VITALIC HEALTH PRIVATE LIMITED

Financial Statements

2021-22

INDEPENDENT AUDITOR'S REPORT

To The Members of Vitalic Health Private Limited
Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Financial Statements

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

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

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibility for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal financial 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 system 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.

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid 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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act.

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

    i. The Company does not have any pending litigations which would impact its financial position.

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

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

    iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities.

        (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities.

        (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

    v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

PALLAVI SHARMA
Partner
Membership No. 113861
UDIN: 22113861AHEEJX5905

Place: Mumbai
Date: 15 April 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") to the members of Vitalic Health Private Limited on the financial statements of the Company for the year ended 31 March 2022

We have audited the internal financial controls over financial reporting of Vitalic Health Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting 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.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

PALLAVI SHARMA
Partner
Membership No. 113861
UDIN: 22113861AHEEJX5905

Place: Mumbai
Date: 15 April 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date of Vitalic Health Private Limited on the financial statements of the Company for the year ended 31 March 2022)

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

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment.

B. The Company has maintained proper records showing full particulars of Intangible assets.

(b) The Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals.

(c) The Company does not have any immovable properties and hence reporting under clause (i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) (a) The Company has not made investments, provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.

(b) The Company has not made investments, provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(b) of the Order is not applicable.

(c) The Company has granted loans which are payable on demand. During the year the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below)

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) None of the loans granted by the Company have fallen due during the year.

(f) The Company has granted loans which are repayable on demand details of which are given below:

Particulars	**Related Parties* (Rs in lakhs)**
Aggregate of loans - Repayable on demand	770.97
Total	**770.97**
Percentage of loans to total loans	100%

*The amounts reported are at gross amounts, without considering provisions made.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, investments made. The Company has not given any guarantees and securities.

(v) The Company has not accepted any deposit or amount which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of Order is not applicable.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities.

We have been informed that the provisions of the Sales tax, Value Added Tax, duty of Customs, duty of Excise, are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at 31 March, 2022 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2022.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has not made any investment in or given any new loan or advances to any of its associates during the year and hence, reporting under clause (ix)(e) of the Order is not applicable. The Company does not have any subsidiaries or joint ventures.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

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

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to December 2021 and the draft of the internal audit reports where issued after the balance sheet date covering the period April to December 2021 for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of it's holding company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred any cash losses in the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year. The Company is not required to spend any amount towards Corporate Social Responsibility (CSR) as there are no profits in the preceding years and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

PALLAVI SHARMA
Partner
Membership No. 113861
UDIN: 22113861AHEEJX5905

Place: Mumbai
Date: 15 April 2022

VITALIC HEALTH PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	1	76.45	2.42
Goodwill		2.63	2.63
Other Intangible Assets	1	83.62	126.96
Financial Assets			
i) Investments	2	449.99	599.99
ii) Loans	3	745.74	2,338.33
iii) Other Financial Assets	4	-	27.04
Deferred Tax Assets (Net)	5	30.18	40.50
Other Non- Current Assets	6	158.64	-
Total Non-Current Assets		**1,547.25**	**3,137.87**
CURRENT ASSETS			
Financial Assets			
i) Investments	7	-	800.16
ii) Trade Receivables	8	2,851.05	129.42
iii) Cash and Cash equivalents	9	54.14	56.74
iv) Loans	10	3.07	3.07
v) Other Financial Assets	11	4.05	-
Other Current Assets	12	319.24	129.98
Total Current Assets		**3,231.55**	**1,119.37**
Total Assets		**4,778.80**	**4,257.24**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	13	1,673.02	1,673.02
Other Equity	14	2,161.94	1,867.38
Total Equity		**3,834.96**	**3,540.40**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	15	126.47	180.04
Other Non-Current Liabilities	16	54.19	41.89
Total Non-Current Liabilities		**180.66**	**221.93**
CURRENT LIABILITIES			
Financial Liabilities			
i) Trade Payables	17		
A) total outstanding dues of micro enterprises and small enterprises; and		-	3.10
B) total outstanding dues of creditors other than micro enterprises and small enterprises		62.41	49.38
ii) Other Financial Liabilities	18	14.62	16.38
Other Current Liabilities	19	659.31	382.27
Provisions	20	26.84	43.78
Total Current Liabilities		**763.18**	**494.91**
Total Liabilities		**943.84**	**716.84**
Total Equity and Liabilities		**4,778.80**	**4,257.24**

Significant Accounting Policies
See Accompanying notes to the financial statements 1 to 40

VITALIC HEALTH PRIVATE LIMITED

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi Sharma
Partner
Membership No. 113861

Date: April 15, 2022

For and on behalf of the Board

M Pradeep Dadha
Whole-Time Director

Advait Suhas Pandit
Director

Dhirendra Harilal Shah
Director

K Sudarshan
Director

Jethu Singh Bhati
Director

Rashmi Khaitan
Chief Financial Officer

Prerna Jain
Company Secretary

VITALIC HEALTH PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
INCOME			
Income from Services		6,620.73	2,357.20
Less: GST Recovered		1,028.71	359.34
Revenue from Operations	21	5,592.02	1,997.86
Other Income	22	146.13	197.01
Total Income		**5,738.15**	**2,194.87**
EXPENSES			
Employee Benefits Expense	23	2,429.33	1,522.05
Finance Costs	24	-	169.82
Depreciation and Amortisation expenses	1	74.47	31.75
Other Expenses	25	2,983.65	365.32
Total Expenses		**5,487.45**	**2,088.94**
Profit / (Loss) Before Exceptional Items and Tax		**250.70**	**105.93**
Exceptional items	26	**-**	80,328.77
Profit/ (Loss) before tax		**250.70**	**(80,222.84)**
Tax Expenses:			
Current Tax	27	107.07	123.00
Deferred Tax	27	10.32	(40.50)
Tax expense of Earlier Years	27	(80.93)	-
Profit / (Loss) for the year		**214.24**	**(80,305.34)**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Profit or loss	22.1	80.32	(77.18)
Total Other Comprehensive Income for the Year [Net of Tax]		**80.32**	**(77.18)**
Total Comprehensive Income for the Year		**294.56**	**(80,382.52)**
Earnings per equity share of face value of Rs. 10 each			
Basic (in Rs.)	28	1.28	(659.51)
Diluted (in Rs.)	28	1.28	(659.51)

Significant Accounting Policies

See Accompanying notes to the financial statements 1 to 40

VITALIC HEALTH PRIVATE LIMITED

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi Sharma
Partner
Membership No. 113861

Date: April 15, 2022

For and on behalf of the Board

M Pradeep Dadha
Whole-Time Director

Advait Suhas Pandit
Director

Dhirendra Harilal Shah
Director

K Sudarshan
Director

Jethu Singh Bhati
Director

Rashmi Khaitan
Chief Financial Officer

Prerna Jain
Company Secretary

VITALIC HEALTH PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

A Equity Share Capital

Balance as at April 1, 2020	Changes in equity share capital during the year 2020-21	Balance as at March 31, 2021	Changes in equity share capital during the year 2021-22	Balance as at March 31, 2022
685.50	987.52	1,673.02	-	1,673.02

B Instruments entirely equity in nature

Compulsorily Convertible Non-cumulative Preference Shares

Balance as at April 1, 2020	Changes in preference share capital during the year 2020-21	Balance as at March 31, 2021	Changes in preference share capital during the year 2021-22	Balance as at March 31, 2022
5,913.37	(5,913.37)	-	-	-

VITALIC HEALTH PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

C Other Equity

Particulars	Balance as at April 1, 2021	Profit for the year	Other Comprehensive Income for the year	Received From Holding Company / Fellow Subsidiary	Business Combinations	Employee Share based expense	Transfer to employee stock option liability	Equity Shares issued for Cash / against warrants	Compulsorily Convertible Preference Shares converted into equity	Balance as at March 31, 2022
As at March 31, 2022										
RESERVES AND SURPLUS										
Securities Premium	55,261.44	-	-	-	-	-	-	-	-	**55,261.44**
Capital Reserve	(101.49)	-	-	-	-	-	-	-	-	**(101.49)**
Retained Earnings	(55,124.39)	214.24	80.32	-	-	-	-	-	-	**(54,829.83)**
DEEMED EQUITY CONTRIBUTION - GROUP SHARE BASED PAYMENT SCHEME	1,831.82	-	-	-	-	-	-	-	-	**1,831.82**
Total	**1,867.38**	**214.24**	**80.32**	**-**	**-**	**-**	**-**	**-**	**-**	**2,161.94**

VITALIC HEALTH PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

Particulars	Balance as at April 1, 2020	Profit for the year	Other Comprehensive Income for the year	Received From Holding Company / Fellow Subsidiary	Business Combinations	Employee Share based expense	Transfer to employee stock option liability	Equity Shares issued for Cash / against warrants	Compulsorily Convertible Preference Shares converted into equity	Balance as at March 31, 2021
As at March 31, 2021										
RESERVES AND SURPLUS										
Securities Premium	47,949.59	-	-	-	-	-	-	2,352.25	4,959.60	**55,261.44**
Capital Reserve	-	-	-	-	(101.49)	-	-	-	-	**(101.49)**
Retained Earnings	25,258.13	(80,305.34)	(77.18)	-	-	-	-	-	-	**(55,124.39)**
DEEMED EQUITY CONTRIBUTION - GROUP SHARE BASED PAYMENT SCHEME	-	-	-	1,831.82	-	-	-	-	-	**1,831.82**
SHARE OPTIONS OUTSTANDING ACCOUNT	189.53	-	-	-	-	138.07	(327.60)	-	-	**-**
Total	**73,397.25**	**(80,305.34)**	**(77.18)**	**1,831.82**	**(101.49)**	**138.07**	**(327.60)**	**2,352.25**	**4,959.60**	**1,867.38**

VITALIC HEALTH PRIVATE LIMITED

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

For and on behalf of the Board

Pallavi Sharma
Partner
Membership No. 113861

M Pradeep Dadha
Director

Advait Suhas Pandit
Director

Dhirendra Harilal Shah
Director

K Sudarshan
Director

Jethu Singh Bhati
Director

Rashmi Khaitan
Chief Financial Officer

Prerna Jain
Company Secretary

Date: April 15, 2022

VITALIC HEALTH PRIVATE LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

	Year Ended March 31, 2022	Year Ended March 31, 2021
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax as per Statement of Profit and Loss	**250.70**	**(80,222.84)**
Adjusted for:		
Depreciation and Amortisation Expense	74.47	31.75
Finance Cost	-	169.82
Net Gain on Financial Assets	(6.12)	(2.30)
Derecognition from fair value to cost price on investment	-	27,813.16
Loss on sale of investments in subsidiaries	-	16,134.90
Provision no longer required written back	-	(1.47)
Reversal of Guarantee Commission	-	50.00
Employee share based payment expense	272.82	151.28
Interest Income	(140.01)	-
Unwinding of discount on security deposits	-	(8.24)
Gain on de-recognition of Security Deposit	-	(70.57)
Provision for Impairment of Investment	150.00	36,380.72
Operating Profit before Working Capital Changes	**601.86**	**426.22**
Adjusted for:		
(Increase)/Decrease in Loans	-	195.44
(Increase)/Decrease of Other Financial Asset	22.99	27.64
(Increase)/Decrease of Other Current Asset	(211.44)	(449.58)
(Increase)/Decrease of Trade Receivables	(2,721.63)	123.99
Increase/(Decrease) of Trade Payables	9.93	(40.60)
Increase/(Decrease) of Other Current / Non-Current Liabilities	289.34	305.35
Increase/(Decrease) of Other Financial Liabilities	(1.77)	(1.29)
Increase/(Decrease) of Provisions	(155.34)	79.66
Cash Generated from Operations	**(2,166.06)**	**666.84**
Taxes Paid (Net)	(270.26)	(3.05)
Net Cash Flow from / (used in) Operating Activities	**(2,436.32)**	**663.79**
B: CASH FLOW FROM INVESTING ACTIVITIES		
Investments in related parties and others		1,934.73
Purchase of fixed assets	(105.16)	-
Purchase of mutual fund investment	(1,482.97)	(2,590.00)
Sale proceeds of mutual fund investment	2,289.25	1,792.16
Repayment received from related party	1,592.60	40.00
Purchase consideration for acquiring business from Medrx LLP	-	(213.96)
Movement in Loans and Advances	-	(2,378.33)
Interest Income	140.01	101.11
Net Cash Flow from / (used in) Investing Activities	**2,433.72**	**(1,314.29)**
C: CASH FLOW FROM FINANCING ACTIVITIES		
Repayment from Borrowing - Short Term Borrowing	-	(3,000.00)
Proceeds from issue of OFCD	-	600.00
Proceeds from Issue of Equity share at premium	-	2,061.02
Redemption of OFCD	-	(600.00)
Equity Contribution	-	1,831.82
Interest Paid	-	(195.52)
Net Cash Flow from / (used in) Financing Activities	**-**	**697.31**
Net (Decrease) / Increase in Cash and Cash Equivalents	**(2.60)**	**46.81**
Opening Balance of Cash and Cash Equivalents	56.74	9.93
Closing Balance of Cash and Cash Equivalents [Refer Note 9]	**54.14**	**56.74**

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi Sharma
Partner
Membership No. 113861

Date: April 15, 2022

For and on behalf of the Board

M Pradeep Dadha
Whole-Time Director

Advait Suhas Pandit
Director

Dhirendra Harilal Shah
Director

K Sudarshan
Director

Jethu Singh Bhati
Director

Rashmi Khaitan
Chief Financial Officer

Prerna Jain
Company Secretary

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

A. CORPORATE INFORMATION

Vitalic Health Private Limited ('the Company') is a company incorporated in India having its registered office at No. 250, Lloyds Road, Royapettah, Chennai, Tamil Nadu - 600014, India. The Company's immediate holding company is Reliance Retail Ventures Limited and the Ultimate Holding Company is Reliance Industries Limited.

The Company is primarily engaged in the business of providing business consultancy, technical, advisory and business support services relating to activities that promote physical fitness, health care, health management, wholesome lifestyle, wellness through all mediums including the internet.

B. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

B.1. BASIS OF PREPARATION AND PRESENTATION

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities are measured at fair value

(iii) Going Concern

These financial statements of the Company are prepared on a going concern basis.

(iv) Consolidation exemption

The Holding Company, Reliance Retail Ventures Limited, produces consolidated financial statements in compliance with Ind AS. The Company avails exemption under paragraph 4(a) of Ind AS 110 and satisfies the conditions for exemption from preparing consolidated financial statements as per the Companies (Accounts) Amendment Rules, 2016 and thereby does not present consolidated financial statements.

(v) 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 realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognized in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management:

Estimation of current tax expense and payable - *Note 27*
Estimated useful life of property, plant and equipment - *Note B.12*
Estimation of defined benefit obligation - *Note 23.1*
Fair value measurements and valuation processes - *Note B.11 and Note 31*
Recognition of deferred tax assets - *Note 5*
Impairment of financial assets - *Note B.11 and Note 32.1*

B.3. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The board of directors assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors have been identified as being the CODM.

Refer Note 34 for segment information presented.

B.4. FOREIGN CURRENCY TRANSLATION

(i) Functional and presentation currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'), i.e., Indian Rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains / (losses).

B.5. REVENUE RECOGNITION

Sale of services

Revenue in the nature of business consultancy, technical, advisory and business support services is recognized over time when the performance obligations are fulfilled and there is no uncertainty over the realization of revenue from the customer.

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

B.6. TAX EXPENSES

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

i) Current Tax

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

ii) Deferred Tax

Deferred tax is recognized 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 assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

B.7. BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

(i) fair values of the assets transferred;
(ii) liabilities incurred to the former owners of the acquired business;
(iii) equity interests issued by the Company; and
(iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognizes any non - controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

(i) consideration transferred;
(ii) amount of any non-controlling interest in the acquired entity, and
(iii) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

B.8. 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 or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

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

B.9. 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.

B.10. TRADE RECEIVABLES

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at the fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest rate method, less loss allowance.

B.11. INVESTMENTS AND OTHER FINANCIAL ASSETS

Financial Instruments

i) Financial Assets

a. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, 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 recognized using trade date accounting.

b. Subsequent Measurement

(i) Financial Assets Measured 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 represents solely payments of principal and interest on the principal amount outstanding.

(ii) Financial Assets Measured 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 represents solely payments of principal and interest on the principal amount outstanding.

(iii) Financial Assets Measured 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.

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

c. Investment in Subsidiaries, Associates and Joint ventures

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

d. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognized 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'. However, dividend on such equity investments are recognized in Statement of Profit and loss when the company's right to receive payment is established.

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** the Company applies 'simplified approach' which requires expected lifetime losses to be recognized 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 analyzed.

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 borrowings, net of directly attributable cost. Fees of recurring nature are directly recognized 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) Derecognition of financial assets

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 derecognition 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.

(iv) Income recognition

a. Interest income

Interest Income from a Financial Asset is recognized using effective interest rate method.

b. Dividends

Dividend Income is recognized when the Company's right to receive the amount has been established.

B.12. PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

Asset	Useful life
Computers and accessories	3 - 6 years

The useful lives have been determined based on technical evaluation done by the Management's expert, in order to reflect the actual usage of the assets and are in line with those specified by Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / (expenses).

B.13. 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 and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized 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.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

i) Goodwill

Goodwill on past business combination is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

ii) Computer software

Costs associated with maintaining software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalized development costs are recorded as intangible assets and amortised from the point at which the asset is available for use. They are stated at cost net of accumulated amortisation.

iii) Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset	Useful life
Computer software	4 years
Licenses	4 years
Non compete fee	4 years
Brand Development	4 years
Customer Relationship	4 years

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

B.14. TRADE AND OTHER PAYABLES

These amounts represent liabilities for services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the period agreed with the vendors.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

B.15. BORROWINGS

Borrowings are initially recognized at fair value net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income / (expenses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

B.16. BORROWING COSTS

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

B.17. PROVISIONS AND CONTINGENT LIABILITIES

i) Provisions:

Provisions are recognized 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 recognized as a finance cost.

ii) 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.

B.18. EMPLOYEE BENEFITS

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations

a. Defined contribution plans

Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefits expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

b. Defined benefit plans

Gratuity

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

iv) Bonus plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

v) Share-based payments

Share-based compensation benefits provided to employees under the "Vitalic ESOP 2019" plan, an employee share scheme was discontinued in the previous year vide resolution passed in the Extraordinary General Meeting held on 15th June 2020 and cancellation of all options under the plan.

Employee options

The fair value of options granted under the plan is recognized as an employee benefits expense with a corresponding increase in equity. Options granted under the plan to employees of the Company's subsidiaries including step-down subsidiaries are recognized as investment with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

a. excluding the impact of any service and non-market performance vesting conditions (e.g. remaining an employee of the entity over a specified time period), and

b. including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the original to revised estimates, if any, in profit or loss, with a corresponding adjustments to equity.

B.19. CONTRIBUTED EQUITY

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

B.20. EARNINGS PER SHARE

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, equity shares issued during the year

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

B.21. ROUNDING OF AMOUNTS

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

B.22. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

Ind AS 101 – First time adoption of Ind AS
Ind AS 103 – Business Combination
Ind AS 109 – Financial Instrument
Ind AS 16 – Property, Plant and Equipment
Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets
Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the company’s financial statements.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

1 Property, Plant and Equipment and Intangible Assets

Description	Gross Block (at cost)			Depreciation / Amortisation				Net Block	
	As at April 1, 2021	Additions / Adjustments *	As at March 31, 2022	As at April 1, 2021	For the year	Addition / Adjustments *	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Property, Plant and Equipment									
Computers	4.20	96.86	101.06	2.25	27.95	-	30.20	70.86	1.95
Office Equipments	0.83	8.30	9.13	0.36	3.18	-	3.54	5.59	0.47
Total (A)	**5.03**	**105.16**	**110.19**	**2.61**	**31.13**	**-**	**33.74**	**76.45**	**2.42**
Intangible Assets									
Customer Relationship	44.07	-	44.07	11.81	11.02	-	22.83	21.24	32.26
Non Complete Fees	26.29	-	26.29	7.05	6.57	-	13.62	12.67	19.24
Brand Development	45.79	-	45.79	12.23	11.44	-	23.66	22.13	33.56
Computer Software	57.84	-	57.84	15.94	14.31	-	30.26	27.58	41.90
Total (B)	**173.99**	**-**	**173.99**	**47.03**	**43.34**	**-**	**90.37**	**83.62**	**126.96**
Total (A+B)	**179.02**	**105.16**	**284.18**	**49.64**	**74.47**	**-**	**124.11**	**160.07**	**129.38**
Previous year*	0.86	178.16	179.02	0.76	31.14	17.74	49.64	129.38	0.86

Note:

i) Capital Work in Progress / Intangible Assets Under Development is Rs. Nil (Previous Year Rs. Nil)

ii) There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder

iii) *Refer Note 36 for additions from business combination during previous year

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

		As at March 31, 2022		As at March 31, 2021	
		No of Shares / Units	**Amount**	**No of Shares / Units**	**Amount**
2	**Investments - Non Current**				
A	**INVESTMENTS MEASURED AT COST**				
	In Equity Shares of Associate				
	Unquoted, Fully paid up				
	Eliph Nutrition Private Limited of Rs. 10 each	100	6.40	100	6.40
	Less: Provision for Impairment of Investment		(1.60)		-
			4.80		**6.40**
	In Preference Shares of Associate				
	Unquoted, Fully paid up				
	Eliph Nutrition Private Limited of Rs. 10 each	9,269	593.59	9,269	593.59
	Less: Provision for Impairment of Investment		(148.40)		-
		9,269	**445.19**		**593.59**
A	**Total Investments measured at Cost**		**449.99**		**599.99**
B	**INVESTMENTS MEASURED AT AMORTISED COST**				
	In Debentures				
	Unquoted, Fully paid up				
	In fellow subsidiaries*				
	Optionally Fully Convertible Debenture of Tresara Health Limited (formerly Tresara Health Private Limited) of Rs. 93 each	1,08,54,004	36,380.72	1,08,54,004	36,380.72
	Less: Provision for Impairment of Investment		(36,380.72)		(36,380.72)
B	**Total Investments measured at Amortised Cost**		**-**		**-**
	Total Investments - Non Current (A+B)		**449.99**		**599.99**

** Fellow Subsidiary w.e.f. August 18, 2020. The entity was a subsidiary up to August 17, 2020*

2.1 Financial guarantee of Rs. 50 lakhs as at March 31, 2020 given in favour of IDBI bank for credit facilities taken by Dadha Pharma Distribution Private Limited stands revoked as the same was foreclosed on October 29, 2020.

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
3	**Loans - Non-Current**		
	(Unsecured, Considered Good)		
	Loans to Related Parties [(A)]	745.74	2,338.33
	Total	**745.74**	**2,338.33**

(Refer Note 33 for related party transactions)

(A) Loan given to Netmeds Marketplace Limited

(i) The loans have been granted for the purpose of the borrower's business working capital requirement. The loans are repayable on demand at the option of the Company.

(ii)The above loan carries interest at the rate of 7.5% p.a. (Previous Year: 7% p.a.) during the year.

3.1 Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the Related Parties which are repayable on demand

Type of Borrower	As at March 31, 2022	As at March 31, 2021
Related Parties - Non Current (Refer Note 3)	745.74	2,338.33
Related Parties - Current (Refer Note 10)	25.23	25.23
Percentage to the total Loans and Advances in the nature of loans	**100.00%**	**100.00%**

		As at March 31, 2022	As at March 31, 2021
4	**Other Financial Assets - Non Current**		
	(Unsecured, Considered Good)		
	Security Deposits	-	27.04
	Total	**-**	**27.04**

		As at March 31, 2022	As at March 31, 2021
5	**Deferred Tax Assets (Net)**		
	Component of Deferred Tax Assets/ (Liabilities):		
	Deferred Tax Assets (Gross)	30.18	41.48
	Deferred Tax Liabilities (Gross)	-	0.98
	Net Deferred Tax Assets/ (Liabilities)	**30.18**	**40.50**

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

Component of Deferred tax Assets

	As at March 31, 2021	Credit / (Charge) to Statement of Profit and Loss	Credit / (Charge) to Other Comprehensive Income	As at March 31, 2022
Deferred tax asset (Net) in relation to:				
Property, plant and equipment	(0.98)	2.70	-	**1.72**
Disallowance under the Income Tax Act, 1961	41.48	(13.02)	-	**28.46**
Net Deferred Tax Asset / (Liabilities)	**40.50**	**(10.32)**	**-**	**30.18**

Management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets.

		As at March 31, 2022	As at March 31, 2021
6	**Other Non-Current Assets**		
	(Unsecured, Considered Good)		
	Advance Income Tax (Net of Provision)	158.64	-
	Total	**158.64**	**-**

		As at March 31, 2022	As at March 31, 2021
6.1	**Advance Income Tax (Net of Provision)**		
	At start of year	(4.54)	54.19
	Charge for the year	(107.08)	(123.00)
	Tax paid during the year (net of refunds)	270.26	64.27
	At end of year	**158.64**	**(4.54)**

		As at March 31, 2022	As at March 31, 2021
7	**Investments - Current**		
	Investments Measured at Fair Value Through Profit and Loss (FVTPL) *		
	In Mutual Funds - Unquoted	-	800.16
	Total Investments-Current	**-**	**800.16**
	Aggregate Value of Unquoted Investment	-	800.16

** Refer Note 31*

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
8 Trade Receivables		
(Unsecured, Considered Good)		
Trade receivables	2,851.05	129.42
Total	**2,851.05**	**129.42**

The trade receivables of the Company do not contain a significant financing component and accordingly, the Company has adopted the simplified approach under Ind AS 109 for recognition of impairment of losses on trade receivables. Consequently, the disclosure of trade receivables into "Trade receivables which have significant increase in credit risk" has not been given since it is not relevant in the context of the Company.

(Refer Note 33 for related party transactions)

8.1 Trade Receivables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables considered good	1.59	0.04	-	-	-	**1.63**
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-
Total	**1.59**	**0.04**	**-**	**-**	**-**	**1.63**

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

8.2 Trade Receivables ageing schedule as on March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables considered good	125.55	3.87	-	-	-	**129.42**
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	**-**
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	**-**
Total	**125.55**	**3.87**	**-**	**-**	**-**	**129.42**

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
9	**Cash and Cash Equivalents**		
	Balances with banks		
	- in Current Accounts	54.12	56.44
	Cash on Hand	0.02	0.30
	Cash and Cash Equivalents as per Balance Sheet	**54.14**	**56.74**
	Cash and Cash Equivalents as per Statement of Cash Flows	**54.14**	**56.74**

		As at March 31, 2022	As at March 31, 2021
10	**Loans - Current**		
	Loans to Related Parties [A]		
	Unsecured and Credit Impaired	25.23	25.23
	Less: Loss allowance for Credit Impairment	(22.16)	(22.16)
		3.07	**3.07**

(Refer Note 33 for related party transactions)

(A) Loan given to Dadha Healthcare Private Limited

(i) The loans have been granted for the purpose of the borrower's business purposes. The loans are repayable on demand at the option of the Company.

(ii) Since the loan the credit impaired and provided, interest is not accrued on the same.

		As at March 31, 2022	As at March 31, 2021
11	**Other Financial Assets - Current**		
	(Unsecured, Considered Good)		
	Security Deposits	4.05	-
	Total	**4.05**	**-**

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
12 Other Current Assets		
(Unsecured, Considered Good)		
Balances with Government Authorities	239.63	26.89
Prepaid expenses	61.94	40.76
Advances to suppliers	12.72	3.15
Other advances	4.95	59.18
Total	**319.24**	**129.98**

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

			As at March 31, 2022	As at March 31, 2021
13	**Share Capital**			
	Authorised:			
	1,68,66,322 (1,68,66,322)	Equity shares of Rs. 10 each	1,686.63	1,686.63
	95,37,690 (95,37,690)	Compulsorily convertible preference shares (CCPS) of Rs. 62 each	5,913.37	5,913.37
	Total		**7,600.00**	**7,600.00**
	Issued, Subscribed and Paid-Up:			
	1,67,30,188 (1,67,30,188)	Equity shares of Rs. 10 each	1,673.02	1,673.02
	Total		**1,673.02**	**1,673.02**

Figures in bracket represents Previous year's figure.

13.1 The details of Shares held by the holding company

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	**% held**	**No. of Shares**	**% held**
Equity shares of Rs. 10 each				
Reliance Retail Ventures Limited*	1,18,05,526	70.56%	1,09,05,946	65.19%

* Includes shares held by nominees

13.2 Shareholding of Promoter

As at March 31, 2022

S. No.	Promoter Name	No of Shares at the beginning of the year	Change during the year	No of Shares at the end of the year	% of Total Shares	% change during the year
	Fully Paid up Equity Shares of Rs. 10 each					
1	Reliance Retail Ventures Limited	1,09,05,946	8,99,580.00	1,18,05,526	70.56%	8.25%

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

As at March 31, 2021

S. No.	Promoter Name	No of Shares at the beginning of the year	Change during the year	No of Shares at the end of the year	% of Total Shares	% change during the year
	Fully Paid up Equity Shares of Rs. 10 each					
1	Reliance Retail Ventures Limited	0	1,09,05,946	1,09,05,946	65.19%	100.00%

13.3 The details of Shareholders holding more than 5% shares :

	As at March 31, 2022		As at March 31, 2021	
Name of the Shareholders	**No. of Shares**	**% held**	**No. of Shares**	**% held**
Reliance Retail Ventures Limited*	1,18,05,526	70.56%	1,09,05,946	65.19%
M Pradeep Dadha	30,63,123	18.31%	31,51,607	18.84%
Dadha Pharma Private Limited	8,99,580	5.38%	12,48,034	7.46%
M Pradeep Dadha (Karta of M Pradeep Dadha HUF)	-	-	9,24,601	5.53%

* Includes shares held by nominees

13.4 The Reconciliation of the number of shares outstanding is set out below :

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
	No. of shares	**No. of shares**
i) Equity shares of Rs. 10 each		
Equity Shares outstanding at the beginning of the year	1,67,30,188	68,55,017
Add: Shares issued for cash during the year*	-	2,91,513
Add: Shares issued against share warrants (Refer Note 14)	-	45,969
Add: Compulsorily Convertible Preference Shares converted	-	95,37,689
Equity Shares outstanding at the end of the year	**1,67,30,188**	**1,67,30,188**

*Application money received from the Bennett Coleman and Company Limited during the previous year had been recognized as share warrants which got converted into equity shares before the year end.

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
	No. of shares	No. of shares
ii) Compulsorily Convertible Non-cumulative Preference Shares		
a) Series A compulsorily fully convertible non-cumulative preference shares		
Shares outstanding at the beginning of the year	-	26,15,840
Less: Shares converted during the year	-	(26,15,840)
Shares outstanding at the end of the year	**-**	**-**
b) Series B compulsorily fully convertible non-cumulative preference shares		
Shares outstanding at the beginning of the year	-	20,39,611
Less: Shares converted during the year	-	(20,39,611)
Shares outstanding at the end of the year	-	-
c) Series C compulsorily fully convertible non-cumulative preference shares		
Shares outstanding at the beginning of the year	-	48,82,238
Less: Shares converted during the year	-	(48,82,238)
Shares outstanding at the end of the year	**-**	**-**
Total ii	**-**	**-**

13.5 Rights, Preference and Restrictions

(i) Equity Shares

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

(i) Preference Shares

The Board vide its meeting dated June 12, 2020, June 23,2020 , August 11,2020 has approved conversion of the outstanding Series A CCPS, Series B CCPS, Series C CCPS respectively into equity shares as per the terms of the original issue under the Shareholders Agreement ("SHA"). Accordingly, equity shares have been allotted against the preference shares outstanding.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

Particulars	No of CCPS/Shares Allotted	Value of CCPS Converted	Value of Share Capital issued	Value of Increase in securities premium
Series A - Converted June 12, 2020	3,73,801	(231.76)	37.38	194.38
Series B - Converted June 12, 2020	14,56,908	(903.28)	145.69	757.59
Series C - Converted June 12, 2020	46,58,680	(2,888.38)	465.87	2,422.51
Series B - Converted June 23, 2020	5,82,703	(361.28)	58.28	303.00
Series C - Converted June 23, 2020	2,23,558	(138.61)	22.36	116.25
Series A - Converted August 11, 2020	22,42,039	(1,390.06)	224.20	1,165.86
Total	**95,37,689**	**(5,913.37)**	**953.78**	**4,959.59**

		As at March 31, 2022	As at March 31, 2021
14	**Other Equity**		
i)	**Securities Premium**		
	Balance at the Beginning of the Year	55,261.44	47,949.59
	Add: On issue of equity shares*	-	2,031.85
	Add: Issued against share warrants	-	320.40
	Add: Compulsorily Convertible Preference Shares converted	-	4,959.60
	Balance at the End of the Year	**55,261.44**	**55,261.44**

*Application money received from the Bennett, Coleman and Company Limited during the previous year had been recognized as share warrants which got converted into equity shares before the end of previous year.

		As at March 31, 2022	As at March 31, 2021
ii)	**Retained Earnings**		
	Balance at the Beginning of the Year	(55,124.39)	25,258.13
	Add: Profit / (loss) for the year	214.24	(80,305.34)
	Add: Items of other comprehensive income directly		
	Remeasurements of post-employment benefit obligations (net of tax)	80.32	(77.18)
	Balance at the End of the Year	**(54,829.83)**	**(55,124.39)**

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

iii)	**Capital Reserve**		
	Balance at the Beginning of the Year	(101.49)	-
	Add: Reserve created on Business Combination*	-	(101.49)
	Balance at the End of the Year	**(101.49)**	**(101.49)**
	*Refer Note 36		
iv)	**Deemed Equity Contribution - Group Share-based payment scheme**		
	Balance at the Beginning of the Year	1,831.82	-
	Add: Received From Holding Company / Fellow Subsidiary	-	1,831.82
	Balance at the End of the Year	**1,831.82**	**1,831.82**
v)	**Share options outstanding account**		
	Balance at the Beginning of the Year	-	189.53
	Add: Employee share based expense	-	138.07
	Less: Transfer to Employee stock option liability		(327.60)
	Balance at the End of the Year	**-**	**-**
	Total Other Equity	**2,161.94**	**1,867.38**

vi) Nature and purpose of reserves

Securities premium

Securities premium is used to record the premium on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings / General reserves

Company's cumulative earnings since its formation minus dividends. These are available for distribution.

Capital Reserve

Capital reserve has been recognized on account of excess purchase consideration over net assets taken over, paid to Medrx Technologies LLP from whom business of developing and operating a practice management software and providing an online platform for medical consultation by healthcare providers including doctors had been acquired on a slump sale basis. (Refer Note 36)

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

Deemed Equity Contribution - Group Share-based payment scheme

Represents amounts paid by Reliance Retail Ventures Limited to compensate the ESOP Holders of Vitalic ESOP 2019 in lieu of cancellation of plan.

Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Vitalic ESOP 2019 plan. During the previous year the said plan was cancelled. Accordingly, the reserve was reversed during previous year.

		As at March 31, 2022	As at March 31, 2021
15	**Provisions - Non Current**		
	Provision for Employee Benefits (Refer Note 23.1)		
	Gratuity	60.70	102.86
	Compensated absences	65.77	77.18
	Total	**126.47**	**180.04**

		As at March 31, 2022	As at March 31, 2021
16	**Other Non-Current Liabilities**		
	Income Received in Advance	54.19	41.89
	Total	**54.19**	**41.89**

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
17 Trade payables		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	3.10
Total outstanding dues of creditors other than micro enterprises and small enterprises	62.41	49.38
Total	**62.41**	**52.48**

17.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2022

17.2 Trade Payables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	**-**
(ii) Others	11.18	0.38	0.28	0.02	**11.86**
(iii) Disputed Dues -MSME	-	-	-	-	**-**
(iv) Disputed Dues-Others	-	-	-	-	**-**
Total	**11.18**	**0.38**	**0.28**	**0.02**	**11.86**

17.3 Trade Payables ageing schedule as on March 31, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	**-**
(ii) Others	0.45	-	-	-	**0.45**
(iii) Disputed Dues -MSME	-	-	-	-	**-**
(iv) Disputed Dues-Others	-	-	-	-	**-**
Total	**0.45**	**-**	**-**	**-**	**0.45**

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

17.4 Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Particulars below as per Schedule III	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	3.10
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note: *Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.*

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
18	**Other Financial Liabilities - Current**		
	Employee Benefits Payable	14.62	16.38
	Total	**14.62**	**16.38**

		As at March 31, 2022	As at March 31, 2021
19	**Other Current Liabilities**		
	Income Received in Advance	69.49	40.03
	Advance from Customers	4.46	3.20
	Statutory Dues	585.36	339.04
	Total	**659.31**	**382.27**

		As at March 31, 2022	As at March 31, 2021
20	**Provisions - Current**		
	Provision for Employee Benefits (Refer Note 23.1)		
	Gratuity	8.13	18.08
	Compensated absences	18.71	21.15
	Provision for Income Tax (Net of Advance Tax)	-	4.55
	Total	**26.84**	**43.78**

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

		Year Ended March 31, 2022	Year Ended March 31, 2021
21	**Revenue from Operations**		
	Income from Services*		
	Income from Technical Consultancy and Advisory Services	5,510.38	1,947.19
	Software Service Income	81.64	50.67
	Total	**5,592.02**	**1,997.86**

* Net of GST

21.1 The Company has only one category of revenue stream (i.e., Sale of services) and one reportable segment. The requirement to disclose disaggregate revenue under Ind AS 115 and its relationship with operating segments under Ind AS 108 is not required.

21.2 Contract balances

i) Revenue from consultancy and advisory services are provided over the contract term and the related revenue is recognized over time. Payments are received as per the terms of the contract.

ii) Revenue from Software Service Income is recognized over the license term. Refer Note 16 and 19 for Advances received and Deferred revenue recognized.

21.3 Performance obligations

The contracts with customers are structured in such a way that the Company has the right to consideration from a customer in an amount that corresponds directly with the value to the customer of the performance obligation complete to date and the Company has the right to invoice. Therefore, taking the practical expedient, the details on transaction price allocated to the remaining performance obligations are not disclosed.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

		Year Ended March 31, 2022	Year Ended March 31, 2021
22	**Other Income**		
	Interest		
	Interest income on loans to related parties	135.41	109.69
	Interest on Income Tax refund	4.60	3.69
		140.01	**113.38**
	Gain on sale of investments in mutual funds		
	Realized gain on sale	6.12	2.30
		6.12	**2.30**
	Unwinding of discount on security deposits	-	8.24
	Reversal of Provision for doubtful advances	-	1.47
	Net Gain on foreign currency transactions and translations	-	1.05
	Gain on de-recognition of Security Deposit	-	70.57
		-	**81.33**
	Total	**146.13**	**197.01**

		Year Ended March 31, 2022	Year Ended March 31, 2021
22.1	**Other Comprehensive Income - Items that will not be reclassified to Profit and loss**		
	Remeasurement of Defined Benefits Plan	80.32	(77.18)
	Total	**80.32**	**(77.18)**

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

		Year Ended March 31, 2022	Year Ended March 31, 2021
23	**Employee Benefits Expense**		
	Salaries and Wages	2,013.55	1,310.74
	Contribution to Provident and Other Funds	38.68	32.30
	Gratuity (Refer note 23.1)	28.78	10.64
	Employee share-based payment expense (Refer note 23.2)	272.82	151.28
	Staff Welfare Expenses	75.50	17.09
	Total	**2,429.33**	**1,522.05**

23.1 As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below :

A) Defined Contribution Plans

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The contributions are made to registered provident fund administered by the government. Contributions are made to Employees' State Insurance at rates specified in the Employees' State Insurance Act, 1948.

The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. Contribution to defined contribution plan, recognized as expenses for the year is as under:

Particulars	**Year Ended March 31, 2022**	**Year Ended March 31, 2021**
Employer's Contribution to Provident Fund	38.14	31.61
Employer's Contribution to Employees' State Insurance	0.54	0.69

B) Defined Benefit Plans
- Post Employment Benefit - Retirement Benefit - Gratuity

The Company has a defined benefit Gratuity Plan. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company operates post retirement benefit plans as follows:

**Refer Note 15 & 20 for Current and Non Current Liability on account of Gratuity*

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

I. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Defined Benefit Obligation at beginning of the year	120.94	30.66
Current Service Cost	22.21	8.79
Interest Cost	6.57	1.85
Actuarial (Gain)/ Loss	(80.32)	77.18
Benefits Paid	(0.58)	(0.80)
Transfer In/(Out)	-	3.26
Defined Benefit Obligation at year end	**68.82**	**120.94**

II. Expenses recognized during the year

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
In Income Statement		
Current Service Cost	22.21	8.79
Interest Cost	6.57	1.85
Net Cost	**28.78**	**10.64**
In Other Comprehensive income		
Actuarial (Gain)/ Loss	(80.32)	77.18
Net (Income)/ Expense for the period Recognized in OCI	**(80.32)**	**77.18**

III. Actuarial Assumptions

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Mortality Table (IALM)	2012-14 (Ultimate)	2012-14 (Ultimate)
Discount Rate (per annum)	5.91%	5.45%
Rate of Escalation in Salary (per annum)	9.00%	9.00%
Rate of employee turnover (per annum)	20.00%	20.00%

Discount rate for this valuation is based on yield to maturity (YTM) available on government bonds having term similar to estimated term of liabilities as per Para 83 of Ind AS 19

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Assumptions regarding employee turnover rates are also set based on estimates of expected long-term future employee turnover within the Company.

The Scheme does not have sufficient experience (data) in respect of past mortality claims so scheme-specific mortality rates could not be estimated. Based on professional judgement by the Actuary, it was thought that 100% of IAL mortality table would be appropriate for assessment of liability in respect of death benefits. The disability rates have not been explicitly allowed for since there is even lesser scheme specific experience and we believe there is sufficient margin in the chosen mortality assumption to accommodate the impact of disabilities as well.

IV. Effect of future cash flows

The expected contributions for Defined Benefit Plan for the next financial year will be Rs. 8.13 lakhs.

The weighted average duration of the defined benefit obligation is 6.32 years (March, 2021 – 5.89 years).

Time Period (In Years)	Year Ended March 31, 2022	Year Ended March 31, 2021
<= 1 year	8.13	18.08
2 - 5 years	35.19	62.46
6 - 10 years	29.90	46.45
11 - 15 years	14.84	22.30
Above 15 years	12.70	17.96

V. Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in weighted principal assumptions is:

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
	Decrease	Increase	Decrease	Increase
Change in Rate of Discounting				
- Delta effect of -/+ 1%	(3.59)	3.99	(5.88)	6.51
Change in Rate of Salary				
- Delta effect of -/+ 1%	(3.44)	3.67	(5.05)	5.32
Change in Rate of Employee				
- Delta effect of -/+ 25%	(5.30)	7.20	(6.32)	8.84

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

These plans typically expose the company to actuarial risks, investment risk, liquidity risk & legislative risk.

Actuarial Risk: The risks that benefits costs more than expected. All assumptions used to project the liability cash-flows are a source of risk. If actual experience turns out to be worse than expected experience - there could be a risk of being unable to meet the liabilities as and when they fall due. E.g.: If assumed salary growth rates turns out to be lesser than reality - this could cause a risk that the provisions are inadequate in comparison to the actual benefits required to be paid.

Investment Risk: Plan is unfunded and hence no investment risk.

Liquidity Risk: Excessive withdrawals or deaths could put some liquidity pressure. Since the plan is unfunded, this could put the company in a liquidity stress position if there is a large batch of untimely withdrawals.

Legislative Risk: There could be changes to regulation / legislation governing this Plan that could affect the Company adversely (e.g. introduction of a minimum benefit). The changes in regulation could potentially increase the plan liabilities.

C) Other Long Term Employee

- Compensated Absences

The plan provides for leave encashment on termination of employment. Leave obligations covers the Company's liability for earned leave. Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment for such leave within next 12 months.

23.2 Share-based payments

Share-based compensation benefits were provided to employees under via the "Vitalic ESOP 2019" plan, an employee share scheme which was discontinued during the previous year vide resolution passed in the Extraordinary General Meeting held on 15th June 2020 and cancellation of all options under the plan. All outstanding and granted options stand cancelled.

Settlement of Options Scheme

During the previous year, the Company had entered into a settlement agreement with the employees who were offered share options.

The employees have confirmed, agreed, acknowledged and undertook that the ESOP Options granted to them by the Company shall forthwith, without any further action, stand terminated and cancelled.

As part of the agreement, the employees have agreed to the full and final settlement of their respective share options, waived their rights with respect to the cancelled options including the right to exercise such ESOP Options under the ESOP plan.

In lieu of cancellation of the ESOP scheme, the management has agreed to compensate eligible employees through a pre-determined cash settlement and the settlement amount shall be paid out in 4 (four) annual tranches over 4 (four) years subject to continued employment, with the Company or any of the group entity(ies) which are either subsidiaries and/or affiliates. This liability, based on the pre-determined cash settlement amount, for the year ended March 31, 2022 has been recorded as Employee share based payment expense and the unpaid amount, if any, as at March 31, 2022 has been recorded as Employee share based liability.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

		Year Ended March 31, 2022	Year Ended March 31, 2021
24	**Finance Costs**		
	Interest Expense on Borrowings	-	169.82
	Total	**-**	**169.82**

		Year Ended March 31, 2022	Year Ended March 31, 2021
25	**Other Expenses**		
	Advertisement Expenses	12.55	3.52
	Discount Allowed	18.27	9.02
	Commission	1.82	0.19
	Bank charges	0.03	0.54
	Business Support Charges	66.00	66.00
	Security Charges	1.91	3.36
	Repairs and Maintenance	7.51	6.53
	Rent including Lease Rentals	29.90	29.90
	Technical Support Charges	2,285.81	17.93
	Communication	7.54	1.62
	Rates and Taxes	7.16	28.86
	Payment to Auditors (Refer Note 25.1 below)	15.42	17.60
	Travelling and Conveyance Expenses	2.41	3.76
	Legal and Professional Fees	367.71	121.50
	Exchange Differences (Net)	0.13	-
	Electricity Expenses	0.70	0.65
	Directors' Sitting Fees	7.20	1.50
	Provision for Impairment of value of long-term investment	150.00	-
	Web Hosting Expenses	-	1.40
	Reversal of Guarantee commission income recognized in earlier years (Refer Note 2.1)	-	50.00
	General Expenses	1.58	1.44
	Total	**2,983.65**	**365.32**
25.1	**Payment to Auditors as:**		
	(a) Statutory Audit Fees	15.42	14.00
	(b) Tax Audit Fees	-	3.10
	(c) Certification and Consultation Fees	-	0.50
	Total	**15.42**	**17.60**

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

		Year Ended March 31, 2022	Year Ended March 31, 2021
26	**Exceptional items**		
	Loss on Redemption of Investment in Optionally Fully Convertible Debentures (Refer note I(a) below)	-	13,831.28
	Loss on reclassification of investments from FVTPL to amortised cost (Refer note I(b) below)	-	13,981.88
	Loss on Sale of Investments in Equity Shares of Subsidiaries (Refer note II below)	-	16,134.90
	Provision for Impairment of Investment (Refer note III below)	-	36,380.71
	Total	**-**	**80,328.77**

I. **(a) Redemption of OFCDs**

The Company has during the previous year redeemed 3,728,112 OFCDs at the cost of investment of Rs. 93 and loss on redemption of Rs. 13,831.28 Lakhs was charged to the Statement of Profit and Loss for the previous year ended 31 March 2021.

(b) Reclassification of OFCDs from FVTPL to Amortised cost:

The Company had invested in 10,854,004 optionally fully convertible debentures (OFCD) of Tresara Health Private Limited (THPL), a subsidiary up to August 17, 2020 and fellow subsidiary thereafter, which was classified at fair value through profit and loss as at March 31, 2020. During the previous year, consequent to the change in the business model to collect contractual cash flows represented by solely payments of principal and interest, the Company had re-classified the aforesaid investments in THPL from fair value through profit or loss (FVTPL) to amortised cost and the difference between fair value and the amortised cost amounting to Rs. 13,981.88 has been charged to the Statement of Profit and Loss for the previous year ended March 31, 2021.

II. Sale of investments

The Company, during the previous year, sold its stake in the following Companies based on the valuation determined under section 11 UA of the Income Tax Act, 1961. The loss of sale of these investments are included under Exceptional items for the previous year ended 31 March 2021.

Particulars	**Tresara Health Private Limited**	**Vitalic Nutrition Private Limited**	**Dadha Healthcare Private Limited**
Gross carrying value before disposal	15,298.33	308.75	5.00
Impairment provision	-	(308.75)	(5.00)
Net carrying value before disposal	**15,298.33**	**-**	**-**
Deemed Investment (ESOP adjustment)	855.07	-	-
Sale consideration	1.00	17.00	0.50
Gain/Loss on disposal of Investments (Amount disclosed in Exceptional items above)	**16,152.40**	**(17.00)**	**(0.50)**

III. As explained in Note 2 above, the Company disposed their investments in equity shares of THPL based on the 11 UA valuation and accounted for a loss of Rs. 16,152.40 during the previous year. Based on the valuation of the equity shares of THPL, the management has also considered an impairment in the investment of OFCD's to the extent of Rs. 36,380.71 Lakhs and this has been included as exceptional item for the previous year ended 31 March 2021.

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

27 Taxation

	Year Ended March 31, 2022	Year Ended March 31, 2021
Income Tax recognised in Profit or Loss		
Current Tax	107.07	123.00
Deferred Tax	10.32	(40.50)
Tax expense of Earlier Years	(80.93)	-
Total Income Tax Expense	**36.46**	**82.50**

The Income Tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Profit before Tax	250.70	(80,222.84)
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	63.10	(20,192.09)
Tax Effect of :		
Expenses disallowed	43.97	20,315.09
Prior Period Adjustment - Tax paid for earlier year	(80.93)	-
Current Tax Provision (A)	**26.14**	**123.00**
Incremental Deferred Tax Liability on account of PPE & Intangible Assets	(2.70)	0.98
Incremental Deferred Tax Liability on account of Financial Assets & Other items	13.02	(41.48)
Deferred Tax Provision (B)	**10.32**	**(40.50)**
Tax Expenses recognised in Statement of Profit and Loss (A+B)	**36.46**	**82.50**
Effective Tax Rate	14.54%	(0.10%)

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

	Year Ended March 31, 2022	Year Ended March 31, 2021
28 Earnings Per Share (EPS)		
Face Value per Equity Share (Rs.)	**10.00**	**10.00**
Basic Earnings per Share (Rs.)	**1.28**	**(659.51)**
Net Profit as per Profit and Loss Statement attributable to Equity Shareholders (In Rs. Lacs)	214.24	(80,305.34)
Weighted average number of equity shares used as denominator for calculating EPS	1,67,30,188	1,21,76,597
Diluted Earnings per Share (Rs.)	**1.28**	**(659.51)**
Net Profit as per Profit and Loss Statement attributable to Equity Shareholders (In Rs. Lacs)	214.24	(80,305.34)
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	1,67,30,188	1,21,76,597
Reconciliation of weighted average number of shares outstanding		
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	1,67,30,188	1,21,76,597
Total Weighted Average Potential Equity Shares	-	-
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	1,67,30,188	1,21,76,597

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

29 Commitments and Contingent Liabilities

Commitment and contingent liabilities are nil for the year ended March 31, 2022 (Previous Year: Nil)

30 Capital Management

The Company's objectives when managing capital are to: -

• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

• manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings (including current maturities of long-term borrowings and interest accrued) as reduced by cash and cash equivalents.

Under the terms of borrowing facilities, the Company is required to comply with certain financial covenants which it has complied throughout the reporting period.

The Net gearing ratio at the end of the reporting period was as follows:

	As at March 31, 2022	As at March 31, 2021
Gross Debt	-	-
Less: Cash and Marketable Securities	(54.14)	(856.90)
Net Debt (A)	**(54.14)**	**(856.90)**
Total Equity (As per Balance Sheet) (B)	3,834.96	3,540.40
Net Gearing (A/B)	**(1.41%)**	**(24.20%)**

* Cash and Marketable Securities include Cash and Cash Equivalents of Rs. 54.14 lakhs (Previous Year: Rs. 56.74 lakhs) and Current Investments of Rs. Nil (Previous Year: Rs. 800.16 lakhs)

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

31 Financial Instruments

Valuation Methodology
All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

a) The fair value of investment in unquoted Mutual Funds is measured at quoted price or NAV.
b) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Fair value measurement hierarchy:

Particulars	Note	As at March 31, 2022				As at March 31, 2021			
		Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
			Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets									
At Amortised Cost									
Investments*	2	-	-	-	-	-	-	-	-
Trade Receivables	8	2,851.05	-	-	-	129.42	-	-	-
Cash and Bank Balances	9	54.14	-	-	-	56.74	-	-	-
Loans	3 & 10	748.81	-	-	-	2,341.40	-	-	-
Other Financial Assets	4 & 11	4.05	-	-	-	27.04	-	-	-
At FVTPL									
Investments	7	-	-	-	-	800.16	800.16	-	-
Financial Liabilities									
At Amortised Cost									
Trade Payables	17	62.41	-	-	-	52.48	-	-	-
Other Financial Liabilities	18	14.62	-	-	-	16.38	-	-	-

** Investment measured at amortised cost is fully impaired. Hence the value it nil.*

The Company has investments in subsidiaries that are carried at cost under Ind AS 27, Separate Financial Statements, and hence are not disclosed in the above table.

Fair value hierarchy:
The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and
Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company’s policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between levels 1 and 2 during the year.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

There has been no significant change between the discounting rate used on the date of transaction and as at the end of the period for assets and liabilities measured at amortised cost. Hence, the carrying value is taken as fair value.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

32 Financial Risk Management

The Company's principal financial liabilities comprises trade payables other financial liabilities. The main purpose of these financial liabilities to finance the Company's operation. The Company's main financial assets includes loans, trade receivable, cash and cash equivalent and other bank balances derived from its operations.

Risk	Exposure arising from	Measurement
Credit risk (Refer Note 32.1)	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost and at fair value through profit or loss	Ageing analysis Credit ratings
Liquidity risk (Refer Note 32.2)	Borrowings, lease liabilites and other liabilities	Cash flow projections, Working capital requirements

32.1 Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from deposits with banks as well as credit exposures to customers including outstanding receivables and financial assets measured at amortised cost and at fair value through profit or loss. Company restricts its fixed income investments in liquid securities carrying high credit rating.

a) Credit Risk Management

i) Credit risk on deposits is mitigated by depositing the funds in reputed private sector banks.

ii) Credit risk on unsecured deposits is managed based on Company's established policy, procedures and controls. Outstanding deposits are regularly monitored and assessed for their recoverability.

iii) The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Company periodically monitors the recoverability and credit risks of its other financials assets including security deposits and other receivables.

iv) The Company's investments in debt instruments are with the group entites and are considered to be low risk investments.

b) Impairment of Financial Assets

The Company has two types of financial assets that are subject to expected credit model:
i) Trade receivables for services redered
ii) Loans

i) Expected credit loss trade receivables - simplified approach
The Company's exposure to trade receivables are from group companies. Company takes appropritate steps to recover the dues as per agreed terms. Default is said to occur when the amount remains outstanding beyond the agreed credit period. An impairment analysis is performed at each reporting date on an individual basis. Adjusting the historic trends and expected future losses, the Company does not foresee any significant increase in credit risk or default from trade receivables. Of the total trade receivable balance, Rs. 2,733.93 lakhs is due from a single customer.

ii) Expected credit loss for financial assets other than trade receivables
The Company assesses whether there has been a significant increase in credit risk as at the end of each reporting period. This assessment is done by considering the counterpart's business, cash position and timing of expected cash collections. Based on the assessment performed, there has been no significant increase in credit risk for financial assets.

Loans and Advances:

Particulars	Loss allowance measured at 12 month expected credit loss	Loss allowance measured at life-time expected credit losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired
Loss allowance on March 31, 2020	**23.64**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	(1.48)	-	-
Loss allowance on March 31, 2021	**22.16**	**-**	**-**
Changes in loss allowance			
- Provision made during the year		-	-
- Written off	-	-	-
- Recoveries	-	-	-
Loss allowance on March 31, 2022	**22.16**	**-**	**-**

VITALIC HEALTH PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Rs. lakhs, unless otherwise stated)

32.2 Liquidity Risk

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Management monitors the Company's liquidity requirements on the basis of monthly and yearly projections. The Company's principal source of liquidity are cash flows that are generated from operations and surplus cash is deposited in the banks which are liquidated based on working capital requirements. The amounts disclosed in the table are the maturity profile of contractual undiscounted cash flows of the Company's financial liabilities:

Maturity Profile of Financial Liabilities as on March 31, 2022

Liquidity Risks	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Trade Payables	62.41	-	-	-	-	-	**62.41**
Other Financial Liabilities	14.62	-	-	-	-	-	**14.62**
Total	**77.03**	**-**	**-**	**-**	**-**	**-**	**77.03**

Maturity Profile of Financial Liabilities as on March 31, 2021

Liquidity Risks	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Trade Payables	52.48	-	-	-	-	-	**52.48**
Other Financial Liabilities	16.38	-	-	-	-	-	**16.38**
Total	**68.86**	**-**	**-**	**-**	**-**	**-**	**68.86**

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

33 Related Party Disclosures :

As per Ind AS 24, disclosures of transactions with related parties are given below:

(i) List of related parties with whom transactions have taken place and relationship

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited (from August 18, 2020)	Ultimate Holding Company
2	Reliance Retail Ventures Limited (from August 18, 2020)	Holding Company
3	Dadha Healthcare Private Limited (up to July 30, 2020)	Subsidiary
4	Vitalic Nutrition Private Limited (up to August 10, 2020)	
5	Tresara Health Limited (formerly Tresara Health Private Limited) (up to August 17, 2020)	
6	Dadha Pharma Distribution Private Limited (up to August 17, 2020)	Step-down Subsidiary
7	Netmeds Marketplace Limited (up to August 17, 2020)	
8	Netmeds Health Private Limited (formerly known as "Netmeds Health and Wellness Marketplace Private Limited") - (up to July 30, 2020)	
9	MedRx Technologies LLP (Previously known as "MedRx Distributors LLP") (up to August 14, 2020)	
10	Reliance Retail Limited (from August 18, 2020)	Fellow Subsidiary
11	Tresara Health Limited (formerly Tresara Health Private Limited) (from August 18, 2020)	
12	Dadha Pharma Distribution Private Limited (from August 18, 2020)	
13	Netmeds Marketplace Limited (from August 18, 2020)	
14	Jio Platforms Limited (from August 18, 2020)	
15	C Square Info Solutions Private Limited (from August 18, 2020)	
16	Shri M Pradeep Dadha - Whole-Time Director*	Director / Key Managerial Personnel (KMP)
17	Shri Advait Suhas Pandit - Director (Whole-Time Director up to November 30, 2021)	
18	Shri Jethu Singh Bhati - Director (from March 13, 2021)*	
19	Shri Dhirendra Harilal Shah - Independent Director (from March 13, 2021)	
20	Shri K Sudarshan - Independent Director (from November 17, 2020)	
21	Rashmi Khaitan - Chief Financial Officer	
22	Shri D R Anand - Company Secretary (up to November 3, 2020)	
23	Divya Mohan - Company Secretary (up to September 30, 2021)	
24	Prerna Jain - Company Secretary (from October 18, 2021)	
25	Eliph Nutrition Private Limited	Associate

**No transactions with these related parties in current year and previous year*

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

ii Transaction during the year with related parties (excluding reimbursements)

Sr. No.	Nature of Transactions	Holding Company	Subsidiary	Step Down Subsidiary	Fellow Subsidiary	Associate	Director / KMP	Total
1	**Loans Given**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	*-*	*2,338.33*	*-*	*-*	*-*	*2,338.33*
2	**Loans Repaid**	**-**	**-**	**-**	**1,592.60**	**-**	**-**	**1,592.60**
		-	*-*	*-*	*-*	*-*	*-*	*-*
3	**Investments in Optionally Fully Convertible Debentures repaid**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	*2,675.15*	*-*	*792.00*	*-*	*-*	*3,467.15*
4	**Optionally Fully Convertible Debentures issued**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		600.00	*-*	*-*	*-*	*-*	*-*	*600.00*
5	**Optionally Fully Convertible Debentures repaid**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		600.00	*-*	*-*	*-*	*-*	*-*	*600.00*
6	**Guarantee outstanding reversed**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	*-*	*-*	*50.00*	-	-	*50.00*
7	**Borrowings repaid**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	*-*	*-*	*869.85*	*-*	*-*	*869.85*
8	**Revenue from Operations**	**-**	**-**	**-**	**5,510.38**	**-**	**-**	**5,510.38**
		-	*28.00*	*155.00*	*1,764.19*	*-*	*-*	*1,947.19*

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

ii Transaction during the year with related parties (excluding reimbursements)

Sr. No.	Nature of Transactions	Holding Company	Subsidiary	Step Down Subsidiary	Fellow Subsidiary	Associate	Director / KMP	Total
9	**Interest Income**	**-**	**-**	**-**	**135.40**	**-**	**-**	**135.40**
		-	-	*7.95*	*101.35*	-	-	*109.30*
10	**Interest Expenses**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	*37.53*	-	-	*37.53*
11	**Shared Infrastructure Charges**	**-**	**-**	**-**	**66.00**	**-**	**-**	**66.00**
		-	-	*22.00*	*44.00*	-	-	66.00
12	**Remuneration paid (including payments made in lieu of employee stock option reserve)**	**-**	**-**	**-**	**-**	**-**	**247.26**	**247.26**
		-	-	-	-	-	*200.37*	*200.37*
13	**Sitting Fees**	**-**	**-**	**-**	**-**	**-**	***6.60***	**6.60**
		-	-	-	-	-	*1.50*	*1.50*
14	**Purchase of Plant, Property & Equipment**	**-**	**-**	**-**	***153.68***	**-**	**-**	**153.68**
		-	-	-	-	-	-	-
15	**Staff Welfare Expenses**	**-**	**-**	**-**	***5.66***	**-**	**-**	**5.66**
		-	-	-	-	-	-	**-**
16	**Professional Fee**	**-**	**-**	**-**	**7.00**	**-**	**-**	**7.00**
		-	-	-	-	-	-	**-**

Figures in *italics* represents previous year's amount.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

iii Balances outstanding at the year end

Sr. No.	Nature of Balances	Holding Company	Subsidiary	Step Down Subsidiary	Fellow Subsidiary	Associate	Director / KMP	Total
1	**Trade receivables**							
a)	Reliance Retail Limited	**-**	**-**	**-**	**2,733.93**	**-**	**-**	**2,733.93**
		-	-	-	-	-	-	-
b)	Jio Platforms Limited	**-**	**-**	**-**	**113.69**	**-**	**-**	**113.69**
		-	-	-	-	-	-	-
c)	Netmeds Marketplace Limited	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	*75.22*	-	-	75.22
d)	Tresara Health Limited (formerly Tresara Health Private Limited)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	*54.15*	-	-	54.15
2	**Trade Payables**							
a)	Netmeds Marketplace Limited	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	*6.08*	-	-	6.08
3	**Investment in Equity Shares**							
a)	Eliph Nutrition Private Limited	**-**	**-**	**-**	**-**	***4.80***	**-**	**4.80**
		-	-	-	-	*6.40*	-	6.40

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

iii Balances outstanding at the year end

Sr. No.	Nature of Balances	Holding Company	Subsidiary	Step Down Subsidiary	Fellow Subsidiary	Associate	Director / KMP	Total
4	**Investment in Preference Shares**							
a)	Eliph Nutrition Private Limited	**-**	**-**	**-**	**-**	***445.19***	**-**	**445.19**
		-	-	-	-	*593.59*	-	593.59
5	**Investment in OFCD**							
a)	Tresara Health Limited (formerly Tresara Health Private Limited)	**-**	**-**	**-**	***36,380.72***	**-**	**-**	**36,380.72**
		-	-	-	36,380.72	-	-	36,380.72
6	**Loans and Advances**							
a)	Netmeds Marketplace Limited	**-**	**-**	**-**	**745.74**	**-**	**-**	**745.74**
		-	-	-	*2,338.33*	-	-	*2,338.33*
7	**Capital Advances**							
a)	Reliance Retail Limited	**-**	**-**	**-**	**0.10**	**-**	**-**	**0.10**
		-	-	-	*0.38*	-	-	*0.38*

Figures in *italics* represents previous year's amount.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

(iv) Disclosure in respect of major related party transactions during the year:

Sr No	Particulars	Relationship	Year Ended March 31, 2022	Year Ended March 31, 2021
1	**Loans Given**			
	Netmeds Marketplace Limited	Step-down Subsidiary	-	2,338.33
2	**Loans Repaid**			
	Netmeds Marketplace Limited	Fellow Subsidiary	1,592.60	-
3	**Investments in OFCD repaid**			
	Tresara Health Limited (formerly Tresara Health Private Limited)	Subsidiary	-	2,675.15
	Tresara Health Limited (formerly Tresara Health Private Limited)	Fellow Subsidiary	-	792.00
4	**OFCD issued**			
	Reliance Retail Ventures Limited	Holding Company	-	600.00
5	**OFCD repaid**			
	Reliance Retail Ventures Limited	Holding Company	-	600.00
6	**Guarantee outstanding reversed**			
	Dadha Pharma Distribution Private Limited	Fellow Subsidiary	-	50.00
7	**Borrowings repaid**			
	Reliance Retail Limited	Fellow Subsidiary	-	869.85
8	**Revenue from Operations**			
	Netmeds Marketplace Limited	Fellow Subsidiary	42.72	208.19
	Netmeds Marketplace Limited	Step-down Subsidiary	-	155.00
	Tresara Health Limited (formerly Tresara Health Private Limited)	Fellow Subsidiary	99.43	56.00
	Tresara Health Limited (formerly Tresara Health Private Limited)	Subsidiary	-	28.00
	Reliance Retail Limited	Fellow Subsidiary	4,787.19	1,500.00
	Jio Platforms Limited	Fellow Subsidiary	581.05	-

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

(iv) Disclosure in respect of major related party transactions during the year:

Sr No	Particulars	Relationship	Year Ended March 31, 2022	Year Ended March 31, 2021
9	**Interest Income**			
	Netmeds Marketplace Limited	Fellow Subsidiary	135.04	101.35
	Netmeds Marketplace Limited	Step-down Subsidiary	-	7.95
	Tresara Health Limited (formerly Tresara Health Private Limited)	Fellow Subsidiary	0.36	-
10	**Interest Expenses**			
	Reliance Retail Limited	Fellow Subsidiary	-	37.53
11	**Shared Infrastructure Charges**			
	Netmeds Marketplace Limited	Fellow Subsidiary	66.00	44.00
	Netmeds Marketplace Limited	Step-down Subsidiary	-	22.00
12	**Remuneration paid (including payments made in lieu of cancellation of employee stock option reserve)**			
	Advait Suhas Pandit	Director / KMP	238.76	189.51
	D R Anand	Director / KMP	-	8.61
	Divya Mohan	Director / KMP	2.50	2.25
	Prerna Jain	Director / KMP	1.00	-
	Rashmi Khaitan	Director / KMP	5.00	-
13	**Sitting Fees**			
	Dhirendra Harilal Shah	Director / KMP	3.30	0.30
	K Sudarshan	Director / KMP	3.30	1.20
14	**Purchase of Plant, Property & Equipment**			
	Reliance Retail Limited	Fellow Subsidiary	153.68	-
15	**Staff Welfare Expenses**			
	Reliance Retail Limited	Fellow Subsidiary	5.66	-
16	**Professional Fee**			
	Tresara Health Limited (formerly Tresara Health Private Limited)	Fellow Subsidiary	0.50	-
	Reliance Retail Limited	Fellow Subsidiary	6.50	-

34 Segment Information

a) Description of segments

The board of directors as chief operating decision maker (CODM) of the Company for the purpose of resource allocation and segment performance focuses on single business segment of distribution and trading of pharmaceutical products which include medicines, antibiotics, drugs, biologicals, nutraceuticals and healthcare allied products and hence, there is only one reportable business segment in terms of Ind AS 108 'Operating Segments'.

The Chief operational decision maker (Board of Directors) monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

b) Segment revenue

The Company is domiciled in India. Entire revenue from the operating segment is derived from India.

c) Segment Assets

All non-current assets of the Company are located in India.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

35 Ratio Analysis

S. No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021	Variance
i)	Current Ratio (1)	4.23	2.26	87.22%
ii)	Debt - Equity Ratio	-	-	
iii)	Debt Service Coverage Ratio (2)	-	1.62	(100.00%)
iv)	Return on Equity Ratio (3)	5.81%	(192.26%)	(103.02%)
v)	Inventory Turnover Ratio	-	-	
vi)	Trade Receivables Turnover Ratio (4)	4.44	12.87	(65.49%)
vii)	Trade Payables Turnover Ratio (5)	51.94	5.03	932.58%
viii)	Net Capital Turnover Ratio (6)	2.68	3.77	(28.94%)
ix)	Net Profit Ratio (7)	3.24%	(3406.81%)	(100.09%)
x)	Return on Capital Employed (Excluding Working Capital Financing) (8)	2.90%	(4.11%)	(170.56%)
xi)	Return on Investment	32.08%	26.69%	20.19%

Reason for variance:

(1) Current ratio has increased primarily due to increase in trade receivables in current year compared to previous year.

(2) Debt Service Coverage ratio became nil in current year due to nil borrowings and finance cost.

(3) Return on Equity has increased due to exceptional losses booked in previous year wherein no such exceptional items are present in current year.

(4) Trade receivables turnover ratio has reduced due increase in receivables due to change in billing cycle from monthly to quarterly on technical consultancy revenue.

(5) Trade payables turnover ratio has increased due to increase in cost of services with no proportional increase in trade payables outstanding.

(6) Net capital turnover ratio has decreased due to increase in net working capital during current year.

(7) Net profit ratio has increased due to exceptional items booked in previous year wherein no such exceptional items during current year.

(8) Return on Capital Employed has increased due to increase in increase in profit due to nil borrowing cost.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

35.1 Formulae for computation of ratios are as follows:

S. No.	Particulars	Formula
1	Current Ratio	$\frac{Current\ Assets}{Current\ Liability}$
2	Debt - Equity Ratio	$\frac{Total\ Debt}{Total\ Equity}$
3	Debt Service Coverage Ratio	$\frac{Earnings\ before\ Interest, Tax\ and\ Exceptional\ Items}{Interest\ Expense\ +\ Principal\ Repayments\ made\ during\ the\ period\ for\ long\ term\ loans}$
4	Return on Equity Ratio	$\frac{Profit\ After\ Tax\ (Attributable\ to\ Owners)}{Average\ Net\ Worth}$
5	Inventory Turnover Ratio	$\frac{Cost\ of\ Goods\ Sold\ (Purchases\ + Changes\ in\ Inventory)}{Average\ Inventories\ of\ Stock - in - Tra}$
6	Trade Receivables Turnover Ratio	$\frac{Value\ of\ Sales}{Average\ Trade\ Receivables}$
7	Trade Payable Turnover Ratio	$\frac{Purchases\ of\ Stock - in - Trade\ +\ Other\ Expenses}{Average\ Trade\ Payables}$
8	Net Capital Turnover Ratio	$\frac{Value\ of\ Sales}{Average\ Working\ Capital\ (Current\ Assets\ -\ Current\ Liabilities)}$
9	Net Profit Ratio	$\frac{Profit\ After\ Tax\ (after\ exceptional\ items)}{Value\ of\ Sales}$
10	Return on Capital Employed (Excluding Working Capital Financing)	$\frac{Net\ Profit\ After\ Tax\ +\ Deferred\ Tax\ Expense/(Income)\ + Finance\ Cost\ (-)\ Other\ Income}{Average\ Capital\ Employed^{**}}$
11	Return on Investment	$\frac{Other\ Income\ (Excluding\ Dividend)}{Average\ Cash, Cash\ Equivalents\ Other\ Marketable\ Securities}$

Note: Capital employed includes Equity, Borrowings, Deferred Tax Liabilities, Creditor for Capital Expenditure and reduced by Investments, Cash and Cash Equivalents, Capital Work-in-Progress and Intangible Assets under Development.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

36 Acquisition of business from Medrx Technologies LLP

During the previous year, the company by way of entering into a business transfer agreement with Medrx Technologies LLP, its step-subsidiary (held through erstwhile subsidiary, Tresara Health Limited (formerly Tresara Health Private Limited)) had absorbed the business of developing and operating a practice management software and providing an online platform for medical consultation by healthcare providers including doctors.

Since the business mentioned above was indirectly controlled by the Company at the time of acquiring, this transaction has been considered as a common control transaction. Hence, the company has recognized the net assets taken over at the carrying amount in the books of Medrx LLP. The following table enumerates the value of each asset and liability taken over and absorbed respectively. Excess of purchase consideration over the net asset taken over has been considered under capital reserve.

Particulars	Note No	Amount (Rs in Lakhs)
Assets		
Property, Plant and Equipment	1	4.28
Intangible Assets	1	159.39
Other financial assets	4 & 11	27.64
Current tax assets	6 & 20	0.13
Trade receivable	8	16.58
Other current assets	12	0.01
Liabilities		
Other current liabilities	19	(72.24)
Other financial liabilities	18	(15.06)
Provisions	15 & 20	(7.96)
Trade payables	17	(0.30)
Net assets taken over		**112.47**
Purchase Consideration		213.96
Capital Reserve	**14 (iii)**	**(101.49)**

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

37 Other Statutory Information

i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.

ii) The Company do not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

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

(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.

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

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

v) The Company does not have 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.

VITALIC HEALTH PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022
(All amounts are in Rs. lakhs, unless otherwise stated)

38 Impact of Covid-19 Pandemic

The spread of COVID-19 has severely affected business around the globe. Many countries, including India, have undertaken various measures to contain the spread of the virus including lock-downs, travel bans, quarantines, social distancing and other emergency measures. These measures have had a direct impact on businesses and have affected the supply chains and production of goods. Lower economic activity has also resulted in the suppressed demand for goods and services.

The Company is engaged in the business of trading in pharmaceutical products. The Company being in the essential services segment has not experienced any significant disruptions affecting its business. In view of the lockdown and curfew announced across many states in India, the Company has undertaken and strengthened various measures to ensure the safety and wellbeing of its employees and has focused on continued delivery of pharmaceutical products across.

In assessing the recoverability of various assets including property, plant and equipment, intangible assets, receivables and its obligations, the Company has considered internal and external information up to the date of approval of financial statements including liquidity and solvency position for the Company for the ensuing twelve months and economic forecasts relevant to the Company. The Company based on current indicators of future economic conditions and factors mentioned above, expects to recover the carrying amount of its assets and meet its obligations and concluded that no material adjustments required in the financial statements.

The impact of the global health pandemic may be different from that estimated, as at the date of approval of the financial statements, consequent to the highly uncertain economic environment and the Company will continue to closely monitor any material changes to future economic conditions and to carry out a definitive reassessment of the impact as circumstances evolve.

39 The figures of the corresponding year has been regrouped / reclassified wherever necessary in accordance with requirements of Schedule III of Companies Act, 2013 to make them comparable.

40 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on 15th April 2022.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi Sharma
Partner
Membership No. 113861

Date: April 15, 2022

For and on behalf of the Board

M Pradeep Dadha
Whole-Time Director

Advait Suhas Pandit
Director

Dhirendra Harilal Shah
Director

K Sudarshan
Director

Jethu Singh Bhati
Director

Rashmi Khaitan
Chief Financial Officer

Prerna Jain
Company Secretary