilities as they fall due.
Accordingly, the management is confident that the financial statement does not require any adjustment and are continued to be prepared on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

VII. Disclosure requirements as per IND AS-12 (Income Tax Expenses)

As per IND AS-12 on Accounting for Income Tax, the Deferred Tax Assets as at 31st March, 2022 comprises of the following:

	FY 2022-23	FY 2021-22
• Related to Property, Plant & Equipment	Rs. 2.34 Lakhs	Rs. 2.69 Lakhs
• Income Tax Rate	26.00%	26.00%
• Deferred Tax Assets as on 31.03.2023	Rs 0.61 Lakhs	Rs 0.70 Lakhs
• Deferred Tax Assets previous year	Rs 0.70 Lakhs	Rs 0.69 Lakhs

VIII. Disclosure requirements u/s 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The Company has nil transactions with supplier registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to the said MSMED Act are as follows:

Particulars	As at March 31,2023 (Amount in Lakhs)	As at March 31,2022 (Amount in Lakhs)
Principal amount due to supplier registered under the MSMED Act and remaining unpaid as at year end	NIL	NIL
Interest due to supplier registered under the MSMED Act and remaining unpaid as at year end	NIL	NIL
Principal amount paid to supplier registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest paid, other than section 16 of the MSMED act, due to supplier registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest paid, under section 16 of the MSMED act, due to supplier registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest due and payable toward suppliers registered under MSMED Act, for the payment already made.	NIL	NIL
Further interest remaining due and payable for the earlier years.	NIL	NIL

IX. CSR Provisions are not applicable to the company.

X. **Disclosure requirements as per IND-AS 19 “Employee benefits”**

Change in present value of Obligation

Amounts in Lakhs

Particulars	For the period ending 31 March, 2023	For the period ending 31 March, 2022
Present value of obligation as at the beginning	2.23	2.09
Current service cost	0.20	0.25
Interest Expense or cost	0.04	.04
Actual Return on Plan Assets	--	--
Benefits Paid	--	--
Actuarial (Gain)/Loss on Obligation	(0.03)	(0.15)
Closing Value of Obligation	2.44	2.23

Change in the fair value of plan assets are as follows

Amounts in Lakhs

Particulars	Gratuity	
	For the period ending 31 March, 2023	For the period ending 31 March, 2022
Opening Fair value of Plan Assets	--	--
Expected Return	--	--
Contribution By employer	--	--
Benefits Paid	--	--
Actuarial Gain (Losses)	--	--
Closing Fair Value of Plan Asset	--	--

Net Employee Benefit expense debited to Profit & Loss Account

Amounts in Lakhs

Particulars	Gratuity	
	For the period ending 31 March, 2023	For the period ending 31 March, 2022
Current Service Cost	0.20	0.26
Interest Cost	0.04	0.04
Expected Return on Plan Asset	--	--

Net benefit Expense	--	--
Recognised in Profit & Loss	0.24	0.29
Recognised in OCI	0.02	(0.15)

Movement in the liability recognised in the Balance Sheet
Amounts in Lakhs

Particulars	Gratuity	
	For the period ending 31 March, 2023	For the period ending 31 March, 2022
Opening Net Liability	2.23	2.09
Current Year Expense	0.21	0.14
Closing Net Liability	2.44	2.23

Actuarial Assumption

Particulars	Gratuity	
	For the period ending 31 March, 2023	For the period ending 31 March, 2022
Mortality Table	2012-14	2012-14
Discount Rate	7.37%	7.41%
Rate of Escalation in salary per annum	2.50 pa	2.50 pa

XI. The company has not paid any dividend during the current financial year.

XII. Segment

The company is engaged mainly in the business of manufacturing & trading of ayurvedic teas, cookies & other similar type of herbal products. These in the context of Ind AS 108-Operation Segment reporting are considered to constitute one reporting segment.

XIII. Financial risk management

The company has exposure to the following risk arising from financial instruments.

- Credit risk
- Liquidity risk, and
- Market risk

• Credit Risk

Credit risk is the risk that a counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risk. Credit risk is controlled by analysing credit limits and credit-worthiness of customers on a continuous basis to whom the credit has been granted after

Obtaining necessary approvals for credit.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Trade Receivable

Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the company's exposure to bad debts is not considered to be material.

The company has no significant concentrations of credit risk as the principal customer of the company is the government departments. The company does not have any credit risk outside India.

The ageing of trade receivable (net of impairment) (Major Debtor-ICDS) are as follows:

Particulars	Carrying amount(In Lakhs)	
	As at March 31, 2023	As at March 31, 2022

Neither past due nor impaired		
Past due 1-30 days	NIL	NIL
Past due 31-90 days	NIL	33.64
Past due 91-120 days	NIL	NIL
Past due 121-180 days	NIL	NIL
Past due 181-360 days	NIL	NIL
More than 360 days	1637.06	2047.13

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, unsecured loans to companies. The company held cash equivalents and other bank balances of INR 32.28 lakhs as at March 31, 2023 (PY INR 8.79 Lakhs) and bank balance other than cash & cash equivalent is NIL (PY NIL). The cash balances are held within bank counterparties with good credit ratings. Further the companies to whom the unsecured loans have been given are financially sound and have well market reputation. The company keep regular track of the financial activities of the companies to whom unsecured loans have been given.

• Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The company's treasury department is responsible for liquidity, funding as well settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors company's net liquidity position rolling forecasts on the basis of expected cash flows.

• Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instrument affected by market risk include loans and borrowings, deposits and investments. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Capital management

For the purpose of the company's capital management, capital includes issued capital and other equity. The primary objective of the company's capital management is to maximize shareholders value. The company manages its capital structure and makes adjustment in the light of changes in economic environment and requirements of the financial covenants.

The company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Amounts in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Total Debt	-	5049.61
Total equity	2893.48	(1556.50)
Debt - equity ratio	-	(3.24)

XIV. Fair Value Measurement

Amounts in Lakhs

Financial Instrument by Category

Particulars	As at 31 March 2023			As at 31 March 2022		
	<u>FVPL</u>	<u>FVOCI</u>	<u>Amortised Cost</u>	<u>FVPL</u>	<u>FVOCI</u>	<u>Amortised Cost</u>
Financial Assets						
(A) Non-Current						
(i)Investment other than Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
(ii)Security Deposit	Nil	Nil	Nil	Nil	Nil	Nil
(B) Current						
(i)Trade Receivable	Nil	Nil	41.99	Nil	Nil	140.20
(ii)Cash & Cash Equivalents	Nil	Nil	32.28	Nil	Nil	8.79
(iii)Bank Balance other than Cash & Cash Equivalents	Nil	Nil	Nil	Nil	Nil	Nil
(iv)Loans	Nil	Nil	50.08	Nil	Nil	40.87
(v)Other Financial Assets	Nil	Nil	Nil	Nil	Nil	Nil
Financial Liabilities						
(A)Non-Current						
(i)Borrowings	Nil	Nil	Nil	Nil	Nil	5049.61
(ii)Trade Payable	Nil	Nil	Nil	Nil	Nil	Nil
(iii)Other Financial Liabilities	Nil	Nil	Nil	Nil	Nil	Nil
(B) Current						
(i)Borrowings	Nil	Nil	1015.09	Nil	Nil	435.07
(ii)Trade Payable	Nil	Nil	24.58	Nil	Nil	126.87
(iii)Other Financial Liabilities	Nil	Nil	Nil	Nil	Nil	Nil

- The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, dividend receivables, other receivables, trade payables, capital creditors, other liabilities are considered to be the same as their fair values due to the current and short-term nature of such balances.

FOR BUTTERFLY AYURVEDA PRIVATE LIMITED

Akshi Khandelwal
(Director)
DIN: 00338977

Suresh Kumar
(Director)
DIN: 03043918

Supriya
(Company Secretary)
M. No.: A57314

Place- New Delhi
Date- 27/05/2023

A. CORPORATE INFORMATION

Butterfly Ayurveda Private Limited ("the Company") is an unlisted entity incorporated in India. The Company was incorporated in 27th November, 2014 under the provisions of the companies act, 2013. The registered office of the company is located at **Flat No 1, Guru Nanak Colony (Hemkunt Colony), Greater Kailash I, New Delhi - 110048.**

The company is engaged in the business of manufacturing & trading of ayurvedic Teas, cookies & other similar type of herbal products. The company is a subsidiary of Healthcare energy foods private limited which owns 100% of the ordinary share capital of the company & has the ability to significantly influence the company's operations.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

- The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:
 - i) Land is valued at Fair value as deemed cost due to first time Ind-As adoption,
 - ii) Certain financial assets and liabilities,
 - iii) Defined benefit plans - plan assets.
- The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013 (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time. Upto the year ended March 31, 2022, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP". These financial statements are the **Company's first Ind AS standalone financial statements.** Company's financial statements are presented in Indian Rupees ('INR'), which is also its functional currency & all values are rounded off to the nearest Lacs except when otherwise indicated.

- **Current and Non-Current Classification:-**

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is -

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. In case of land the Company has availed fair value as deemed cost on the date of transition to Ind AS.

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 associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided using written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from de-recognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(b) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

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 associated with the item will flow to the entity and the cost can be measured reliably. Gains or losses arising from de-recognition 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 Statement of Profit and Loss when the asset is derecognised.

The amortisation period and the amortisation method for Intangible Assets with a finite useful life are reviewed at each reporting date.

(c) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

(d) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(f) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, exception case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of raw materials, chemicals, stores and spares, packing materials, trading and other products are determined on FIFO basis.

(g) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognized in the Statement of Profit and Loss.

(i) Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

(j) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

- Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

- Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the other Comprehensive Income.

(k) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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

(l) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

(m) Revenue recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

-Interest income

Interest income from a financial asset is recognised on accrual basis.

-Dividends

Dividend income is recognised when the Company's right to receive the amount has been established.

(n) Financial instruments**i) Financial Assets****A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement**a) Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial liabilities**A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

C. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. 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.

(a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

(b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

(e) Impairment of financial assets

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

(f) Recognition of Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

D. FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2022 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2021. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

a) Exemptions from retrospective application

(i) Fair value as deemed cost exemption

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for Land which is measured at fair value as deemed cost.

(ii) Investments in subsidiaries, joint ventures and associates

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.