

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**Health Care Energy Foods Private Limited**

### REPORT ON THE AUDIT OF ANNUAL STANDALONE FINANCIAL STATEMENTS

#### Opinion

We have audited the Standalone Financial statements of Health Care Energy Foods 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. 36 (VI) "Going Concern" under Notes to account in the standalone financial statements, wherein it is mentioned that the Company is principally engaged in the business of manufacturing of Micronutrients Fortified Energy Dense Food against fixed rates and term contract with ICDS Department, Government of UP. The said contract which has expired in the month of August 2020 & company is looking for new contracts. 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.

Our opinion is not modified in respect of this matter.

## **Emphasis of Matter**

We draw attention to the following matters in the Notes to the financial statements:

- 1) Note no 36 (I) in the standalone financial statements which disclose 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. The Bank account with Allahabad bank is status as dormant & the balance is subject to confirmation. 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 not no 31 (1) V) 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 mis-statement.
- 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:** 23438412BGSDME4613

Micky Bhatia  
**(Partner)**  
**Membership No.** 438412

## Annexure A to the Independent Auditor's report on the standalone financial statements of Health Care Energy Foods 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 does not have any Intangible assets & accordingly, clause 3 (i)(a) (B) 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 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 and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) 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 not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) 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 provided guarantee or security during the year but made investments & 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 made Investment of INR 4800.00 Lacs in Equity shares of Butterfly Ayurveda Private Limited & make it as a wholly owned subsidiary company 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:

Particulars	Amount in Lacs
• Aggregate amount advance during the year – Others	
A) Beta edibles Pvt Ltd	480.13 Lacs
B) Worldwide Holding Ltd	NIL
• Balance outstanding as at Balance sheet date- others	
A) Beta edibles Pvt Ltd	2554.48 Lacs
B) Worldwide Holding Ltd	19734.27 Lacs

(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 6% rate of interest for the first half of FY & 7% 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 given at rate of interest lower than prescribed	Beta edibles Pvt Ltd	2554.48 Lacs	Loan is unsecured & advanced at 6% rate of interest for the first half of FY & 7% for the second half of the FY which is not at par with Market rate of interest.
B)		Worldwide Holding Ltd	19734.27 Lacs	Loan is unsecured & advanced at 6% rate of interest for the first half of FY & 7% for the second half of the FY which is not at par with Market rate of interest.

(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 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, 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 not 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 given any loans, or 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. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

(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 provisions of Section 148(1) of the Companies Act, 2013 relating to the maintenance of cost records as prescribed, are not applicable to the company 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 dues 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.

<b>Name of the Statute</b>	<b>Nature of dues</b>	<b>Amount in INR</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
UP Vat Act	UP Vat	14,04,490 #	FY 2009-10	Addl. commissioner (A) Azamgarh, U.P.
UP Vat Act	UP Vat	15,37,750 #	FY 2010-11	Addl. commissioner (A) Azamgarh, U.P.
GST Act	GST	5,32,012 @	FY 2019-20	Addl. commissioner, Commercial Tax (A) Jaunpur, U.P.

# The above amount of Rs. 14,04,490/- & Rs. 15,37,750/- has been deposited by the company under protest.

@ The above amount of Rs. 5,32,012/- has been deposited by the company under protest.

- (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 have taken term loans or borrowings from lender which are repayable as per prescribed repayment schedule. The repayment of the same is done as & when due during the year in all respects without any default.
- (c) 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.
- (d) According to the information and explanations given to us by the management, the Company has obtained term loans in respect to vehicle loan from banks. The same was applied/used for the specific purpose.
- (e) 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 not made any preferential allotment of shares during the year.
- (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) 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 **NIL** cash losses in the current and **NIL** in the immediately preceding financial year. Accordingly, clause 3(xvii) of the Order is not applicable.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (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 applicable to the company & there is unspent amount as refer note 36 (IX) under notes to accounts under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project.

**For Aditya Agarwal & Associates**  
**Chartered Accountants**  
**FRN: 004568C**

**Place:** New Delhi  
**Date:** 27<sup>th</sup> May, 2023  
**UDIN:**23438412BGSDME4613

Micky Bhatia  
**(Partner)**  
**Membership No.** 438412

## **Annexure B to the Independent Auditor's Report on the standalone financial statements of Health Care Energy Foods 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 Health Care Energy Foods 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:** 23438412BGSDME4613

Micky Bhatia  
**(Partner)**  
**Membership No.** 438412

HEALTH CARE ENERGY FOODS PRIVATE LIMITED			
CIN : U70109DL2007PTC161756			
E-mail ID- hcefp12015@gmail.com : Tel. : +91-11-40525757			
REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020			
STANDALONE BALANCE SHEET AS AT 31-03-2023			
			Amounts (In Lakhs)
Particulars	Note	Amounts As at March 31, 2023	Amounts As at March 31, 2022
<b>A Assets</b>			
<b>1 Non-current assets</b>			
a) Property, plant and equipment	1	634.29	383.32
b) Capital work-in-progress		9.66	18.20
c) Right to Use Assets		-	-
d) Investment properties		227.72	166.33
e) Intangible assets		-	-
f) Financial assets			
i) Investments	2	5,101.00	301.00
ii) Trade Receivables		-	-
iii) Loans		-	-
iv) Other financial assets	3	757.62	674.32
g) Deferred tax assets (net)	4	13.25	27.53
h) Other non-current assets	5	4,674.38	4,735.71
<b>Total non-current assets</b>		<b>11,417.91</b>	<b>6,306.40</b>
<b>2 Current assets</b>			
a) Inventories	6	81.20	81.20
b) Financial assets			
i) Investments		-	-
ii) Trade Receivables	7	1,637.06	2,080.77
iii) Cash and cash equivalents	8	1,562.72	2,230.25
iv) Bank balances other than cash and cash equivalents above	9	-	-
v) Loans	10	22,288.76	25,641.51
vi) Other financial assets	11	-	-
c) Current tax assets (net)		-	-
d) Other current assets	12	247.45	269.23
<b>Total Current assets</b>		<b>25,817.18</b>	<b>30,302.96</b>
<b>Total Assets</b>		<b>37,235.10</b>	<b>36,609.36</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	13	1.05	1.05
b) Other equity	14	37,031.72	36,332.26
<b>Total equity</b>		<b>37,032.77</b>	<b>36,333.31</b>
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
a) Financial liabilities			
i) Borrowings	15	195.07	-
ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises; and			
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises			
iii) Other financial liabilities		-	-
b) Provisions	16	0.48	0.11
c) Deferred tax liabilities (net)		-	-
d) Other non-current liabilities		-	-
<b>Total non-current liabilities</b>		<b>195.55</b>	<b>0.11</b>
<b>2 Current liabilities</b>			
a) Financial liabilities			
i) Borrowings			
ii) Trade payables	17		
(A) Total outstanding dues of micro enterprises and small enterprises; and			
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises			
iii) Other financial liabilities	18	5.03	4.37
b) Other current liabilities	19	0.60	0.35
c) Provisions	20	1.13	100.86
d) Current tax liabilities (net)	21	-	170.36
<b>Total current liabilities</b>		<b>6.77</b>	<b>275.95</b>
<b>Total liabilities</b>		<b>202.32</b>	<b>276.06</b>
<b>Total equity and liabilities</b>		<b>37,235.10</b>	<b>36,609.36</b>
<b>The accompanying Notes and SAP form an integral part of the Financial Statements 1-36</b>			
As per our attached report of even date			
<b>For Aditya Agarwal &amp; Associates</b>		<b>For Health Care Energy Foods Private Limited</b>	
Chartered Accountants			
(Micky Bhatia)	(Kailash Chandra Sharma)	(Ankur Rawat)	
Partner	Director	Director	
Membership No.438412	DIN: 00339013	DIN: 07682969	
Firm Registration No. 004568C	Address: 14B/46, 3rd Floor, Dev Nagar, Karol Bagh	Address: Panchwati	
UDIN- 23438412BGSDME4613	New Delhi -110005	Residency,	
		Flat No 608, Chandni	
		Chowk, Kanke	
		Road Near Hotel Holiday	
		Home,	
		Misirgonda Alias Pahargaon,	
		Ranchi	
		834008, Jharkhand	
Place : New Delhi			
Date: 27-05-2023			

## HEALTH CARE ENERGY FOODS PRIVATE LIMITED

CIN : U70109DL2007PTC161756

E-mail ID- hcefpl2015@gmail.com : Tel. : +91-11-40525757

REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020

### Statement of Profit and Loss for the year ended 31-03-2023

Particulars	Note	Amounts In Lakhs	Amounts In Lakhs
		Figures for the Current reporting period ended on 31-03-2023	Figures for the Previous reporting period ended on 31-03-2022
<b>INCOME</b>			
Revenue from operations	22	4.61	187.78
Other income	23	1,557.08	1,668.06
<b>Total Income</b>		<b>1,561.69</b>	<b>1,855.84</b>
<b>EXPENSES</b>			
Cost of material consumed	24	-	-
Purchases of Stock in trade			
Change in inventories of finished goods,	25	-	-
Employee benefits expenses	26	30.81	18.03
Finance costs		-	-
Depreciation and amortisation expenses		29.09	44.36
Other expenses	27	545.01	118.95
<b>Total expenses</b>		<b>604.91</b>	<b>181.34</b>
<b>Profit before exceptional items and tax</b>		<b>956.78</b>	<b>1,674.50</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>956.78</b>	<b>1,674.50</b>
<b>Tax expenses</b>			
Current tax		242.96	441.05
Deferred tax		14.28	8.31
Tax of Earlier Year			
<b>Total expenses</b>		<b>257.24</b>	<b>449.36</b>
<b>Profit for the year</b>		<b>699.54</b>	<b>1,225.14</b>
<b>Other Comprehensive Income</b>			
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		-0.10	0.10
iii) Income tax related to item no (ii) above		-0.03	0.02
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			
<b>Other Comprehensive Income, net of tax</b>		<b>-0.08</b>	<b>0.07</b>
<b>Total Comprehensive Income for the year</b>		<b>699.46</b>	<b>1,225.21</b>
<b>Earnings per Equity share</b>	28	<b>6,662.31</b>	<b>11,668.00</b>
<b>Basic and diluted earning Rs. Per equity share of Rs. 10 each</b>		<b>6,662.31</b>	<b>11,668.00</b>

The accompanying Notes and 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 Health Care Energy Foods Private Limited**

(Micky Bhatia)  
Partner  
Membership No.438412  
Firm Registration No. 004568C

UDIN- 23438412BGSDME4613

(Kailash Chandra Sharma)  
Director  
DIN: 00339013  
Address: 14B/46, 3rd  
Floor, Dev Nagar, Karol Bagh  
New Delhi -110005

(Ankur Rawat)  
Director  
DIN: 07682969  
Address: Panchwati  
Residency, Flat No  
608, Chandni  
Chowk, Kanke Road  
Near Hotel Holiday  
Home, Misirgonda  
Alias  
Pahargaon, Ranchi-  
834008, Jharkhand

Place : New Delhi  
Date: 27-05-2023

<b>HEALTH CARE ENERGY FOODS PRIVATE LIMITED</b>				
CIN : U70109DL2007PTC161756				
E-mail ID- hcefp12015@gmail.com : Tel. : +91-11-40525757				
REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020				
<b>Standalone Cash Flow Statement for the year ended 31-03-2023</b>				
Particulars	F.Y. 2022-23 Amount (In Lakhs)	F.Y. 2021-22 Amount (In Lakhs)		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net profit before tax	956.78	1,674.21		
<b>Adjustments for Non-Cash Items / Non-Operating Items:</b>				
Add: Depreciation	29.09	44.36		
Add: Interest Expense	-	-		
Less: Profit on sale of Fixed Asset	(4.60)	(0.51)		
Add: Gratuity(Net of Payment)	0.27	0.10		
Less: Interest Income	1,557.04	1,665.64		
<b>NET PROFIT FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES</b>	<b>(566.29)</b>	<b>53.55</b>		
<b>Changes in current assets and liabilities:</b>				
<b>Change in Current Assets</b>				
Inventories	0.00	(0.00)		
Trade Receivable	443.71	(33.64)		
Short Term Loans And Advances	-	-		
Other Financial Assets	-	0.87		
Other Current Assets	133.98	36.81		
<b>Change in Current Liabilities</b>				
Short Term Borrowing	-	-		
Trade Payable	-	(0.97)		
Other Financial Liabilities	0.66	(11.13)		
Other Current Liabilities	0.25	(0.66)		
Other Provision	(99.73)	38.10		
Provision for Employee benefits (Bonus)	-	(1.85)		
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES BEFORE INCOME TAX</b>	<b>(87.41)</b>	<b>81.08</b>		
Less: Income Tax Paid/ TDS (including Income Tax Demand)	525.52	270.69		
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>(612.93)</b>	<b>(189.60)</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchases of PPE	(281.00)	(166.33)		
Sale of PPE	4.91	8.59		
Increase in Non Current Financial Assets	(83.30)	(37.09)		
Increase in Non Current Assets	61.33	(3,942.34)		
Interest Income	1,557.04	1,665.64		
Bank balance other than Cash & Cash Equivalent	-	980.00		
Investment in Subsidiary	(4,800.00)	(300.00)		
Investment in Property	(61.39)	-		
Loans & Advance to wholly owned Subsidiary Co.	-	272.61		
Loans & Advance to others	3,352.75	739.87		
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(249.67)</b>	<b>(779.05)</b>		
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
UnSecured Loans	195.07	-		
Dividend Paid	-	-		
Interest Expense	-	-		
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>195.07</b>	<b>-</b>		
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(667.53)</b>	<b>(968.66)</b>		
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>2,230.25</b>	<b>3,198.90</b>		
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>1,562.72</b>	<b>2,230.25</b>		
<b>Reconciliation of liabilities arising from financing activities</b>				
<b>Particulars</b>	<b>Short term borrowings</b>	<b>Long term borrowings</b>	<b>Lease liabilities</b>	<b>Total</b>
<b>As at April 01, 2021</b>	-	-	-	-
<b>Cash flows</b>				
Lease rental paid	-	-	-	-
Receipt of loan	-	195.07	-	195.07
Repayment of loan	-	-	-	-
<b>Non cash changes</b>				
Interest on liability component of compound fin	-	-	-	-
Additions of lease liabilities	-	-	-	-
Interest expense on lease liabilities	-	-	-	-
	-	195.07	-	195.07
<b>Reconciliation of liabilities arising from financing activities</b>				
<b>Particulars</b>	<b>As at 01 April 2021</b>	<b>Cash flows</b>	<b>Non cash changes</b>	<b>As at 31 March 2022</b>
Short term borrowings	-	-	-	-
Long term borrowings	-	195.07	-	195.07
Lease liabilities	-	-	-	-
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.				
<b>The accompanying Notes and SAP form an integral part of the Financial Statements 1-36</b>				
As per our attached report of even date				
<b>For Aditya Agarwal &amp; Associates</b>		<b>For Health Care Energy Foods Private Limited</b>		
Chartered Accountants				
(Micky Bhatia) Partner Membership No.438412 Firm Registration No. 004568C UDIN- 23438412BGSMDME4613		(Kailash Chandra Sharma) Director DIN: 00339013 Address: 14B/46, 3rd Floor, Dev Nagar, Karol Bagh New Delhi -110005		(Ankur Rawat) Director DIN: 07682969 Address: Panchwati Residency,Flat No 608,Chandni Chowk,Kanke Road Near Hotel Holiday Home,Misirgonda Alias Pahargaon,Ranchi- 834008,Jharkhand
Place : New Delhi				
Date: 27-05-2023				

## HEALTH CARE ENERGY FOODS PRIVATE LIMITED

NOTE -1 : DEPRECIATION

REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020  
AS PER COMPANIES ACT, 2013

S. No.	Particulars	Rate of Depreciation	GROSS BLOCK				DEPRECIATION					NET BLOCK	
			As on 01.04.2022	Additions	Deletion	As on 31.03.2023	Up to 01.04.2022	Deletion	Apr-Mar 2023	Dep. Adjusted to Comply with Provision of Schedule-II of Co. Act - 2013	Total	As on 31.03.2023	As on 31.03.2022
1	Land	0%	52.73	-	-	52.73	-	-	-	-	-	52.73	52.73
2	Building	10.00%	452.67	-	-	452.67	269.06	-	6.95	-	276.01	176.66	183.61
3	Road		4.55	-	-	4.55	4.32	-	-	-	4.32	0.23	0.23
4	Plant & Machinery	27.82%	860.47	-	-	860.47	754.66	-	6.08	-	760.74	99.73	105.80
5	Transformer	13.91%	96.67	-	-	96.67	91.84	-	-	-	91.84	4.83	4.83
6	Office Equipment	13.91%	26.77	3.17	-	29.94	25.02	-	1.13	-	26.14	3.80	1.75
7	Lab Equipments		7.30	-	-	7.30	6.84	-	0.01	-	6.86	0.45	0.46
8	Furniture & Fixture	18.10%	19.67	-	-	19.67	18.20	-	0.12	-	18.32	1.35	1.47
9	Computer	40.00%	10.13	0.51	-	10.64	9.61	-	0.10	-	9.72	0.92	0.52
10	Vehicle	25.89%	135.97	277.32	15.13	398.16	104.03	14.16	14.71	-	104.57	293.59	31.94
11	Trucks	40.00%	-	-	-	-	-	-	-	-	-	-	-
TOTAL (Rs.)			1,666.93	281.00	15.13	1,932.80	1,283.59	14.16	29.09	-	1,298.52	634.29	383.34
PREVIOUS YEAR (Rs.)			1,849.19	-	182.26	1,666.93	1,412.39	173.16	44.36	-	1,283.60	383.33	436.80
Capital WIP			Op Balance	Capitalised	Deletion	Closing							
Plant and Machinery			18.20	-	8.55	9.66							
Total			18.20	-	8.55	9.66							

## CWIP aging schedule

Particulars	CWIP	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects temporarily suspended		-	-	2.68	15.53	18.20
Projects in progress		-	-	-	-	-
<b>Total</b>		-	-	2.68	15.53	18.20

**HEALTH CARE ENERGY FOODS PRIVATE LIMITED**

**CIN : U70109DL2007PTC161756**

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

**REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020**

<b>NOTES OF BALANCE SHEET</b>		Amounts (In Lakhs)		
<b>PARTICULARS</b>	<b>As on 31.03.2023</b>	<b>As on 31.03.2022</b>		
<b>NOTE-2 : INVESTMENT</b>				
<b>a) Investment in Wholly Owned Subsidiary Company</b>				
<b>i) Unisphere Industries Private Limited</b>				
(Unquoted 10000 Equity Shares of Rs 10 each fully paid up measured at cost)	1.00	1.00	1.00	
<b>ii) Unisphere Industries Private Limited</b>				
*Unquoted 3000000 1% Optionally Convertible Cumulative Redeemable Preference Shares of Rs 10 each fully paid up (measured at cost)	-		300.00	
**Unquoted 3000000 7% Non Convertible Cumulative Redeemable Preference Shares of Rs 10 each fully paid up (measured at amortised cost)	129.22		-	
<b>Additional Investment</b>				
**Unquoted 3000000 7% Non Convertible Cumulative Redeemable Preference Shares of Rs 10 each fully paid up (measured at amortised cost)	170.78	300.00	-	
<b>ii) Butterfly Ayurveda Private Limited</b>				
(Unquoted 48000000 Equity Shares of Rs 10 each fully paid up measured at cost)	4,800.00	4,800.00	-	
<b>TOTAL</b>		<b>5,101.00</b>	<b>301.00</b>	
<b>Name of Subsidiary Company, Joint Venture and Associates company</b>				
<b>Subsidiary Company:</b>	<b>Principal place of Business</b>	<b>Ownership Interest</b>	<b>Method of Accounting</b>	
Unisphere Industries Private Limited	B-143, Okhla Industrial Area, Phase-I, New Delhi-110020	100.00%	At Cost	
Butterfly Ayurveda Private Limited	Flat No. 1 , Guru Nanak Colony (Hemkunt Colony) Greater Kailash - I, New Delhi - South Delhi DL 110048 IN	100.00%	At Amortised Cost	
As per Ind AS 27, Investment in equity shares of Unisphere Industries Private Limited is carried at Cost less any impairment in the value of Investment. On the other hand, Investments in equity shares of Butterfly Ayurveda Private Limited is carried at Amortised Cost.				
<b>INVESTMENT IN PROPERTY</b>				
Investment in Property		227.72	166.33	
		<b>227.72</b>	<b>166.33</b>	
<b>Particulars</b>	<b>Gross Carrying Value (Rs. in Lakhs)</b>	<b>Property held since which date</b>	<b>Title Deed held in the name of</b>	<b>Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director</b>
Investment property (Residential Buiding)	227.72	18-12-2020	Registration of property in the name of company is under process	N.A.
<b>Address of Property: DLF Camellias, Gurgaon</b>				
<b>NOTE-3 : OTHER FINANCIAL ASSETS</b>				
a) Security Deposits		46.53		20.45
b) Security Deposit with ICDS (Lien Marked FDR in favour of ICDS)		686.37		653.87
c) Interest Receivable on Investments in Subsidiary		24.72		-
<b>TOTAL</b>		<b>757.62</b>		<b>674.32</b>
<b>NOTE-4 : DEFERRED TAX ASSETS(liability)(net)</b>				
Opening Balance		27.53		35.86
Add(Less):Created/(Written Off) during The Year		-14.28		-8.33

Closing Balance Deffered Tax Assets/(Liability)	13.25	27.53
	<b>13.25</b>	<b>27.53</b>

**NOTE-5 : OTHER NON-CURRENT ASSETS**

a) U.P. VAT Deposit under Protest	29.42	30.31
b) GST deposit under Protest	5.32	5.32
c) Advance for Purchase of Immovable Property	4,637.61	4,637.61
d) Advance for Interior Work of Immovable Property	-	61.40
e) Fixed Deposit for Security Deposit(VAT)	1.15	1.07
f) Other Deposits	0.89	
<b>TOTAL</b>	<b>4,674.38</b>	<b>4,735.71</b>

**CURRENT ASSETS****NOTE-6 : INVENTORIES**

a) Raw Material	-	-
b) Finished Goods	-	-
c) Packing Material	-	-
d) Fuel & Oil	1.48	1.49
e) Consumable Store	79.72	79.71
f) Empty Bags & Refraction	-	-
<b>TOTAL</b>	<b>81.20</b>	<b>81.20</b>

**NOTE - 7 : TRADE RECEIVABLE****Unsecured, (Considered good & Less than Six Months)**

Director ICDS Lucknow	33.64	33.64
-----------------------	-------	-------

**Unsecured, (Considered good & More than Six Months)**

Director ICDS Lucknow	2,044.90	2,044.90
Smriti Products (P) Ltd	-	2.23
(-) Loss Allowance	-441.48	-
<b>TOTAL</b>	<b>1,637.06</b>	<b>2,080.77</b>

Particulars	0-12 Months	>12 - 24 Months	>24 - 36 Months	>36 Months
31-03-2023		26.49	1610.57	
31-03-2022	33.64		2044.9	

**NOTE-8 : CASH AND CASH EQUIVALENTS**

a) Balance with banks		
i) Balance with schedule banks	-5.97	381.63
ii) Fixed Deposit with Bank	1,568.00	1,848.10
b) Cash in Hand	0.69	0.52
<b>TOTAL</b>	<b>1,562.72</b>	<b>2,230.25</b>

**NOTE -9: BANK BALANCE OTHER THEN CASH & CASH EQUIVALENTS**

Fixed Deposits with bank (maturity more than 3 months upto 12 month)	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**NOTE -10 : SHORT TERM LOAN AND ADVANCES****Loans Receivables considered good – Unsecured;****(Unsecured Loan Repayable on Demand)**

b) Loan to Beta Edibles Processing Private Limited	2,554.48	2,074.35
c) Loan to WorldWide Holdings limited	19,734.27	23,567.15
<b>TOTAL</b>	<b>22,288.76</b>	<b>25,641.51</b>

**NOTE -11 : OTHER FINANCIAL ASSETS**

Security Deposit (Including Accrued Interest) with ICDS (Lien Marked FDR of ICDS)	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**NOTE-12 : OTHER CURRENT ASSETS**

Advance to Supplier		5.00		-
Advance to Employees		0.07		-
Amount given for CSR Initiative		100.56		200.11
Electronic Cash Ledger GST		0.06		64.85
Electronic Credit Ledger GST		2.46		0.07
Income Tax Refundable for AY 2021-22		1.62		1.62
Income Tax Refundable for AY 2022-23		0.61		-
Income Tax Refundable for AY 2023-24		112.20		-
Input Tax Credit Receivable		0.18		0.13
Interest accrued but not due		24.01		1.47
Prepaid Expenses		0.67		0.97
<b>TOTAL</b>		<b>247.45</b>		<b>269.23</b>

**NOTE-14 : RESERVE & SURPLUS****a) Reserves:**

Capital Redemption Reserve		1.45		1.45
----------------------------	--	------	--	------

**b) Surplus:**

Profit & Loss Account				
Opening Balance	36,330.81		35,105.88	
Less:Capital Redemption Reserve	-		-	
Less:Premium on Redemption	-		-	
Add: Other Comprehensive Income(OCI)	-0.08		0.07	
Add: Current year Profit	699.54		1,224.86	
Less:Dividend Paid	-	37,030.27	-	36,330.81
<b>TOTAL</b>		<b>37,031.72</b>		<b>36,332.26</b>

**FINANCIAL LIABILITIES****NOTE-15 Secured Loans**

ICICI Loan - Vehicle Loan		195.07		-
		<b>195.07</b>		<b>-</b>

\*This is a secured loan against hypothecation of vehicle and repayable as per repayment schedule.

**NON CURRENT LIABILITIES****NOTE-16 : LONG TERM PROVISION**

Provision for Gratuity		0.48		0.11
		<b>0.48</b>		<b>0.11</b>

**CURRENT LIABILITIES****NOTE-17 : TRADE PAYABLES**

(a)Total outstanding dues of micro enterprises and small enterprises; and		-		-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-		-
		<b>-</b>		<b>-</b>

**NOTE-18 : OTHER FINANCIAL LIABILITIES**

A) Other Creditor		0.54		2.12
B) Expenses Payable		4.49		2.25
<b>TOTAL</b>		<b>5.03</b>		<b>4.37</b>

**NOTE-19 : OTHER CURRENT LIABILITIES**

a) Expenses Payable		0.13		0.09
b) Duties & Taxes Payable		0.47		0.26
<b>TOTAL</b>		<b>0.60</b>		<b>0.35</b>

**NOTE-20 : SHORT TERM PROVISION**

Provision For Bonus		1.13		1.42
CSR Expenditure to be Spent		-		99.44
Provision For Gratuity		-		0.00
<b>TOTAL</b>		<b>1.13</b>		<b>100.86</b>

**NOTE-21 : Current Tax Liabilities (Net)**

Provision for Current Tax	242.96		441.05	
<b>Less:</b> Advance Tax	200.00		100.00	
<b>Less:</b> Tax Collected at Source	2.32		-	
<b>Less:</b> Tax deducted at Source	152.84	-	170.69	170.36
<b>TOTAL</b>		<b>-</b>		<b>170.36</b>

**NOTES OF STATEMENT OF PROFIT & LOSS****PARTICULARS****NOTE - 22: REVENUE FROM OPERATION**

Sales - ICDS Food Supplements	-		187.78
Sales - Refraction & Others	4.61		-
<b>TOTAL</b>	<b>4.61</b>		<b>187.78</b>

**NOTE - 23 : OTHER INCOME**

Interest Earned	1,532.32		1,665.64
Interest Income	24.72		-
Profit on Sale of Fixed Assets	0.05		-
Sundry Balance Written Off	-		2.43
<b>TOTAL</b>	<b>1,557.08</b>		<b>1,668.06</b>

**NOTE - 24 : COST OF MATERIAL CONSUMED**

Opening Stock of Raw Material	-		-
Purchase - Edible Vegetable Oil	-		-
Purchase - Ground Nut	-		-
Purchase - Skimmed Milk Powder	-		-
Purchase - Soya Bengal Gram Mix(Laddu)	-		-
Purchase - Soya Bengal Gram Mix(WF)	-		-
Purchase - Soya Ragi Mix(MD)	-		-
Purchase - Soya Ragi Mix(ND)	-		-
Purchase - Spice Mix	-		-
Purchase - Sugar	-		-
Purchase - Toor Dal	-		-
Purchase - Vitamin & Mineral	-		-
Purchase - Wheat	-		-
Purchase - Whole Milk Powder	-		-
Less : Closing Stock of Raw Material	-		-
	-		-

**NOTE- 25 : CHANGES IN INVENTORIES OF FINISHED GOODS**

Add : Opening Stock of Finished Goods	-		-
Less: Closing Stock of Finished Goods	-		-
Add : Opening Stock of Gunny Bags	-		-
Less: Closing Stock of Gunny Bags	-		-
Increase (Decrease) in Stock	-		-

**NOTE- 26 : EMPLOYEE BENEFIT EXPENSES**

Admin. Charges -PF	0.09		0.09
Bonus on Salary & Wages	0.09		1.42
Director's Remuneration	13.50		-
Employer's Contt. to P.F.	0.65		0.72
Gratuity	0.27		0.10
Salary	15.33		14.64
Staff Welfare Expenses	0.88		1.06
	<b>30.81</b>		<b>18.03</b>

Refer Note 31 (pt XII)

**NOTE- 27 : OTHER EXPENSES****A : MANUFACTURING EXPENSES**

Consumable Store	0.02	0.02	-	-
Add : Opening Stock	79.71		79.71	
Less : Closing Stock	79.71		79.71	
Insurance Exps- Factory		0.05		0.71
Loading & Unloading Expenses		0.02		
Add : Opening Stock	-		-	
Less : Closing Stock	-		-	
Power & Fuel	2.03	2.04	-	-
Add : Opening Stock	1.49		1.49	
Less : Closing Stock	1.48		1.49	
Repair & Maintanance - Plant & Machinery		0.34		0.22
<b>TOTAL (A)</b>		<b>2.46</b>		<b>0.93</b>

**B : ADMINISTRATION & SELLING EXPENSES**

Payment to Auditor as		1.30		1.26
a) Auditor	1.30		1.26	
b) for Certification Charges	-		-	
Bank Charges		0.02		0.01
Books & Periodicals		0.00		0.03
Computer Software & Maintenance		0.13		0.10
Conveyance		0.05		0.08
CSR Expenses		45.16		66.28
Demat A/c Charges		0.17		0.26
Electricity and Water Expenses		1.04		17.90
ESI & PF on Security Charges		-		0.04
Fee, Rate & Taxes		0.12		2.16
Festival Expenses		1.75		0.00
Freight & Cartage		-		0.01
Guest House Expenses		-		0.00
Insurance Expenses		1.36		5.47
Intt on Statutory Dues and Late Fees		16.03		0.12
Legal & Professional Charges		4.35		4.47
Loss on Sale of Fixed Assets		4.65		0.51
Late filing Fees (GST)		0.00		0.00
Office Expenses		0.39		0.34
Postage & Couriers Charges		0.02		0.02
Printing & Stationery		0.12		0.05
Professional Expenses		5.00		-
Prior period expenses		0.06		-
Rent Expenses		6.27		7.29
Repair & Maintenance		0.29		0.01
Repair & Maintenance (Vehicle)		0.41		-
Reversal of GST Credit		0.15		-
Recruitment & Training Expenses		0.25		-
ROC Fees		0.16		0.28
Round off		0.00		-
Security Charges		5.49		6.38
Sundry Balance Written off		0.00		
Interest on TDS Payable		0.00		
Telephone Expenses		0.10		0.38
Tours & Travelling Expenses		1.14		
Vehicle Running & Maintenance		4.03		4.55
Write off/Writeback		1.09		-
Loss Allowance on Trade receivables		441.48		-
<b>TOTAL (B)</b>		<b>542.55</b>		<b>118.02</b>
<b>GRAND TOTAL (A+B)</b>		<b>545.01</b>		<b>118.95</b>

**NOTE- 28 : Earning Per Share**

(i) Net Profit After Tax as Profit & Loss	699.54	1,225.14
(ii) Weighted Average number of equity shares	10,500.00	10,500.00
(iii) Basic & Diluted Earning Per Share	6,662.31	11,668.00
(iv) Face Value of Shares	10.00	10.00

<b>HEALTH CARE ENERGY FOODS PRIVATE LIMITED</b>			
CIN : U70109DL2007PTC161756			
E-mail ID- hcefp12015@gmail.com : Tel. : +91-11-40525757			
REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA PHASE-I, NEW DELHI-110020			
(₹ in Thousands)			
Particulars		For the year ending 2022-23	For the year ending 2021-22
<b>NOTE '29</b>			
<b>EARNINGS IN FOREIGN CURRENCY</b>			
Earning in Foreign Currency		-	-
<b>TOTAL</b>		-	-
<b>NOTE '30' RELATED PARTY DISCLOSURES AS PER IND-AS 24 &amp; COMPANIES ACT, 2013</b>			
<b>(i) List of Related Parties where control exists and relationships</b>			
<b>A. Entities that control or are controlled by or under common control with the reporting entity</b>			
<b>Name of the Related Party</b>		<b>Relationship</b>	
a) Sai Capital Limited		Holding Company	
b) Butterfly Ayurveda Private Limited		Subsidiary Company	
c) Unisphere Industries Private Limited		Subsidiary Company	
<b>B. Associates &amp; Joint Venture</b>		NIL	
<b>C. Individuals owning directly or indirectly, 20% or more voting power of the reporting enterprise &amp; relatives of any such individual</b>		NIL	
<b>D. Key Management personnel of Reporting Entity</b>			
1. Mr Ankur Rawat		Director	
2. Mr Devendra Singh		Director (Ceased to be a Director w.e.f 10-11-2022)	
3. Mr Kailash Chandra Sharma		Director	
4. Mrs Kamlesh Gupta		Director	
<b>E. Enterprise over which KMP are able to exercise Significant Influence</b>		NIL	
<b>F. A Firm, in which a director, manager or his relative is a partner</b>		NIL	
<b>(ii) Transactions during the year with Related Parties</b>			
<b>As at 31-03-2023</b>			
<b>Name of the Related Party</b>	<b>Nature of Transactions</b>	<b>Transaction amount</b>	<b>Outstanding Balances as at 31-03-2023</b>
Unisphere Industries Private Limited	Investments in Subsidiary	(300 Lakhs)	NIL
Unisphere Industries Private Limited	Investments in Subsidiary	300 Lakhs**	300 Lakhs**
Butterfly Ayurveda Private Limited	Investment in Subsidiary	4800 Lakhs	4800 Lakhs
Butterfly Ayurveda Private Limited	Purchase of Goods	0.46 Lakhs	0.46 Lakhs
Mr Ankur Rawat	Remuneration	13.50 Lakhs	1.30 Lakhs
<b>As at 31-03-2022</b>			
Unisphere Industries Private Limited	Investments in Subsidiary	300 Lakhs*	300 Lakhs*
Unisphere Industries Private Limited	Receipt against Loan paid	(297.40 Lakhs)	NIL
Unisphere Industries Private Limited	Interest received on loan	16.43 Lakhs	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.			
*1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") have been Classified as compound financial instruments.			
<b>Note:</b> The company has, during the year, converted its 30,00,000 1% OCCRPS (Optionally Convertible Cumulative Redeemable Preference Shares) of Rs. 10/- each to 30,00,000 7% NCCRPS (Non-convertible Cumulative Redeemable Preference Shares) of Rs. 10/- each through variation of rights as per provisions of Section 48 and other applicable provisions of Companies Act, 2013. The approvals of the 100% shareholders' i.e holding company (Health Care Energy Foods Private Limited) have been obtained through resolution dated 28th February 2023. The exchange ratio was 1:1.			
** The 7% NCCRPS (Non-convertible Cumulative Redeemable Preference Shares), being cumulative in nature, have the right to dividend every year and they are non-convertible but are redeemable. On applying the provisions of IND AS 109, the company determined that the fixed-to-fixed test is not fulfilled (i.e. conversion at fixed number of shares for a fixed amount is not ascertainable) hence the company has concluded that the 7% NCCRPS shall not be divided into equity and liability components and shall be treated as liability only. As the financial instrument is financial liability in nature but interest rates are issued at concessional rates by the holding company. Therefore, after applying amortisation cost method as per Ind AS 109, equity component and financial liability component are segregated.			

<b>NOTE '31'</b>			
<b>Disclosure Of Financial Ratios :</b>			
<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	
<b>Current Ratio</b>	<b>3,816.04</b>	<b>109.82</b>	
<b>Debt Equity Ratio</b>	<b>0.01</b>	<b>-</b>	
<b>Debt Service Coverage Ratio</b>	<b>-</b>	<b>-</b>	
<b>Return on Equity Ratio</b>	<b>0.02</b>	<b>0.03</b>	
<b>Inventory Turnover Ratio</b>	<b>-</b>	<b>-</b>	
<b>Trade Receivables Turnover Ratio</b>	<b>0.00</b>	<b>0.09</b>	
<b>Trade Payables Turnover Ratio</b>	<b>-</b>	<b>-</b>	
<b>Net Capital Turnover Ratio</b>	<b>0.00</b>	<b>0.01</b>	
<b>Net Profit Ratio</b>	<b>151.73</b>	<b>6.52</b>	
<b>Return on Capital Employed</b>	<b>0.03</b>	<b>0.05</b>	
<b>Return on Investments</b>	<b>-</b>	<b>-</b>	

**NOTE '32'**

**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 to promoters, directors, KMPs, and the related parties(as defined under Companies Act, 2013), either severally or jointly with any other person, 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 .

The company has two wholly owned subsidiaries.

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 '33'**

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 '34'**

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 '35'**

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

**HEALTH CARE ENERGY FOODS PRIVATE LIMITED****CIN : U70109DL2007PTC161756****E-mail ID- hcefp12015@gmail.com : Tel. : +91-11-40525757****REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020****NOTE 13: SHARE CAPITAL****(A) Authorised, Issued, Subscribed and paid up share capital**

Amounts In Lakhs

PARTICULARS	AS AT	AS AT
	31-03-2023	31-03-2022
<b>AUTHORISED SHARE CAPITAL</b> 1000000 EQUITY SHARES OF Rs. 10/- EACH (Previous Year 1000000 Equity Shares of Rs. 10/- each)	100	100
<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b> 10500 EQUITY SHARES OF Rs. 10/- EACH (Previous Year 10500 Equity Shares of Rs. 10/- each)	1.05	1.05
	<b>1.05</b>	<b>1.05</b>

**(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	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	10,500	1,05,000	10,500	1,05,000
Add: Issued during the period	-	-	-	-
Less: Bought back during the period	-	-	-	-
At the end of the period	10,500	1,05,000	10,500	1,05,000

**(C) Term / Right attached to Equity shares**

The company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the realised value of the assets of the company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the share holders.

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

Name of Shareholder	31st March 2023		31st March 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
M/s Sai Capital Ltd.	10,300	98.10	10,300	98.10

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

	AS AT 31-03-2023	AS AT 31-03-2022	AS AT 31-03-2021	AS AT 31-03-2020	AS AT 31-03-2019
Share allotted as fully paid up without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Share allotted as fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares Bought Back	NIL	NIL	NIL	NIL	NIL

<b>HEALTH CARE ENERGY FOODS PRIVATE LIMITED</b>
CIN : U70109DL2007PTC161756
E-mail ID- hcefpl2015@gmail.com : Tel. : +91-11-40525757
REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA PHASE-I, NEW DELHI-110020
Statement of changes in equity for the year ended March 31,2023

Particulars	Reserve and surplus			Other reserves		Total other equity
	Securities premium reserve	Capital Redemption Reserve	Retained earnings	FVOCI equity Instruments	Effective portion of cash flow hedges	
As at March 31, 2021	-	1.45	35,105.88	-	-	35,107.33
Profit for the year	-	-	1,224.86	-	-	1,224.86
Other Comprehensive Income	-	-	0.07	-	-	0.07
Total Comprehensive Income for the year			1,224.93			1,224.93
Transfer to retained earnings on disposal of FVOCI Equity Instrument	-	-	-	-	-	-
Hedging gain I (loss) reclassified to Statement of Profit & Loss	-	-	-	-	-	-
Transactions with owners in their capacity as owners:						
Income Tax Demand For FY 2012-13			-			-
Dividend paid (including dividend distribution tax)	-	-	-	-	-	-
As at March 31, 2022	-	1.45	36,330.81	-	-	36,332.26
Profit for the period	-	-	699.54	-	-	699.54
Other Comprehensive Income	-	-	-0.08	-	-	-0.08
Total Comprehensive Income for the period			699.46			699.46
Transfer to retained earnings on disposal of FVOCI Equity Instrument	-	-	-	-	-	-
Hedging gain I (loss) reclassified to Statement of Profit & Loss	-	-	-	-	-	-
Transactions with owners in their capacity as owners:						
Income Tax Demand For FY 2012-13			-			-
Less : Dividend paid (including dividend distribution tax)	-	-	-	-	-	-
As at March 31, 2023	-	1.45	37,030.27	-	-	37,031.72

**The accompanying Notes and SAP form an integral part of the Financial Statements**  
As per our attached report of even date

<b>For Aditya Agarwal &amp; Associates</b> Chartered Accountants	<b>For Health Care Energy Foods Private Limited</b>
 (Micky Bhatia) Partner Membership No.438412 Firm Registration No. 004568C UDIN- 23438412BGSDME4613	 (Kailash Chandra Sharma)      (Ankur Rawat) Director                                      Director DIN: 00339013                              DIN: 07682969 Address: 14B/46,                              Address: Panchwati 3rd Floor, Dev                                  Residency, Flat No Nagar, Karol                                  608, Chandni Chowk, Kanke Bagh, New Delhi -                              Road Near Hotel Holiday 1100015    Home, Misirgonda Alias Pahargaon, Ranchi- 834008, Jharkhand

Place : New Delhi  
Date: 27-08-2023

**HEALTH CARE ENERGY FOODS PRIVATE LIMITED**

**STATEMENT OF DEPRECIATION AS PER INCOME TAX ACT, 1961**

S. No.	Description	RATE OF DEP.	W D V as on 01-04-2022	Addition upto 30-09-2022	Addition after 30-09-2022	Total Additions	Total Deletion	Total Value	Depreciaton			Total Depreciation	Profit / loss Cease of Block	W D V as on 31-03-2023
									Upto 30-09-2022	After 30-09-2022	Additional			
1	LAND	0%	52.73	-	-	-	-	52.73	-	-	-	-	-	52.73
2	BUILDING	10%	148.35	-	-	-	-	148.35	14.83	-	-	14.83	-	133.51
3	PLANT & MACHINERY, VEHICLE, OFFICE EQUIPMENT	15%	272.28	24.67	255.82	280.49	4.91	547.86	43.81	19.19	-	62.99	-	484.86
4	VEHICLE (DURING 23-08-2019 TO 31-03-2020)	30%	10.61	-	-	-	-	10.61	3.18	-	-	3.18	-	7.43
5	VEHICLE(TRUCKS)	30%	0.00	-	-	-	-	0.00	-	-	-	-	-	0.00
6	COMPUTERS	40%	0.44	-	0.51	0.51	-	0.95	0.18	0.10	-	0.28	-	0.67
7	FURNITURE & FIXTURES	10%	6.78	-	-	-	-	6.78	0.68	-	-	0.68	-	6.10
<b>Total</b>			<b>491.19</b>	<b>24.67</b>	<b>256.33</b>	<b>281.00</b>	<b>4.91</b>	<b>767.28</b>	<b>62.68</b>	<b>19.29</b>	<b>-</b>	<b>81.97</b>	<b>-</b>	<b>685.31</b>

Particulars	Numerator	Denominator	31-03-2023	31-03-2022	% Variance	Reason for Variance
(a) Current Ratio	Current Asset	Current Liabilities				
	25,817.18	6.77	3,816.04		3374.97%	Note 1 (a)
	30,302.96	275.95		109.82		
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity				
	195.07	37,032.77	0.01		N.A.	N.A.
	0.00	36,333.31		0.00		
(c) Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses+ finance cost	Debt service = Interest & Lease Payments + Principal Repayments				
	728.63	0.00	0.00		N.A.	N.A.
	1,269.50	0.00		0.00		
(d) Return on Equity Ratio	Net Profits after taxes	Shareholder's Equity				
	699.54	37,032.77	0.02		-43.98%	Note 1 (b)
	1,225.14	36,333.31		0.03		
(e) Trade Receivables turnover ratio	Net credit sales = Gross credit sales - purchase return	Closing Trade Receivable				
	4.61	1,637.06	0.00		-96.88%	Note 1 (d)
	187.78	2,080.77		0.09		
(f) Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Closing Trade Payable				
	N.A.	N.A.	N.A.			
	N.A.	N.A.		N.A.	N.A.	N.A.
(g) Inventory turnover ratio	Cost of Goods Sold	Closing Inventory				
	N.A.	N.A.	N.A.			
	N.A.	N.A.		N.A.	N.A.	N.A.
(h) Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities				
	4.61	25,810.42	0.00		-97.14%	Note 1 (d)
	187.78	30,027.01		0.01		
(i) Net profit ratio	Net Profit after taxes	Net sales = Total sales - sales return				
	699.54	4.61	151.73		2225.57%	Note 1 (d)
	1,225.14	187.78		6.52		
(j) Return on Capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt				
	956.78	37,227.84	0.03		-44.23%	Note 1 (c)
	1,674.50	36,333.31		0.05		
(k) Return on investment	Finance Income	Time weighted average Investment				
	N.A.	N.A.	N.A.		N.A.	N.A.
	N.A.	N.A.		N.A.		

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.

Note 1(d) : Due to decrease in Sales in current financial year.

## **A. CORPORATE INFORMATION**

Health Care Energy Foods Private Limited (“the Company”) is an unlisted company incorporated in India. The Company was incorporated on 09<sup>th</sup> April, 2007 under the provisions of the Companies Act, 2013. The registered office of the company is located at **B-143, Okhla Industrial Area, Phase-I, New Delhi -110020, India.**

The company is engaged in the business of manufacturing of all types of foods, packaged foods and edible items. The company is a Subsidiary Company of Sai Capital Limited which owns 98.10% of the ordinary share capital of the company & parent company of Unisphere Industries Pvt Ltd and Butterfly Ayurveda Pvt Ltd has the ability to significantly influence the Company’s Operation.

## **B. SIGNIFICANT ACCOUNTING POLICIES**

### **B.1 BASIS OF PREPARATION AND PRESENTATION**

The financial statements have been prepared on the basis of historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities,
- ii) 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 (Subject to amendment). It’s presentation and disclosure requirements is under Division II of Schedule III to the Companies Act, 2013 (Ind-AS Compliant Schedule III) subject to amendment.

The Company’s Financial Statements are presented in Indian Rupees (INR) which is also the functional currency and all values are rounded off to the nearest lakhs except 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.

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.

Property, Plant and Equipment which are not ready for intended use as on date of Balance Sheet are disclosed as Capital Work in Progress.

### **(b) 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.

### **(c) 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.

### **(d) 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.

**(e) 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.

**(f) 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.

**(g) 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.

**(h) 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 to a separate entity. 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.

#### **(i) 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.

#### **(j) 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.

#### **(k) 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.

### 36. OTHERS NOTES ON 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. The Bank account with Allahabad bank is dormant & the balance is subject to confirmation.
- 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 Rs.60,00,000/- p.a. or employee for a part of the year Rs.5,00,000/-p.m.
- IV. In the opinion of the Board, there is no contingent liability related to the company except the following as mentioned:

#### Contingent Liability

##### On Account of Performance Guarantee Given to ICDS

A contingent liability to the extent of Rs.510 Lakhs on account of Performance guarantee given by the company to the ICDS U.P.in case of a breach of agreement with ICDS or non- supply of ICDS Food supplement as per the terms of the Contract of the company with ICDS. The Bank Guarantee submitted with bank expired w.e.f 01<sup>st</sup> November, 2020.

##### On account of Statutory Dues:

Following Disputes of company are pending on which the company has not deposited following amounts due disputes or have deposited under protest.

Name of the Statute	Nature of dues	Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
UP VAT Act	UP VAT	14,04,490#	FY 2009-10	Addl. Commissioner (A) Azamgarh, U.P.
UP VAT Act	UP VAT	15,37,750#	FY 2010-11	Addl. Commissioner (A) Azamgarh, U.P.
GST Act	GST	5,32,012@	FY 2019-20	Addl. Commissioner, Commercial Tax (A) Jaunpur, U.P.

# The Above amount of Rs. 14,04,490/- and Rs. 15,37,750/- has been deposited by the company under protest.

@ The Above amount of Rs. 5,32,012/- has been deposited by the company under protest.

#### V. Capital Commitments

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities

- a. The Company has entered into an agreement dated 05-02-2020 to purchase of a Residential Immovable Property for Rs.2775 Lakhs. Against which the company has given an advance of Rs.2510.61 Lakhs (including TDS) to the seller. The Balance amount of Rs.264.39 Lakhs is to be paid by the Company at the time of execution of the sale deed of the same in favour of the Company as per the terms and conditions of the agreement to purchase the property.
- b. The Company has entered in to an agreement dated 03-10-2021 to purchase of commercial land for Rs. 2700 Lakhs. Against which the company has given an advance of Rs. 2000 Lakhs (Including TDS) to the seller. The Balance amount of Rs. 700 Lakhs is to be paid by the company at the time of execution of the sale deed of the same in favour of the company as per term and condition of the above agreement.

**VI. Note on Going Concern assumption of the Company**

The Company is principally engaged in the business of manufacturing of Micronutrients Fortified Energy Dense Food against fixed rates and term contract with ICDS Department, Government of UP. The said contract which was has expired in the month of August 2020.

Management is exploring new customers and is expecting fresh tender to be floated soon and intends to starts its manufacturing activities on availability of tenders and 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 prepare 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 31<sup>st</sup>March, 2023 comprises of the following:

	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Related to Property, Plant & Equipment	Rs.12.85 Lakhs	Rs.27.14 Lakhs
Related to Gratuity	Rs.0.12 Lakhs	Rs.00.03 Lakhs
Related to Unpaid Bonus	Rs.0.28 Lakhs	Rs.00.36 Lakhs
Income Tax Rate	25.168%	25.168%
Deferred Tax Assets as on 31.03.2022	Rs 13.25 Lakhs	Rs 27.53 Lakhs
Income Tax on Remeasurment gain / (loss) on defined benefit plans	Rs 14.28 Lakhs	Rs 8.33 Lakhs

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

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

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

<b>Particulars</b>	<b>As at March 31, 2023 (Amount in Lakhs)</b>	<b>As at March 31, 2022 (Amount in Lakhs)</b>
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. Disclosure related to CSR Activities**

(a) Gross Amount required to be spent by the company during the year.

**Rs 45.16 Lakhs.**

(b) Amount approved by the Board of Directors to be spent during the year-

**Rs 45.16 Lakhs**

Amount spent during the year on:

S.No.	Particulars	In Cash/Through Banking Channel	Yet to be paid	Total
(i)	Construction/ Acquisition of any Asset	26.42 Lakhs	NIL	NIL
(ii)	On purposes other than (i) above	18.74 Lakhs	NIL	NIL

(c) Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per IND AS (IND-AS 24), Related Party Disclosures: **NIL**

(d) A Donation of Rs 100.56 lakhs has been paid as advance to Radhey Shyam Charitable Trust. During the current financial year, the trust did not utilize the amount and therefore the advance paid is deemed to be refunded back in the forthcoming financial years.

#### **X. Retirement benefit obligation**

##### **Change in present value of Obligation**

Particulars	Amounts (in Lakhs)	
	For the period ending 31 March, 2023	For the period ending 31 March, 2022
Present value of obligation as at the beginning	0.11	0.11
Current service cost	0.25	0.09
Interest Expense or cost	0.02	0.01
Actual Return on Plan Assets	0.00	0.00
Benefits Paid	0.00	0.00
Actuarial (Gain)/Loss on Obligation	0.10	(0.10)
Closing Value of Obligation	0.48	0.11

##### **Change in the fair value of plan assets are as follows**

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

**Net Employee Benefit expense debited to Profit & Loss Account****Amounts (in Lakhs)**

Particulars	Gratuity	
	For the period ending 31st March, 2023	For the period ending 31st March, 2022
Current Service Cost	0.10	0.09
Interest Cost	0.01	0.01
Expected Return on Plan Asset	NIL	NIL
Net benefit Expense	NIL	0.00
Recognised in Profit & Loss	0.11	0.10
Recognised in OCI	0.03	(0.10)

**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	0.11	0.11
Current Year Expense	0.37	0.00
Closing Net Liability	0.48	0.11

**Actuarial Assumption**

Particulars	Gratuity	
	For the period ending 31 March, 2023	For the period ending 31 March, 2022
Mortality Table	(2012-2014)	(2012-2014)
Discount Rate	7.37%	7.45%
Rate of Escalation in salary per annum	2.50%	2.50%
Expected Rate of return on plan assets	N.A.	N.A.

**XI. Dividends**

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

**XII. Segment**

The company is engaged mainly in the business of manufacturing and supplying of supplementary nutrition foods to the government sponsored nutritive programme for infant, preschool children, adolescent girl etc. 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

**a. 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 Rs 1562.72 Lakhs as at March 31, 2023 (PY Rs. 2230.25 lakhs) and bank balance other than cash & cash equivalent is Rs 0.00 lakhs (PY Rs. 0.00 Lakhs). 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.

The ageing of loan and advance given that were not impaired is as follows

Particulars	Carrying amount(In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Neither past due nor impaired		
Past 1-30 days	NIL	1710.13
Past 31-90 days	NIL	Nil
Past 91-120 days	1000.00	Nil
Past 121-180 days	1125.00	1000.00

Past 181-360 days	429.48	1125.00
More than 360 days	19,734.27	21806.37

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

**b. 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.

**Maturity pattern of financial liabilities**

Non derivative financial liabilities (March 31, 2023)	Carrying amounts in Lakhs	Contractual cash flows				
		Total	0-1 years	1-2 years	2-5 years	More than 5 years
Borrowings and interest thereon	195.07	195.07	43.56	47.62	103.89	0
Trade payables	0	0	0	0	0	0
Other payables	0.54	0.54	0.54	0	0	0
Other Expenses Payable	4.62	4.62	4.62	0	0	0
Duties & Taxes Payable	0.47	0.47	0.47	0	0	0

Non derivative financial liabilities (March 31, 2022)	Carrying amounts in Lakhs	Contractual cash flows				
		Total	0-1 years	1-2 years	2-5 years	More than 5 years
Borrowings and interest thereon	0	0	0	0	0	0
Trade payables	0	0	0	0	0	0
Other payables	2.12	2.12	2.12	0	0	0

Other Expenses Payable	2.34	2.34	2.34	0	0	0
Duties & Taxes Payable	0.26	0.26	0.26	0	0	0

**c. 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.

**d. 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	195.07	-
Total equity	37032.77	36333.31
Debt - equity ratio	0.01	NA

**XIV. Fair Value Measurement**

**Financial Instrument by Category**

**Amounts in Lakhs**

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>
<b><u>Financial Assets</u></b>						
<b><u>(A) Non-Current</u></b>						
(i) Investment other than Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Security Deposit	Nil	Nil	757.62	Nil	Nil	674.32
<b><u>(B) Current</u></b>						
(i) Trade Receivable	Nil	Nil	1637.06	Nil	Nil	2080.77
(ii) Cash & Cash Equivalents	Nil	Nil	1562.72	Nil	Nil	2230.25
(iii) Bank Balance other than Cash & Cash Equivalents	Nil	Nil	Nil	Nil	Nil	Nil

(iv)Loans	Nil	Nil	22288.76	Nil	Nil	25641.50
(v)Other Financial Assets	Nil	Nil	Nil	Nil	Nil	Nil
<b><u>Financial Liabilities</u></b>						
<b><u>(A)Non-Current</u></b>						
(i)Borrowings	Nil	Nil	195.07	Nil	Nil	Nil
(ii)Trade Payable	Nil	Nil	Nil	Nil	Nil	Nil
(iii)Other Financial Liabilities	Nil	Nil	Nil	Nil	Nil	Nil
<b><u>(B) Current</u></b>						
(i)Borrowings	Nil	Nil	Nil	Nil	Nil	Nil
(ii)Trade Payable	Nil	Nil	Nil	Nil	Nil	Nil
(iii)Other Financial Liabilities	Nil	Nil	5.03	Nil	Nil	4.37

- 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.
- \*Cash and cash equivalents includes bank balance of Allahabad bank of Rs.0.46 lacs, this account is convert in dormant account due to this balance confirmation is not available and management has considered this balance good and fully recoverable.

**FOR HEALTH CARE ENERGY FOODS PRIVATE LIMITED**

**KAILASH CHANDRA SHARMA**  
(DIRECTOR)  
DIN: 00339013  
ADDRESS: 14B/46 3<sup>RD</sup> FLOOR  
DEV NAGAR, KAROL BAGH  
NEW DELHI - 110005

**ANKUR RAWAT**  
(DIRECTOR)  
DIN: 07682969  
ADDRESS- PANCHWATI RESIDENCY,  
FLAT NUMBER 608,  
CHANDNI CHOWK, KANKE  
ROAD NEAR HOTEL HOLIDAY  
HOME, MISIRGONDA ALIA S  
PAHARGON RANCHI 834008  
JHARKHAND

**Place-New Delhi**  
**Date- 27-05-2023**

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**Health Care Energy Foods Private Limited**

### REPORT ON THE AUDIT OF ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

We have audited the consolidated financial statements of Health Care Energy Foods Private Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group as at 31 March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

#### 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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Material Uncertainty related to Going Concern

We draw attention to note no. 33 (VI) "Going Concern" under Notes to account in the consolidated financial statements, wherein it is mentioned that the Company is principally engaged in the business of manufacturing of Micronutrients Fortified Energy Dense Food against fixed rates and term contract with ICDS Department, Government of UP. The said contract which has expired in the month of August 2020 & company is looking for new contracts. 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 consolidated financial statements on going concern basis & consequently, no adjustments have been made to the carrying values of the assets & liabilities in the attached consolidated financial statements.

Our opinion is not modified in respect of this matter.

## **Emphasis of Matter**

We draw attention to the following matters in the Notes to the financial statements:

- 1) Note no 33 (I) in the Consolidated financial statements which disclose 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. The Bank account with Allahabad bank is status as dormant & the balance is subject to confirmation.
- 2) We draw attention to note no. 33 (IV) (3) "Contingent Liability" under Notes to account in the consolidated 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 Private Limited (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 Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated 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 consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Holding 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's and Board of Directors' Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each

Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of each Company.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated 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 appropriateness of this assumption. 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion. We communicate with those charged with governance of the Holding Company and such other Companies included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated 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 of the Holding company as on 31 March 2023 taken on record by the Board of Directors of the Holding company & on the basis of the written representations received from the directors of the subsidiaries companies, none of its directors of the group company 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 consolidated financial statements of the Holding Company & its subsidiaries companies 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 consolidated financial statements Company disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the group. Refer note no 31 (I) (V) to the Consolidated financial statements.
  - b) The Group 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 Holding Company & its subsidiaries during the year ended 31/03/2023.
  - 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 Holding Company & its subsidiaries companies 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 Holding Company or its subsidiaries companies,
    - 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 Holding Company or its subsidiaries companies from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiaries companies shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

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

e) The Holding Company & its subsidiaries companies 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 during the current year by the Holding Company & its subsidiaries companies 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:** 23438412BGSDMF8530

Micky Bhatia  
**(Partner)**  
**Membership No.** 438412

**Annexure A to the Independent Auditor's report on the consolidated financial statements of Health Care Energy Foods 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)

(xxi) According to the information and explanations given to us, in respect of the following companies incorporated in India and included in the consolidated financial statements,

<b>Name of the Company</b>	<b>CIN</b>	<b>Subsidiary</b>
Butterfly Ayurveda Private Limited	U74999DL2014PTC273557	Subsidiary
Unisphere Industries Private Limited	U70109DL2019PTC358253	Subsidiary

## **Annexure B to the Independent Auditor's Report on the consolidated financial statements of Health Care Energy Foods Private Limited for the year ended 31 March 2023**

### **Report on the internal financial controls with reference to the aforesaid consolidated 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**

In conjunction with our audit of the consolidated financial statements of the Health Care Energy Foods Private Limited ("the Holding Company") as of and for the year ended 31/03/2023 we have audited the internal financial controls with reference to consolidated financial statements of the Holding company & its subsidiary companies as of that date.

In our opinion, the Holding Company & its subsidiaries has, in all material respects, adequate internal financial controls with reference to Consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to Consolidated financial statements criteria established by such companies considering the essential components of such internal controls 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 respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 Companies Act, 2013

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 consolidated 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 consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

## **Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements**

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

## **Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated 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:** 23438412BGSDMF8530

Micky Bhatia  
**(Partner)**  
**Membership No.** 438412

**HEALTH CARE ENERGY FOODS PRIVATE LIMITED**

CIN : U70109DL2007PTC161756

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

REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020

**Consolidated Balance Sheet as at 31-03-2023**

Particulars	Note	Amount as at March 31, 2023	Amount as at March 31, 2022
<b>A Assets</b>			
<b>1 Non-current assets</b>			
a) Property, plant and equipment	1	1,628.07	383.33
b) Capital work-in-progress		2,588.87	18.20
c) Goodwill		1,562.26	-
d) Investment properties	2	480.02	418.63
e) Intangible assets		61.48	-
f) Financial assets			
i) Investments		-	-
ii) Trade Receivables		-	-
iii) Loans		-	-
iv) Other financial assets		732.90	674.32
g) Deferred tax assets (net)	4	13.86	27.53
h) Other non-current assets	5	4,682.34	4,741.74
<b>Total non-current assets</b>		<b>11,749.80</b>	<b>6,263.73</b>
<b>2 Current assets</b>			
a) Inventories	6	113.86	81.20
b) Financial assets			
i) Investments		-	-
ii) Trade Receivables	7	1,679.05	2,080.77
iii) Cash and cash equivalents	8	1,596.49	2,242.74
iv) Bank balances other than cash and cash equivalents above	9	-	-
v) Loans	10	22,338.84	25,641.51
vi) Other financial assets	11	0.81	-
c) Current tax assets (net)		-	-
d) Other current assets	12	403.89	269.71
<b>Total Current assets</b>		<b>26,132.93</b>	<b>30,315.93</b>
<b>Total Assets</b>		<b>37,882.73</b>	<b>36,579.67</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	13	1.05	1.05
b) Other equity	14	36,622.42	36,301.54
Equity attributable to the owners of Health care Energy Foods Private Limited		36,623.47	36,302.59
Non Controlling Interest			
<b>Total equity</b>		<b>36,623.47</b>	<b>36,302.59</b>
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
a) Financial liabilities			
i) Borrowings	15	195.07	-
ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises; and			
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises			
iii) Other financial liabilities			-
b) Provisions	16	2.92	0.11
c) Deferred tax liabilities (net)		-	-
d) Other non-current liabilities		-	-
<b>Total non-current liabilities</b>		<b>197.99</b>	<b>0.11</b>
<b>2 Current liabilities</b>			
a) Financial liabilities			
i) Borrowings	17	1,015.09	-
ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises; and			
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	24.58	-
iii) Other financial liabilities	19	5.03	4.65
b) Other current liabilities	20	14.98	1.10
c) Provisions	21	1.58	100.86
d) Current tax liabilities (net)	22	-	170.36
<b>Total current liabilities</b>		<b>1,061.27</b>	<b>276.97</b>
<b>Total liabilities</b>		<b>1,259.26</b>	<b>277.08</b>
<b>Total equity and liabilities</b>		<b>37,882.73</b>	<b>36,579.67</b>

The accompanying Notes and SAP form an integral part of the Financial Statements - 1-33

As per our attached report of even date

**For Aditya Agarwal & Associates**  
Chartered Accountants

**For Health Care Energy Foods Private Limited**

(CA Micky Bhatia)  
Partner  
Membership No. 438412  
Firm Registration No. 004568C

(Kailash Chandra Sharma) (Ankur Rawat)  
Director Director  
DIN: 00339013 DIN: 07682969  
Address: 14B/46, 3rd Floor, Address: Panchwati  
Dev Nagar, Karol Bagh, New Residency,  
Delhi - 110005 Flat No 608, Chandni  
Chowk, Kanke

UDIN- 23438412BGSDMF8530

Road Near Hotel  
Holiday Home,  
Misirgonda Alias  
Pahargon, Ranchi  
834008, Jharkhand

Place : New Delhi  
Date: 27-05-2023

## HEALTH CARE ENERGY FOODS PRIVATE LIMITED

CIN : U70109DL2007PTC161756

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

REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020

### Consolidated Statement of Profit and Loss for the year ended 31-03-2023

Particulars	Note	Amounts (In Lakhs)	
		Figures for the Current reporting period ended on 31-03-2023	Figures for the Current reporting period ended on 31-03-2022
<b>INCOME</b>			
Revenue from operations	23	58.41	187.78
Other income	24	1,535.88	1,651.81
<b>Total Income</b>		<b>1,594.29</b>	<b>1,839.59</b>
<b>EXPENSES</b>			
Cost of material consumed	25	-	-
Purchases of Stock in trade		8.65	-
Change in inventories of finished goods,	26	30.85	-
Employee benefits expenses	27	97.94	18.32
Finance costs	28	54.46	-
Depreciation and amortisation expenses	1	30.41	44.36
Other expenses	29	799.73	124.81
<b>Total expenses</b>		<b>1,022.04</b>	<b>187.49</b>
<b>Profit before exceptional items and tax</b>		<b>572.26</b>	<b>1,652.10</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>572.26</b>	<b>1,652.10</b>
<b>Tax expenses</b>			
Current tax		242.96	441.05
Deferred tax		14.30	8.31
Tax of Earlier Year		-	-
<b>Total expenses</b>		<b>257.26</b>	<b>449.35</b>
<b>Profit for the year</b>		<b>315.00</b>	<b>1,202.75</b>
<b>Other Comprehensive Income</b>			
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 / (loss) on defined benefit plans		0.18	0.10
iii) Income tax related to item no (ii) above		0.05	0.02
b) Items that will be reclassified to profit and loss			
i) Effective portion of gain / (loss) on cash flow hedges			
ii) Income tax related to item no (i) above			
<b>Other Comprehensive Income, net of tax</b>		<b>0.13</b>	<b>0.07</b>
<b>Total Comprehensive Income for the year</b>		<b>315.13</b>	<b>1,202.82</b>
<b>Profit is attributable to :</b>			
Owner of the Company		315.00	1,202.75
Non-controlling interest		-	-
		<b>315.00</b>	<b>1,202.75</b>
<b>Other Comprehensive Income is attributable to :</b>			
Owner of the Company		0.13	0.07
Non-controlling interest		-	-
		<b>0.13</b>	<b>0.07</b>
<b>Total Comprehensive Income is attributable to :</b>			
Owner of the Company		315.13	1,202.82
Non-controlling interest		-	-
		<b>315.13</b>	<b>1,202.82</b>
<b>Earnings per Equity share</b>	<b>30</b>	<b>2,999.96</b>	<b>11,454.74</b>
<b>Basic and diluted earning Rs. Per equity share of Rs. 10 each</b>		<b>2,999.96</b>	<b>11,454.74</b>

The accompanying Notes and SAP form an integral part of the Financial Statements: 1-33

As per our attached report of even date

**For Aditya Agarwal & Associates**

Chartered Accountants

**For Health Care Energy Foods Private Limited**

(CA Micky Bhatia)  
Partner  
Membership No. 438412  
Firm Registration No. 004568C  
UDIN- 23438412BGSDFM8530

(Kailash Chandra Sharma)  
Director  
DIN: 00339013  
Address: 14B/46, 3rd Floor Dev  
Nagar, Karol Bagh New Delhi -  
110005

(Ankur Rawat)  
Director  
DIN: 07682969  
Address: Panchwati  
Residency, Flat No  
608, Chandni Chowk, Kanke  
Road Near Hotel Holiday  
Home, Misirgonda Alias  
Pahargaon, Ranchi-  
834008, Jharkhand

Place : New Delhi  
Date: 27-05-2023

HEALTH CARE ENERGY FOODS PRIVATE LIMITED				
CIN : U70109DL2007PTC161756				
E-mail ID- hcefp12015@gmail.com : Tel. : +91-11-40525757				
REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020				
Consolidated Cash Flow Statement for the year ended 31-03-2023				
Particulars	F.Y. 2022-23 Amount (in Lakhs)	F.Y. 2021-2022 Amount (in Lakhs)		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net profit before tax	572.26	1,652.10		
<b>Adjustments for Non-Cash Items / Non-Operating Items:</b>				
Add: Depreciation	30.41	44.36		
Add: Interest Expense	54.46	-		
Less: Profit on sale of Fixed Asset	(4.60)	-		
Add: Pre-Acquisition profit of Subsidiary	(5.76)	-		
Add: Gratuity/(Net of Payment)	2.99	0.10		
Less: Interest Income	1,535.88	1,649.20		
<b>NET PROFIT FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES</b>	(876.92)	47.36		
<b>Changes in current assets and liabilities:</b>				
<b>Change in Current Assets</b>				
Inventories	(32.66)	-		
Trade Receivable	401.72	(33.64)		
Short Term Loans And Advances	-	-		
Other Financial Assets	(0.81)	0.87		
Other Current Assets	(21.98)	36.83		
<b>Change in Current Liabilities</b>				
Short Term Borrowing	1,015.09	-		
Trade Payable	24.58	(0.97)		
Other Financial Liabilities	0.39	(10.85)		
Other Current Liabilities	13.88	(0.75)		
Other Provision	(99.28)	38.10		
Provision for Employee benefits	-	(1.84)		
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES BEFORE INCOME TAX</b>	424.01	75.12		
Less: Income Tax Paid/ TDS (including Income Tax Demand)	525.52	270.69		
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>(101.51)</b>	<b>(195.56)</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchases of PPE	(1,275.87)	(166.33)		
Capital Work-in-Progress	(2,579.21)	-		
Increase in Intangible Assets	(61.48)	-		
Decrease in Investment	2.00	-		
Purchases of Investment Property	(61.40)	(25.00)		
Purchase of Goodwill	(1,562.26)	-		
Sale of PPE	4.68	9.10		
Increase in Non Current Financial Assets	(58.58)	(37.10)		
Increase in Non Current Assets	59.40	(3,917.34)		
Interest Income	1,535.88	1,649.20		
Bank balance other than Cash & Cash Equivalent	-	980.00		
Loans & Advance to others	3,302.67	739.87		
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(694.15)</b>	<b>(767.59)</b>		
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Secured Loans	195.07	-		
Dividend Paid	-	-		
Opening Cash and Cash Equivalent Subsidiary	8.79	-		
Interest Expense	(54.46)	-		
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>149.41</b>	<b>-</b>		
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(646.26)</b>	<b>(963.15)</b>		
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>2,242.74</b>	<b>3,205.90</b>		
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>1,596.49</b>	<b>2,242.74</b>		
<b>Reconciliation of liabilities arising from financing activities</b>				
<b>Particulars</b>	<b>Short term borrowings</b>	<b>Long term borrowings</b>	<b>Lease liabilities</b>	<b>Total</b>
<b>As at April 01, 2022</b>	<b>435.07</b>	<b>5,049.61</b>	<b>-</b>	<b>5,484.68</b>
<b>Cash flows</b>				
Lease rental paid	-	-	-	-
Receipt of loan	-	195.07	-	195.07
Repayment of loan	-	4,556.00	-	4,556.00
<b>Non cash changes</b>				
Interest on liability component of compound fir	-	48.85	-	48.85
Conversion of Director's Credit	-	37.56	-	37.56
Interest expense on lease liabilities	-	-	-	-
	<b>435.07</b>	<b>775.09</b>	<b>-</b>	<b>1,210.16</b>
<b>Reconciliation of liabilities arising from financing activities</b>				
<b>Particulars</b>	<b>As at 01 April 2022</b>	<b>Cash flows</b>	<b>Non cash changes</b>	<b>As at 31 March 2023</b>
Short term borrowings	435.07	-	37.56	472.63
Long term borrowings	5,049.61	(4,360.93)	48.85	737.53
Lease liabilities	-	-	-	-
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.				
<b>The accompanying Notes form an integral part of the Financial Statements</b>				
As per our attached report of even date				
<b>For Aditya Agarwal &amp; Associates</b>		<b>For Health Care Energy Foods Private Limited</b>		
Chartered Accountants				
(CA Micky Bhatia) Partner Membership No. 438412 Firm Registration No. 004568C UDIN- 23438412BGSDMF8530		(Kailash Chandra Sharma) (Ankur Rawat) Director DIN: 00339013 Address: 14B/46, 3rd Floor Dev Nagar, Karol Bagh New Delhi -110005		
		Director DIN: 07682969 Address: Panchwati Residency, Flat No 608, Chandni Chowk, Kanke Road Near Hotel Holiday Home, Misirgonda Alias Pahargaon, Ranchi- 834008, Jharkhand		
Place : New Delhi				
Date: 27-05-2023				

HEALTH CARE ENERGY FOODS PRIVATE LIMITED  
REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020  
AS PER COMPANIES ACT, 2013

NOTE -1: DEPRECIATION

S. No.	Particulars	Rate of Depreciation	GROSS BLOCK					DEPRECIATION					NET BLOCK	
			As on 01.04.2022	Impact on IND-As Transition	Additions	Deletion	As on 31.03.2023	Up to 01.04.2022	Deletion	Apr-Mar 2023	Dep. Adjusted to Comply with Provision of Schedule-II of Co. Act - 2013	Total	As on 31.03.2023	As on 31.03.2022
1	Land	0%	302.01	740.72	-	-	1,042.73	-	-	-	-	-	1,042.73	52.73
2	Building	10.00%	452.67	-	-	-	452.67	269.06	-	6.95	-	276.01	176.66	183.61
3	Road	0.00%	4.55	-	-	-	4.55	4.32	-	-	-	4.32	0.23	
4	Plant & Machinery	27.82%	860.47	-	-	-	860.47	754.66	-	6.08	-	760.74	99.73	105.80
5	Transformer	13.91%	96.67	-	-	-	96.67	91.84	-	-	-	91.84	4.83	4.83
6	Office Equipment	13.91%	26.77	-	3.17	-	29.94	25.02	-	1.13	-	26.14	3.80	1.74
7	Lab Equipments		7.30	-	-	-	7.30	6.84	-	0.01	-	6.86	0.45	0.47
8	Furniture & Fixture	18.10%	19.67	-	-	-	19.67	18.20	-	0.12	-	18.32	1.35	1.47
9	Computer	40.00%	10.13	-	0.51	-	10.64	9.61	-	0.10	-	9.72	0.92	0.50
10	Vehicle	25.89%	135.97	-	277.32	15.13	398.16	104.03	14.16	14.71	-	104.57	293.59	31.94
11	Trucks	40.00%	-	-	-	-	-	-	-	-	-	-	-	-
12	Laptop & Computer	63.16%	11.62	-	-	-	11.62	10.57	-	0.46	-	11.03	0.59	-
13	Printer	63.16%	1.08	-	-	-	1.08	0.99	-	0.04	-	1.03	0.05	-
14	Equipments	31.23%	3.41	-	-	-	3.41	3.12	-	0.07	-	3.19	0.22	-
15	Almirah	25.89%	1.72	-	-	-	1.72	0.60	-	0.29	-	0.89	0.82	-
16	Machinery	18.10%	5.37	-	-	-	5.37	2.81	-	0.46	-	3.28	2.10	-
<b>TOTAL (Rs.)</b>			<b>1,939.41</b>	<b>740.72</b>	<b>281.00</b>	<b>15.13</b>	<b>2,946.00</b>	<b>1,301.69</b>	<b>14.16</b>	<b>30.41</b>	<b>-</b>	<b>1,317.94</b>	<b>1,628.07</b>	<b>383.33</b>
<b>PREVIOUS YEAR (Rs.)</b>			<b>1,849.19</b>				<b>1,666.93</b>	<b>1,412.39</b>	<b>173.16</b>	<b>44.36</b>	<b>-</b>	<b>1,283.60</b>	<b>383.33</b>	<b>436.80</b>

Capital WIP	Op Balance	Capitalised	Deletion	Closing
Plant and Machinery	18.20	-	8.55	9.66
<b>Total</b>	<b>18.20</b>	<b>-</b>	<b>8.55</b>	<b>9.66</b>

**CWIP aging schedule**

Particulars	Amount in CWIP for a period of					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects temporarily suspended	-	-	2.68	15.53	<b>18.20</b>	
Projects in progress	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2.68</b>	<b>15.53</b>	<b>18.20</b>	

**HEALTH CARE ENERGY FOODS PRIVATE LIMITED**

CIN : U70109DL2007PTC161756

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

REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020

**NOTES OF BALANCE SHEET**

Amounts (In Lakhs)

**PARTICULARS**

As on 31.03.2023

As on 31.03.2022

**NOTE 2 : INVESTMENT IN PROPERTY**

GOA Property	227.30	227.30
GOA Property Renovation	25.00	25.00
Investment in Property - Camellia (520 B)	227.72	166.33
	<b>480.02</b>	<b>418.63</b>

Particulars	Description of items of Property	Gross Carrying Value (Rs. in Lakhs)	Title Deed held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director
Investment property	Residential Building (Land & Building)	252.3	Unisphere Industries Private Limited	N.A.
Investment property	Residential Building	227.72	Registration of property in the name of company is under process	N.A.

Address of Property: DLF Camellias, Gurgaon

Address of Property: House No. ADG/19/309 at Village Curca, Bambolim and Talaulim, Taluka Tiswadi, Goa.

**NOTE 3 : OTHER FINANCIAL ASSETS**

a) Security Deposits	46.53	20.45
b) Security Deposit with ICDS (Lien Marked FDR in favour of ICDS)	686.37	653.87
<b>TOTAL</b>	<b>732.90</b>	<b>674.32</b>

**NOTE 4 : DEFERRED TAX ASSETS(liability)(net)**

Opening Balance	27.53	35.86
Add(Less):Created/(Written Off) during The Year	-14.28	-8.33
Closing Balance Deffered Tax Assets/(Liability)	13.25	27.53
	<b>13.25</b>	<b>27.53</b>
Deferred Tax Assets (Net of Liability)	0.61	-
	<b>13.86</b>	<b>27.53</b>

**NOTE 5 : OTHER NON-CURRENT ASSETS**

a) U.P. VAT Deposit under Protest	29.42	30.31
b) GST deposit under Protest	5.32	5.32
c) Advance for Purchase of Immovable Property	4,637.61	4,637.61
d) Advance for Interior Work of Immovable Property	-	61.40
e) Fdr Haridwar Vat Registration	0.79	-
f) Fdr Mumbai Vat Registration	0.69	-

g) Security Deposit - Society at GOA	6.03	6.03
h) Fixed Deposit for Security Deposit(VAT)	1.59	1.07
i) Other Deposits	0.89	-
	<u>4,682.34</u>	<u>4,741.74</u>

**CURRENT ASSETS****NOTE 6 : INVENTORIES**

a) Finished Goods	32.66	-
b) Fuel & Oil	1.48	1.49
c) Consumable Store	79.72	79.71
<b>TOTAL</b>	<b>113.86</b>	<b>81.20</b>

**NOTE 7 : TRADE RECEIVABLE****Unsecured, (Considered good & Less than Six Months)**

Director ICDS Lucknow	33.64	33.64
Receivables considered good - Unsecured	98.72	-
(-) Loss Allowance	-56.73	-

**Unsecured, (Considered good & More than Six Months)**

Director ICDS Lucknow	2,044.90	2,044.90
Smriti Products (P) Ltd	-	2.23
(-) Loss Allowance	-441.48	-
<b>TOTAL</b>	<b>1,679.05</b>	<b>2,080.77</b>

Particulars	0-12 Months	>12 - 24 Months	>24 - 36 Months	>36 Months
31-03-2023	10.26	26.49	1642.30	0
31-03-2022	33.64	0	2047.13	0

**NOTE 8 : CASH AND CASH EQUIVALENTS**

a) Balance with banks		
i) Balance with schedule banks	23.51	393.80
ii) Fixed Deposit with Bank	1,568.00	1,848.10
b) Cash in Hand	4.98	0.84
<b>TOTAL</b>	<b>1,596.49</b>	<b>2,242.74</b>

**NOTE 9: BANK BALANCE OTHER THEN CASH & CASH EQUIVALENTS**

Fixed Deposits with bank (maturity more than 3 months upto 12 month)	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**NOTE 10 : SHORT TERM LOAN AND ADVANCES****Loans Receivables considered good – Unsecured**

a) Loan to Beta Edibles Processing Private Limited	2,554.48	2,074.35
b) Loan to WorldWide Holdings limited	19,734.27	23,567.15
c) Butterfly Ayurveda Bakery Pvt Ltd	49.90	-
d) Ba Bakery Pvt Ltd	0.18	-
<b>TOTAL</b>	<b>22,338.84</b>	<b>25,641.51</b>

The ageing of loan and advance given that were not impaired is as follows

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

Neither past due nor impaired

Past 1-30 days	NIL	1710.13
Past 31-90 days	NIL	Nil
Past 91-120 days	1050.08	Nil
Past 121-180 days	1125	1000
Past 181-360 days	429.48	1125
More than 360 days	19,734.27	21806.37

**NOTE 11 : OTHER FINANCIAL ASSETS**

Security Deposit (Including Accrued Interest) with ICDS (Lien Marked FDR of ICDS)	-	-
Advance to Supplier	0.81	
<b>TOTAL</b>	<b>0.81</b>	<b>-</b>

**NOTE 12 : OTHER CURRENT ASSETS**

Advance to Supplier	5.00	-
Advance to Employees	0.07	-
Advance given for CSR Initiative	100.56	200.11
Electronic Cash Ledger GST	0.06	64.85
Electronic Credit Ledger GST	2.46	0.07
GST/TDS Receivable	155.99	-
Income Tax Refundable for AY 2021-22	1.62	1.62
Income Tax Refundable for FY 2022-23	0.61	-
Income Tax Refundable for AY 2023-24	112.20	-
Input Tax Credit Receivable	0.18	0.13
Interest accrued but not due	24.01	1.47
Other Current Assests (Subidiary)	-	0.04
Prepaid Expenses	1.13	1.41
<b>TOTAL</b>	<b>403.90</b>	<b>269.71</b>

**RESERVE & SURPLUS****a) Reserves:**

Capital Redemption Reserve	1.45	1.45
----------------------------	------	------

**b) Surplus:**

Profit & Loss Account		
Opening Balance	36,300.09	35,097.27
Less:Capital Redemption Reserve	-	-
Add:Pre-Acquisition Profit	5.76	-
Add: Other Comprehensive Income(OCI)	0.13	0.07
Add: Current year Profit	315.00	1,202.75
Less:Dividend Paid	-	-
<b>TOTAL</b>	<b>36,622.42</b>	<b>36,301.54</b>

**NON CURRENT LIABILITIES****NOTE 15 Secured Loans**

ICICI Loan - Land Cruiser Loan	195.07	-
	<b>195.07</b>	

\*This is a secured loan against hypothecation of vehicle and repayable as per repayment schedule.

**NOTE 16: LONG TERM PROVISION**

Provision for Gratuity	2.92	0.11
	<b>2.92</b>	<b>0.11</b>

**CURRENT LIABILITIES****NOTE 17: SHORT-TERM BORROWINGS****Unsecured Loan**

a) Loans from Directors	331.36	-
b) Loans from Related Parties		
Naveen Khandelwal	230.28	-

Sangeeta Khandelwal	46.00	-
<b>c) Loans from Others</b>		
World Wide Holdings Limited	<u>407.46</u>	<u>-</u>
<b>TOTAL</b>	<b><u>1,015.09</u></b>	<b><u>-</u></b>

**NOTE 18 : TRADE PAYABLES**

(a) Total outstanding dues of micro enterprises and small enterprises; and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	24.58	-
<b>Total</b>	<b>24.58</b>	<b>-</b>

**NOTE 19: OTHER FINANCIAL LIABILITIES**

a) Other Creditor	0.54	2.12
b) Expenses Payable	4.49	2.53
<b>TOTAL</b>	<b>5.03</b>	<b>4.65</b>

**NOTE- 20 : OTHER CURRENT LIABILITIES**

a) Expenses Payable	1.43	0.09
b) Duties & Taxes Payable	6.26	1.01
c) Employees Payable	7.30	-
<b>TOTAL</b>	<b>14.98</b>	<b>1.10</b>

**NOTE 21 : SHORT TERM PROVISION**

Provision For Bonus	1.13	1.42
CSR Expenditure to be Spent	-	99.44
Audit Fees Payable	0.45	-
<b>TOTAL</b>	<b>1.58</b>	<b>100.86</b>

**NOTE-22 : Current Tax Liabilities (Net)**

Provision for Current Tax	242.96	441.05	
<b>Less:</b> Advance Tax	200.00	100.00	
<b>Less:</b> Tax Collected at Source	2.32	-	
<b>Less:</b> Tax deducted at Source	152.84	-	170.69
			170.36
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>170.36</b>

\*Income Tax Refundable is Rs 112.20 (Refer note no. 12)

**NOTES OF STATEMENT OF PROFIT & LOSS PARTICULARS****NOTE 23: REVENUE FROM OPERATION**

Sales - ICDS Food Supplements	-	187.78
Sales - Refraction & Others	4.61	-
Sales-Other Operations	43.96	-
Other Direct Income	9.84	-
<b>TOTAL</b>	<b>58.41</b>	<b>187.78</b>

**NOTE 24: OTHER INCOME**

Interest Earned	1,535.79	1,649.20
Commission Receipt	-	0.18
Miscellaneous Income	0.04	-
Profit on Sale of Fixed Assets	0.05	-
Sundry Balance Written Off	-	2.43
<b>TOTAL</b>	<b>1,535.88</b>	<b>1,651.81</b>

**NOTE 25 : COST OF MATERIAL CONSUMED**

Opening Stock of Raw Material	-	-
Purchase - Edible Vegetable Oil	-	-
Purchase - Ground Nut	-	-
Purchase - Skimmed Milk Powder	-	-
Purchase - Soya Bengal Gram Mix(Laddu)	-	-
Purchase - Soya Bengal Gram Mix(WF)	-	-
Purchase - Soya Ragi Mix(MD)	-	-
Purchase - Soya Ragi Mix(ND)	-	-
Purchase - Spice Mix	-	-
Purchase - Sugar	-	-
Purchase - Toor Dal	-	-
Purchase - Vitamin & Mineral	-	-
Purchase - Wheat	-	-
Purchase - Whole Milk Powder	-	-
	<hr/>	<hr/>
Less : Closing Stock of Raw Material	-	-
	<hr/>	<hr/>

**NOTE- 26 : CHANGES IN INVENTORIES OF FINISHED GOODS**

Add : Opening Stock of Finished Goods	63.51	-
Less: Closing Stock of Finished Goods	32.66	-
Increase (Decrease) in Stock	<hr/>	<hr/>
	30.85	-

**NOTE- 27 : EMPLOYEE BENEFIT EXPENSES**

Admin. Charges -PF	0.09	0.09
Bonus on Salary & Wages	0.09	1.42
Director's Remuneration	13.50	
Employer's Contt. to P.F.	0.65	0.72
Ex-gratia	-	0.28
Gratuity	0.27	0.10
Salary	82.27	14.64
Staff Welfare Expenses	1.08	1.06
	<hr/>	<hr/>
	97.94	18.32

**NOTE- 28: FINANCE COST**

a) Interest on Unsecured Loan	54.28	-
b) Bank Charges	0.18	-
	<hr/>	<hr/>
	54.46	-

**NOTE- 29 : OTHER EXPENSES****A : MANUFACTURING EXPENSES**

Consumable Lab	-	-	-
Consumable Store	0.02	0.02	-
Add : Opening Stock	79.71		79.71
Less : Closing Stock	<hr/>		<hr/>
	79.71		79.71
Insurance Exps- Factory		0.05	0.71
Loading & Unlaoding Expenses		0.02	-
Packing Material	-	-	-
Add : Opening Stock	-	-	-
Less : Closing Stock	<hr/>	<hr/>	<hr/>
	-	-	-
Power & Fuel	2.03	2.04	-
Add : Opening Stock	1.49		1.49
Less : Closing Stock	<hr/>		<hr/>
	1.48		1.49
Repair & Maintanance - Plant & Machinery		0.34	0.22
	<hr/>	<hr/>	<hr/>
<b>TOTAL (A)</b>		<b>2.46</b>	<b>0.93</b>

**B : ADMINISTRATION & SELLING EXPENSES**

Payment to Auditor as		1.92		1.38
a) Auditor	1.92		1.38	
b) for Certification Charges	-		-	
Advertisement Expenses		0.30		
Bank Charges		0.03		0.02
Business Development Expenses		35.42		
Books & Periodicals		0.00		0.03
Courier Expenses		1.48		
Computer Software & Maintenance		0.13		0.10
Conveyance		0.05		0.08
Commission Expenses		2.24		
CSR Expenses		45.16		66.28
Demat A/c Charges		0.17		0.26
Electricity and Water Expenses		8.18		18.75
ESI & PF on Security Charges		-		0.04
Fee, Rate & Taxes		26.53		2.16
Festival Expenses		1.75		0.00
Freight & Cartage		-		0.01
Freight Outward		-		-
Guest House Expenses		-		0.00
House Keeping Expense		-		-
Insurance Expenses		1.36		5.47
Intt on Statutory Dues and Late Fees		16.03		0.16
Interest on TDS Payable		0.00		-
Internet & Networking Expense		0.16		0.18
JCB Hiring charges		0.99		-
Legal & Professional Charges		44.54		4.54
Loss on Sale of Fixed Assets		4.65		0.51
Late filing Fees (GST)		0.00		-
Lift & AMC Charges		0.49		0.48
Medical Expenses		-		0.00
Maintenance Expense		0.30		-
Misc Exps.		0.03		-
Office Expenses		0.39		0.34
Other Expenses		6.51		-
Postage & Couriers Charges		0.02		0.02
Printing & Stationery		0.66		0.05
Professional Expenses		6.41		-
Preliminary Expense W/off		0.04		0.02
Prior period expenses		0.06		-
Rent Expenses		6.27		7.29
Repair & Maintenance		1.33		0.25
Repair & Maintenance (Vehicle)		0.41		-
Reversal of GST Credit		0.15		-
Recruitment & Training Expenses		0.25		-
ROC Fees		0.19		4.14
ROC fees for Authorised Capital		4.41		-
Round off		0.00		-
Security Charges		12.06		6.38
Sundry Balance Written off		59.11		-
Telephone Expenses		1.14		0.38
Tours & Travelling Expenses		2.64		-
Vehicle Running & Maintenance		4.03		4.55
Write off/Writeback		1.09		-
Loss Allowance on Trade receivables		498.21		-
<b>TOTAL (B)</b>		<b>797.27</b>		<b>123.88</b>
<b>GRAND TOTAL (A+B)</b>		<b>799.73</b>		<b>124.81</b>

**NOTE 30: Earning Per Share**

(i) Net Profit After Tax as Profit &amp; Loss

315.00

1,202.75

(ii) Weighted Average number of equity shares	10,500.00	10,500.00
(iii) Basic & Diluted Earning Per Share	<u>2,999.96</u>	<u>11,454.74</u>
(iv) Face Value of Shares	<b>10.00</b>	<b>10.00</b>

**HEALTH CARE ENERGY FOODS PRIVATE LIMITED**

CIN : U70109DL2007PTC161756

E-mail ID- hcefpi2015@gmail.com : Tel. : +91-11-40525757

**REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020****NOTE 13: SHARE CAPITAL****(A) Authorised, Issued, Subscribed and paid up share capital**

Amounts In Lakhs

PARTICULARS	AS AT	AS AT
	31-03-23	31-03-22
<b>AUTHORISED SHARE CAPITAL</b> 1000000 EQUITY SHARES OF Rs. 10/- EACH (Previous Year 1000000 Equity Shares of Rs. 10/- each)	100	100
<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b> 10500 EQUITY SHARES OF Rs. 10/- EACH (Previous Year 10500 Equity Shares of Rs. 10/- each)	1.05	1.05
	<b>1.05</b>	<b>1.05</b>

**(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	
	No. of Shares	Amounts	No. of Shares	Amounts
At the beginning of the period	10,500	1,05,000	10,500	1,05,000
Add: Issued during the period	-	-	-	-
Less: bought back during the period	-	-	-	-
At the end of the period	10,500	1,05,000	10,500	1,05,000

**Shares Bought back**

PARTICULARS	31st March 2023		31st March 2022	
	No. of Shares	Amounts	No. of Shares	Amounts
	-	-	-	-
	-	-	-	-

**(C) Term / Right attached to Equity shares**

The company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the realised value of the assets of the company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the share holders.

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

Name of Shareholder	31st March 2023		31st March 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
M/s Sai Capital Ltd.	10,300	98.10	10,300	98.10

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

	AS AT				
	31-03-2023	31-03-2022	31-03-2021	31-03-2021	31-03-2019
Share allotted as fully paid up without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Share allotted as fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares Bought Back	NIL	NIL	NIL	NIL	NIL

HEALTH CARE ENERGY FOODS PRIVATE LIMITED						
CIN : U70109DL2007PTC161756						
E-mail ID- hcefp12015@gmail.com : Tel. : +91-11-40525757						
REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA PHASE-I, NEW DELHI-110020						
Consolidated Statement of changes in equity for the year ended 31-03-2023						
Note No. 14 Other equity						
Particulars	Reserve and surplus			Other reserves		Total other equity
	Securities premium reserve	Capital Redemption Reserve	Retained earnings	FVOCI equity Instruments	Effective portion of cash flow hedges	
As at March 31, 2021	-	1.45	35,097.27	-	-	35,098.72
Profit for the year	-	-	1,202.75	-	-	1,202.75
Other Comprehensive Income	-	-	0.07	-	-	0.07
Total Comprehensive Income for the year			1,202.82			1,202.82
Transfer to retained earnings on disposal of FVOCI Equity Instrument	-	-	-	-	-	-
Hedging gain I (loss) reclassified to Statement of Profit & Loss	-	-	-	-	-	-
Transactions with owners in their capacity as owners:						
Income Tax Demand For FY 2012-13			-			-
Dividend paid	-	-	-	-	-	-
As at March 31, 2022	-	1.45	36,300.09	-	-	36,301.54
Profit for the period	-	-	315.00	-	-	315.00
Other Comprehensive Income	-	-	0.13	-	-	0.13
Total Comprehensive Income for the Pre Acquisition Profit			315.12			315.12
Hedging gain I (loss) reclassified to	-	-	5.76	-	-	5.76
Transactions with owners in their	-	-	-	-	-	-
Income Tax Demand For FY 2012-13			-			-
Less : Dividend paid (including dividend distribution tax)	-	-	-	-	-	-
As at March 31, 2023	-	1.45	36,620.98	-	-	36,622.42

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 Health Care Energy Foods Private Limited

(CA Micky Bhatia) Partner Membership No. 438412 Firm Registration No. 004568C UDIN- 23438412BGSDMF8530	(Kailash Chandra Sharma) Director DIN: 00339013 Address: 14B/46, 3rd Floor Dev Nagar, Karol Bagh New Delhi - 110005	(Ankur Rawat) Director DIN: 07682969 Address: Panchwati Residency, Flat No 608, Chandni Chowk, Kanke Road Near Hotel Holiday Home, Misirgonda Alias Pahargaon, Ranchi- 834008, Jharkhand
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Place : New Delhi  
Date: 27-05-2023

**NOTE '31' RELATED PARTY DISCLOSURES AS PER IND-AS 24 & COMPANIES ACT, 2013**

**(i) List of Related Parties where control exists and relationships**

**A. Entities that control or are controlled by or under common control with the reporting entity**

Name of the Related Party	Relationship
a) Sai Capital Limited	Holding Company
b) Butterfly Ayurveda Private Limited	Subsidiary Company
c) Unisphere Industries Private Limited	Subsidiary Company
<b>B. Associates &amp; Joint Venture</b>	NIL
<b>C. Individuals owning directly or indirectly, 20% or more voting power of the reporting enterprise &amp; relatives of any such individual</b>	Mr. Naveen Khandelwal

**D. Key Management personnel of Reporting Entity**

1. Mr Ankur Rawat	Director
2. Mr Devendra Singh	Director (Ceased to be a Director w.e.f 10-11-2022)
3. Mr Kailash Chandra Sharma	Director
4. Mrs Kamlesh Gupta	Director
5. Ms Akshi Khandelwal	Director of Subsidiary Company
Mr. Suresh Kumar	Director of Subsidiary Company
Ms. Supriya	Key Management Personnel of Subsidiary Company
Mr. Naveen Khandelwal	Relative of Director of Subsidiary
Mrs. Sangeeta Khandelwal	Relative of Director of Subsidiary

**E. Enterprise over which KMP are able to exercise Significant Influence**

Butterfly Ayurveda Bakery Private Limited	Ms. Akshi Khandelwal is Director/ Member
Butterfly Ayurveda India Global Private Limited (formerly known as BA Bakery Private Limited)	Ms. Akshi Khandelwal is Director/ Member
Breakpoint Foods Private Limited	Ms. Akshi Khandelwal is Director/ Member
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 of Subsidiary) are partners.
M/s Naveen Enterprises	Mr. Naveen Khandelwal (Relative of Director of Subsidiary) is Partner
M/s India Iron Supply Co.	Mr. Naveen Khandelwal (Relative of Director of Subsidiary) is Partner

**(ii) Transactions during the year with Related Parties**

As at 31-03-2023			
Name of the Related Party	Nature of Transactions	Transaction amount (In Lakhs)	Outstanding Balances as at 31-03-2023 (In Lakhs)
Mr Ankur Rawat	Remuneration	13.50	1.3
Ms. Akshi Khandelwal	Net Loans & Advances given/(returned)	135.00	-331.36
Ms. Supriya	Remuneration	2.47	-0.45
Mr. Naveen Khandelwal	--	0.00	-230.28
Mrs. Sangeeta Khandelwal	--	0.00	-46.00
Butterfly Ayurveda Bakery Private Limited	Interest received on Loan	3.08	49.90
Butterfly Ayurveda Bakery Private Limited	Net Loans & Advances given/(returned)	6.27	

Butterfly Ayurveda Bakery Private Limited	Sale of Investments to KMP & Close family members	1.00	NIL
Butterfly Ayurveda India Global Private Limited (formerly known as BA Bakery Private Limited)	Sale of Investments to KMP & Close family members	1.00	NIL
Butterfly Ayurveda India Global Private Limited (formerly known as BA Bakery Private Limited)	Net Loans & Advances given/(returned)	0.17	0.18
World wide Holdings Ltd	Net Loans & Advances given/(returned)	-4691.00	-407.46
	Interest Paid on Loan	54.28	
Unisphere Industries Private Limited	Investments in Subsidiary	(300 Lakhs)	NIL
Unisphere Industries Private Limited	Investments in Subsidiary	300 Lakhs**	300 Lakhs**
Butterfly Ayurveda Private Limited	Investment in Subsidiary	4800 Lakhs	4800 Lakhs
<b>As at 31-03-2022</b>			
Unisphere Industries Private Limited	Investments in Subsidiary	300 Lakhs*	300 Lakhs*
Unisphere Industries Private Limited	Receipt against Loan paid	(297.40 Lakhs)	NIL
Unisphere Industries Private Limited	Interest received on loan	16.43 Lakhs	NIL
<p>* 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.</p> <p>*1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") have been Classified as compound financial instruments.</p> <p><b>Note:</b> The company has, during the year, converted its 30,00,000 1% OCCRPS (Optionally Convertible Cumulative Redeemable Preference Shares) of Rs. 10/- each to 30,00,000 7% NCCRPS (Non-convertible Cumulative Redeemable Preference Shares) of Rs. 10/- each through variation of rights as per provisions of Section 48 and other applicable provisions of Companies Act, 2013. The approvals of the 100% shareholders' i.e holding company (Health Care Energy Foods Private Limited) have been obtained through resolution dated 28th February 2023. The exchange ratio was 1:1.</p> <p>** The 7% NCCRPS (Non-convertible Cumulative Redeemable Preference Shares), being cumulative in nature, have the right to dividend every year and they are non-convertible but are redeemable. On applying the provisions of IND AS 109, the company determined that the fixed-to-fixed test is not fulfilled (i.e. conversion at fixed number of shares for a fixed amount is not ascertainable) hence the company has concluded that the 7% NCCRPS shall not be divided into equity and liability components and shall be treated as liability only. As the financial instrument is financial liability in nature but interest rates are issued at concessional rates by the holding company. Therefore, after applying amortisation cost method as per Ind AS 109, equity component and financial liability component are segregated.</p>			

Note: 32						
Particulars	Numerator	Denominator	31-03-2023	31-03-2022	% Variance	Reason for Variance
<b>(a) Current Ratio</b>	<b>Current Asset</b>	<b>Current Liabilities</b>				
22-23	26,132.93	1,061.27	24.62		77.50%	Note 1 (a)
21-22	30,315.93	276.97		109.46		
<b>(b) Debt-Equity Ratio</b>	<b>Total Debt</b>	<b>Shareholder's Equity</b>				
22-23	195.07	36,623.47	0.01		N.A.	N.A.
21-22	0.00	36,302.59		N.A.		
<b>(c) Debt Service Coverage Ratio</b>	<b>Earnings for debt service = Net profit after taxes + Non-cash operating expenses+ finance cost</b>	<b>Debt service = Interest &amp; Lease Payments + Principal Repayments</b>				
22-23	399.86	0.00	0.00		N.A.	N.A.
21-22	1,247.11	0.04		31,177.70		
<b>(d) Return on Equity Ratio</b>	<b>Net Profits after taxes</b>	<b>Average Shareholder's Equity</b>				
22-23	315.00	36,623.47	0.01		74.04%	Note 1 (b)
21-22	1,202.75	36,302.59		0.03		
<b>(e) Trade Receivables turnover ratio</b>	<b>Net credit sales = Gross credit sales - sales return</b>	<b>Average Trade Receivable</b>				
22-23	58.41	1,679.05	0.03		61.45%	Note 1 (d)
21-22	187.78	2,080.77		0.09		
<b>(f) Trade payables turnover ratio</b>	<b>Net credit purchases = Gross credit purchases - purchase return</b>	<b>Average Trade Payable</b>				
22-23	0.00	24.58	0.00			
21-22	N.A.	N.A.		N.A.	N.A.	N.A.
<b>(g) Inventory turnover ratio</b>	<b>Cost of Goods Sold</b>	<b>Average Inventory</b>				
22-23	N.A.	N.A.	N.A.			
21-22	N.A.	N.A.		N.A.	N.A.	N.A.
<b>(h) Net capital turnover ratio</b>	<b>Net sales = Total sales - sales return</b>	<b>Working capital = Current assets – Current liabilities</b>				
22-23	58.41	25,071.66	0.00		62.73%	Note 1 (d)
21-22	187.78	30,038.96		0.01		
<b>(i) Net profit ratio</b>	<b>Net Profit after taxes</b>	<b>Net sales = Total sales - sales return</b>				
22-23	315.00	N.A.	0.00			
21-22	1,202.75	N.A.		0.00	N.A.	N.A.

<b>(j) Return on Capital employed</b>	<b>Earnings before interest and taxes</b>	<b>Capital Employed = Tangible Net Worth + Total Debt</b>				
<b>22-23</b>	626.71	36,818.54	0.02		62.60%	Note 1 (c)
<b>21-22</b>	1,652.10	36,302.59		0.05		
<b>(k) Return on investment</b>	<b>Finance Income</b>	<b>Time weighted average Investment</b>				
<b>22-23</b>	N.A.	N.A.	N.A.		N.A.	N.A.
<b>21-22</b>	N.A.	N.A.		N.A.		

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.

Note 1(d) : Due to decrease in Sales in current financial year.

## **A. CORPORATE INFORMATION**

Health Care Energy Foods Private Limited (“the Company”) is an unlisted company incorporated in India. The Company was incorporated on 09<sup>th</sup> April, 2007 under the provisions of the Companies Act, 2013. The registered office of the company is located at **B-143, Okhla Industrial Area, Phase-I, New Delhi -110020, India.**

The company is engaged in the business of manufacturing of all types of foods, packaged foods and edible items. The company is a Subsidiary Company of Sai Capital Limited which owns 98.10% of the ordinary share capital of the company & parent company of Unisphere Industries Private Limited and Butterfly Ayurveda Private Limited and has the ability to significantly influence the Company’s Operation.

## **B. SIGNIFICANT ACCOUNTING POLICIES**

### **B.1 BASIS OF PREPARATION AND PRESENTATION**

The financial statements have been prepared on the basis of historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities,
- ii) 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 (Subject to amendment). It’s presentation and disclosure requirements is under Division II of Schedule III to the Companies Act, 2013 (Ind-AS Compliant Schedule III) subject to amendment.

The Company’s Financial Statements are presented in Indian Rupees (INR) which is also the functional currency and all values are rounded off to the nearest lakhs except otherwise indicated. The transactions and balances in respect of Trade Payables/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.

The Company has no employee in receipt of remuneration aggregating to Rs.60,00,000/- p.a. or employee for a part of the year Rs.5,00,000/-p.m.

### **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.

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. Property, Plant and Equipment which are not ready for intended use as on date of Balance Sheet are disclosed as Capital Work in Progress.

**(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 to a separate entity. 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**

Butterfly Ayurveda Pvt Ltd 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.

### **33. OTHER NOTES ON 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. The Bank account with Allahabad bank is dormant & the balance is subject to confirmation.
- 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 Rs.60 lakhs p.a. or employee for a part of the year Rs.5 Lakhs p.m.
- IV. In the opinion of the Board, there is no contingent liability related to the company except the following as mentioned:

#### **Contingent Liability**

1. A contingent liability to the extent of Rs.510 Lakhs on account of Performance guarantee given by the company to the ICDS U.P. in case of a breach of agreement with ICDS or non-supply of ICDS Food supplement as per the terms of the Contract of the company with ICDS. The Bank Guarantee submitted with bank expired wef 01<sup>st</sup> November, 2020.
2. Following Disputes of company are pending on which the company has not deposited following amounts due disputes or have deposited under protest.

Name of the Statute	Nature of dues	Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
UP VAT Act	UP VAT	14,04,490#	FY 2009-10	Addl. Commissioner (A) Azamgarh, U.P.
UP VAT Act	UP VAT	15,37,750#	FY 2010-11	Addl. Commissioner (A) Azamgarh, U.P.
GST Act	GST	5,32,012@	FY 2019-20	Addl. Commissioner, Commercial Tax (A) Jaunpur, U.P.

# The Above amount of Rs. 14,04,490/- and Rs. 15,37,750/- has been deposited by the company under protest.

@ The Above amount of Rs. 5,32,012/- has been deposited by the company under protest.

3. In case of Butterfly Ayurveda Private Limited (Subsidiary Company), 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. **Capital Commitments**

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities

- a. The Company has entered into an agreement dated 05-02-2020 to purchase of a Residential Immovable Property for Rs.2775 Lakhs. Against which the company has given an advance of Rs.2510.61 Lakhs (including TDS) to the seller. The Balance amount of Rs.264.39 Lakhs is to be paid by the Company at the time of execution of the sale deed of the same in favour of the Company as per the terms and conditions of the agreement to purchase the property.
- b. The Company has entered in to an agreement dated 03-10-2021 to purchase of commercial land for Rs. 2700 Lakhs. Against which the company has given an advance of Rs. 2000 Lakhs (Including TDS) to the seller. The Balance amount of Rs. 700 Lakhs is to be paid by the company at the time of execution of the sale deed of the same in favour of the company as per term and condition of the above agreement.

#### VI. **Note on Going Concern assumption of the Company**

The Company is principally engaged in the business of manufacturing of Micronutrients Fortified Energy Dense Food against fixed rates and term contract with ICDS Department, Government of UP. The said contract which was has expired in the month of August 2020.

Management is exploring new customers and is expecting fresh tender to be floated soon and intends to starts its manufacturing activities on availability of tenders and 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 prepare 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 31<sup>st</sup> March, 2023 comprises of the following:

	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Related to Property, Plant & Equipment	Rs.13.46 Lakhs	Rs.27.14 Lakhs
Related to Gratuity	Rs.0.12 Lakhs	Rs.00.03 Lakhs
Related to Unpaid Bonus	Rs.0.28 Lakhs	Rs.00.36 Lakhs
Closing Deferred Tax Assets	Rs 13.86 Lakhs	Rs 27.53 Lakhs
Income Tax on Remeasurment gain/(loss) on defined benefit plans	Rs 14.35 Lakhs	Rs 8.33 Lakhs

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

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

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

<b>Particulars</b>	<b>As at March 31, 2023 (Amount in Lakhs)</b>	<b>As at March 31, 2022 (Amount in Lakhs)</b>
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. Disclosure related to CSR Activities**

(a) Gross Amount required to be spent by the company during the year.  
**Rs 45.16 Lakhs.**

(b) Amount approved by the Board of Directors to be spent during the year-  
**Rs 45.16 Lakhs**

Amount spent during the year on:

S.No.	Particulars	In Cash/Through Banking Channel	Yet to be paid	Total
(i)	Construction/ Acquisition of any Asset	26.42 Lakhs	NIL	NIL
(ii)	On purposes other than (i) above	18.74 Lakhs	NIL	NIL

(c) Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per IND AS (IND-AS 24) – NIL

(d) A Donation of Rs 100.56 lakhs has been paid as advance to Radhey Shyam Charitable Trust. During the current financial year, the trust did not utilize the amount and therefore the advance paid is deemed to be spent in the forthcoming financial years.

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

##### **Change in present value of Obligation**

**Amounts (in Lakhs)**

Particulars	Amounts (in Lakhs)	
	For the period ending 31 March, 2023	For the period ending 31 March, 2022
Present value of obligation as at the beginning	0.11	0.11
Current service cost	2.85	0.09
Interest Expense or cost	0.13	0.01
Actual Return on Plan Assets	--	--
Benefits Paid	--	--
Actuarial (Gain)/Loss on Obligation	(0.17)	(0.10)
Closing Value of Obligation	2.92	0.11

##### **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 31st March, 2023	For the period ending 31st March, 2022
Current Service Cost	0.30	0.09
Interest Cost	0.05	0.01
Expected Return on Plan Asset	--	--
Net benefit Expense	--	--
Recognised in Profit & Loss	0.35	0.10

Recognised in OCI	0.05	(0.10)
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**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	0.11	0.11
Current Year Expense	2.81	0.00
Closing Net Liability	2.92	0.11

**Actuarial Assumption**

Particulars	Gratuity	
	For the period ending 31 March, 2023	For the period ending 31 March, 2022
Mortality Table	2012-2014	2012-2014
Discount Rate	7.37%	7.45%
Rate of Escalation in salary per annum	2.50%	2.50%

**XI.Dividends**

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

**XII.Segment**

The company is engaged mainly in the business of manufacturing and supplying of supplementary nutrition foods to the government sponsored nutritive programme for infant, preschool children, adolescent girl etc. 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

**a. 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.

### 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 Rs 1596.49 Lakhs as at March 31, 2023 (PY Rs. 2242.74 Lakhs) and bank balance other than cash & cash equivalent is Rs 0.00 lakhs (PY Rs. 0.00 Lakhs). 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.

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

### b. 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.

### Maturity pattern of financial liabilities

Non derivative financial liabilities (March 31, 2023)	Carrying amounts in Lakhs	Contractual cash flows				
		Total	0-1 years	1-2 years	2-5 years	More than 5 years
Borrowings and interest thereon	1210.16	1210.16	1058.65	47.62	103.89	0
Trade payables	24.58	24.58	24.58	0	0	0
Other payables	5.03	5.03	5.03	0	0	0
Other Expenses Payable	0	0	0	0	0	0
Duties & Taxes Payable	0	0	0	0	0	0

Non derivative financial liabilities (March 31, 2022)	Carrying amounts in Lakhs	Contractual cash flows				
		Total	0-1 years	1-2 years	2-5 years	More than 5 years
Borrowings and interest thereon	0	0	0	0	0	0
Trade payables	0	0	0	0	0	0
Other payables	2.12	2.12	2.12	0	0	0
Other Expenses Payable	2.62	2.62	2.62	0	0	0
Duties & Taxes Payable	1.01	1.01	1.01	0	0	0

### c. 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.

Particulars	Amount in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Total Debt	195.07	-
Total equity	36623.47	36302.59
Debt - equity ratio	0.01	NA

### Fair Value Measurement

#### 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>
<b>Financial Assets</b>						
<b>(A) Non-Current</b>						
(i) Investment other than Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Security Deposit	Nil	Nil	732.90	Nil	Nil	674.32
<b>(B) Current</b>						
(i) Trade Receivable	Nil	Nil	1679.05	Nil	Nil	2080.77
(ii) Cash & Cash Equivalents	Nil	Nil	1596.49	Nil	Nil	2242.74*
(iii) Bank Balance other than Cash & Cash Equivalents	Nil	Nil	Nil	Nil	Nil	Nil
(iv) Loans	Nil	Nil	22338.84	Nil	Nil	25641.50
(v) Other Financial Assets	Nil	Nil	0.81	Nil	Nil	Nil
<b>Financial Liabilities</b>						
<b>(A) Non-Current</b>						
(i) Borrowings	Nil	Nil	195.07	Nil	Nil	Nil
(ii) Trade Payable	Nil	Nil	Nil	Nil	Nil	Nil
(iii) Other Financial Liabilities	Nil	Nil	Nil	Nil	Nil	Nil
<b>(B) Current</b>						
(i) Borrowings	Nil	Nil	1015.09	Nil	Nil	Nil
(ii) Trade Payable	Nil	Nil	24.58	Nil	Nil	Nil
(iii) Other Financial Liabilities	Nil	Nil	5.03	Nil	Nil	4.65

- 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.
- \*Cash and cash equivalents includes bank balance of Allahabad bank of Rs.0.46 lacs, this account is convert in dormant account due to this balance confirmation is not available and management has considered this balance good and fully recoverable.

**FOR HEALTH CARE ENERGY FOODS PRIVATE LIMITED**

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**Place-New Delhi**  
**Date- 27-05-2023**