

**DADHA PHARMA DISTRIBUTION LIMITED**  
**(formerly known as Dadha Pharma Distribution Private Limited)**  
**Financial Statements**  
**2022-23**

## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of Dadha Pharma Distribution Limited (Formerly known as Dadha Pharma Distribution Private Limited) Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Dadha Pharma Distribution Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, 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<sup>st</sup> March 2023, and its profit, 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 (SAs) specified under section 143(10) of the Act. 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 Board's report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 (i) in 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<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements 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 with reference to financial statements.

- 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 Company has paid/ provided any remuneration to its directors during the year and hence the provisions of section 197(16) of the Companies Act, 2013 are applicable to the Company.

- 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 note 36(iv) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 36(v) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have 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.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g)

of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31<sup>st</sup> March, 2023.

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 23113861BGXTRT8220)

Place: Mumbai  
Date: 18<sup>th</sup> April 2023

**Report on Internal Financial Controls with reference to financial statements****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 to the members of Dadha Pharma Distribution Limited on the financial statements of the Company for the year ended 31<sup>st</sup> March 2023)**

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Dadha Pharma Distribution Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the Ind AS 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 with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements 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 with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

## **Meaning of Internal Financial Controls with reference to financial statements**

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

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

## **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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2023, based on the criteria for internal financial control with reference to financial statements 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 23113861BGXTRT8220)

Place: Mumbai

Date: 18<sup>th</sup> April, 2023



**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 Dadha Pharma Distribution Limited formerly known as (Dadha Pharma Distribution Private Limited) on the financial statements of the Company for the year ended 31 March 2023)**

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. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold land or building. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as right-of-use assets, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (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.
- (ii) The Company has made investments in mutual funds (other parties). The Company has not made any investments in companies, firms, Limited Liability Partnerships. The Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respective of which;
  - (a) The Company has not 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 investments made during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
  - (c) The Company has not provided any loans or advances in the nature of loans, and hence reporting under clause (iii) (c) of the Order is not applicable.

(d) According to information and explanations given to us, the Company has not provided any loans or advances in the nature of loans, and hence reporting under clause (iii) (d) of the Order is not applicable.

(e) No loan or advance in the nature of loan granted by the Company, hence reporting under clause (iii) (e) is not applicable.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii) (f) is not applicable.

(iii) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of section 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable

(iv) 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.

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

(vi) 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, 2023 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 2023.

(vii) 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.

(viii) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year..

(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 unutilized 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 did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (ix) (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.
- (x) (a) To the best of our knowledge, 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 upto 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.
- (xi) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xii) 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.
- (xiii) 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 from July 2022 to September 2022 covering the period under audit.
- (xiv) 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 persons connected with its director and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xv) 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) and (d) of the Order is not applicable.

As represented by the Management, 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 Investments Companies (Reserve Bank ) Directions, 2016 and hence the reporting under the clause (xvi)(d) of the order is not applicable

- (xvi) The Company has not incurred any cash losses in the financial year covered by our audit and the immediately preceding financial year.
- (xvii) There has been no resignation of the statutory auditors of the Company during the year.
- (xviii) 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.
- (xix) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act 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 23113861BGXTRT8220)

Place: Mumbai

Date: 18<sup>th</sup> April, 2023

**DADHA PHARMA DISTRIBUTION LIMITED**  
**(formerly known as Dadha Pharma Distribution Private Limited)**  
**BALANCE SHEET AS AT MARCH 31, 2023**  
*(All amounts are in Rs.Lakhs, unless otherwise stated)*

	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, plant and equipment	1	117.35	114.13
(b) Goodwill		22.54	22.54
(c) Other Intangible Assets	1	-	0.76
(d) Financial Assets			
i) Other Financial Assets	2	63.96	64.10
(e) Deferred Tax Assets (Net)	3	64.56	64.23
(f) Other Non- Current Assets	4	17.13	32.99
<b>Total Non-Current Assets</b>		<b>285.54</b>	<b>298.75</b>
<b>CURRENT ASSETS</b>			
(g) Inventories	5	2,490.42	2,449.19
(h) Financial Assets			
i) Investments	6	351.86	600.06
ii) Trade Receivables	7	1,653.14	2,044.68
iii) Cash and Cash Equivalents	8	120.08	77.27
iv) Other Financial Assets	9	0.02	0.12
(i) Other Current Assets	10	2,121.30	1,002.06
<b>Total Current Assets</b>		<b>6,736.82</b>	<b>6,173.38</b>
<b>Total Assets</b>		<b>7,022.36</b>	<b>6,472.13</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(j) Equity Share Capital	11	81.16	81.16
(k) Other Equity	12	1,478.29	1,370.25
<b>Total Equity</b>		<b>1,559.45</b>	<b>1,451.41</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(l) Financial Liabilities			
i) Lease Liabilities	13	-	2.06
(m) Provisions	14	84.89	82.32
<b>Total Non-Current Liabilities</b>		<b>84.89</b>	<b>84.38</b>
<b>CURRENT LIABILITIES</b>			
(n) Financial Liabilities			
i) Borrowings	15	2,995.95	3,270.95
ii) Lease Liabilities	16	1.94	4.10
iii) Trade Payables Due to:	17		
A) total outstanding dues of micro enterprises and small enterprises; and		48.68	32.83
B) total outstanding dues of creditors other than micro enterprises and small		380.24	575.96
iv) Other Financial Liabilities	18	48.14	17.53
(o) Other Current Liabilities	19	1,901.07	1,033.56
(p) Provisions	20	2.00	1.41
<b>Total Current Liabilities</b>		<b>5,378.02</b>	<b>4,936.34</b>
<b>Total Liabilities</b>		<b>5,462.91</b>	<b>5,020.72</b>
<b>Total Equity and Liabilities</b>		<b>7,022.36</b>	<b>6,472.13</b>

Significant Accounting Policies

See Accompanying notes to the financial statements 1 to 38

**DADHA PHARMA DISTRIBUTION LIMITED**  
(formerly known as Dadha Pharma Distribution Private Limited)  
**BALANCE SHEET AS AT MARCH 31, 2023**

**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  
**DADHA PHARMA DISTRIBUTION LIMITED**

**Pallavi Sharma**  
Partner  
Membership No. 113861

**M Pradeep Dadha**  
Director  
DIN-00087519

**Jethu Singh Bhati**  
Whole-Time Director  
DIN-00104046

Date: April 18, 2023

**Advait Suhas Pandit**  
Director  
DIN-02972886

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

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

	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>INCOME</b>			
Value of Sales		26,329.10	21,295.62
Less: GST Recovered		2,962.93	2,342.78
<b>I Revenue from Operations</b>	21	<b>23,366.17</b>	<b>18,952.84</b>
II Other Income	22	62.19	55.32
<b>III Total Income (I+II)</b>		<b>23,428.36</b>	<b>19,008.16</b>
<b>EXPENSES</b>			
Purchases of Stock-in-Trade		23,091.46	18,622.56
Changes in Inventories of Stock-in-Trade	23	(1,072.14)	(964.64)
Employee Benefits Expense	24	263.15	207.43
Finance Costs	25	245.57	127.35
Depreciation and Amortisation expenses	1	26.29	21.70
Other Expenses	26	732.66	374.18
<b>IV Total Expenses</b>		<b>23,286.99</b>	<b>18,388.58</b>
<b>V Profit Before Tax</b>		<b>141.37</b>	<b>619.58</b>
<b>VI Tax Expenses:</b>			
(1) Current Tax	27	40.30	160.24
(2) Deferred Tax	27	(0.33)	(3.43)
<b>VII Profit for the year (V-VI)</b>		<b>101.40</b>	<b>462.77</b>
<b>VIII Other Comprehensive Income (OCI)</b>			
Items that will not be reclassified to Profit or loss	22.1	6.63	5.76
<b>Total Other Comprehensive Income for the Year [Net of Tax]</b>		<b>6.63</b>	<b>5.76</b>
<b>IX Total Comprehensive Income for the Year (VII+VIII)</b>		<b>108.03</b>	<b>468.53</b>
<b>X Earnings per equity share of face value of Rs. 10 each</b>			
Basic (in Rs.)	28	12.49	57.02
Diluted (in Rs.)	28	12.49	57.02
Significant Accounting Policies			
See Accompanying notes to the financial statements	1 to 38		

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

**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

**DADHA PHARMA DISTRIBUTION LIMITED**

**Pallavi Sharma**

Partner

Membership No. 113861

**M Pradeep Dadha**

Director

DIN-00087519

**Jethu Singh Bhati**

Whole-Time Director

DIN-00104046

Date: April 18, 2023

**Advait Suhas Pandit**

Director

DIN-02972886



**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**

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

**A Equity Share Capital**

Balance as at April 1, 2021	Changes in equity share capital during the year 2021-22	Balance as at March 31, 2022	Changes in equity share capital during the year 2022-23	Balance as at March 31, 2023
81.16	-	81.16	-	81.16

**B Other Equity**

Particulars	Balance as at April 1, 2022	Profit for the year	Other Comprehensive Income for the year	Received From Holding Company	Employee Stock Option Expense	Transfer to liability on cancellation of grant	Balance as at March 31, 2023
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**As at March 31, 2023****RESERVES AND SURPLUS**

Capital Reserve	3.96	-	-	-	-	-	3.96
Securities Premium	419.84	-	-	-	-	-	419.84
Retained Earnings	879.42	101.40	6.63	-	-	-	987.45
<b>DEEMED EQUITY CONTRIBUTION</b> - Group share based payment scheme	67.03	-	-	-	-	-	67.03

<b>Total</b>	<b>1,370.25</b>	<b>101.40</b>	<b>6.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,478.28</b>
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**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**

<b>Particulars</b>	<b>Balance as at April 1, 2021</b>	<b>Profit for the year</b>	<b>Other Comprehensive Income for the year</b>	<b>Received From Holding Company</b>	<b>Employee Stock Option Expense</b>	<b>Transfer to liability on cancellation of grant</b>	<b>Balance as at March 31, 2022</b>
<b>As at March 31, 2022</b>							
<b>RESERVES AND SURPLUS</b>							
Capital Reserve	3.96	-	-	-	-	-	3.96
Securities Premium	419.84	-	-	-	-	-	419.84
Retained Earnings	410.89	462.77	5.76	-	-	-	879.42
<b>DEEMED EQUITY CONTRIBUTION - Group share based payment scheme</b>	67.03	-	-	-	-	-	67.03
<b>Total</b>	<b>901.72</b>	<b>462.77</b>	<b>5.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,370.25</b>

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**

**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

**DADHA PHARMA DISTRIBUTION LIMITED**

**Pallavi Sharma**

Partner

Membership No. 113861

**M Pradeep Dadha**

Director

DIN-00087519

**Jethu Singh Bhati**

Whole-Time Director

DIN-00104046

Date: April 18, 2023

**Advait Suhas Pandit**

Director

DIN-02972886

**DADHA PHARMA DISTRIBUTION LIMITED**  
(formerly known as Dadha Pharma Distribution Private Limited)  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023**  
(All amounts are in Rs.Lakhs, unless otherwise stated)

	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax as per Statement of Profit and Loss (After Adjusted for:</b>	<b>141.37</b>	<b>619.58</b>
Finance Costs	245.57	127.35
Depreciation and Amortisation Expense	26.29	21.70
Bad Debts Written Off	-	3.17
(Net Gain) / Loss on Financial Assets	(8.33)	(3.52)
Interest income from financial assets at amortised cost	(2.66)	(2.66)
Other Non-Operating Income	(49.77)	-
Gain on Sales of Fixed Assets	(1.16)	(0.04)
Unwinding of interest on security deposit	(0.27)	(0.25)
<b>Operating Profit before Working Capital Changes</b>	<b>351.04</b>	<b>765.33</b>
<b>Adjusted for:</b>		
(Increase) / Decrease Trade and Other Receivables	391.54	(105.23)
(Increase) / Decrease Other Current Assets	(1,119.14)	(567.81)
(Increase) / Decrease Inventories	(41.23)	(593.30)
(Increase) / Decrease Deposits	0.14	0.11
Increase / (Decrease) Other Current Financial Liabilities	30.61	(2,004.02)
Increase / (Decrease) Other Current Liabilities	867.51	542.75
Increase / (Decrease) Non Current and Current Provisions	11.39	6.43
Increase / (Decrease) Trade and Other Payables	(179.87)	99.11
<b>Cash Generated from Operations</b>	<b>311.99</b>	<b>(1,856.65)</b>
Taxes Paid (Net)	24.44	(170.18)
<b>Net Cash flow from / (used in ) Operating Activities</b>	<b>336.43</b>	<b>(2,026.83)</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(29.34)	(96.25)
Proceeds from disposal of Property, Plant and Equipment	1.74	0.07
Purchases of Mutual Fund Units	(1,849.88)	(2,975.42)
Proceeds from Sale of Mutual Fund Units	2,106.40	2,632.22
Interest Income	2.67	2.66
<b>Net Cash Flow from / (used in) Investing Activities</b>	<b>231.59</b>	<b>(436.72)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds form Borrowings	-	2,500.00
Repayment of Borrowings	(275.00)	-
Payment of Lease Liabilities	(4.65)	(4.35)
Interest Paid	(245.57)	(126.54)
<b>Net Cash Flow from / (used in) Financing Activities</b>	<b>(525.22)</b>	<b>2,369.09</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>42.80</b>	<b>(94.47)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>77.27</b>	<b>171.74</b>
<b>Closing Balance of Cash and Cash Equivalents [Refer Note 8]</b>	<b>120.08</b>	<b>77.27</b>

**DADHA PHARMA DISTRIBUTION LIMITED**  
(formerly known as Dadha Pharma Distribution Private Limited)  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023**

**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  
**DADHA PHARMA DISTRIBUTION LIMITED**

**Pallavi Sharma**  
Partner  
Membership No. 113861

**M Pradeep Dadha**  
Director  
DIN-00087519

**Jethu Singh Bhati**  
Whole-Time Director  
DIN-00104046

Date: April 18, 2023

**Advait Suhas Pandit**  
Director  
DIN-02972886

**DADHA PHARMA DISTRIBUTION LIMITED****(formerly known as Dadha Pharma Distribution Private Limited)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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**A. CORPORATE INFORMATION**

Dadha Pharma Distribution Limited formerly known as Dadha Pharma Distribution Private Limited ('the Company') is a company incorporated in India having its registered office at 5th floor, EA chambers Tower I, No. 49, 50, Whites Road, Royapettah, Chennai TN 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 engaged in the business of distribution and trading of pharmaceutical products which include medicines, antibiotics, drugs, biologicals, nutraceuticals and healthcare allied products.

**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) Current and Non-Current Classification**

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

An asset is treated as Current when it is -

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

All other assets are classified as non-current.

A liability is current when -

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

The Company classifies all other liabilities as non-current.

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

**B.2. 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 recognised 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 recognised 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 B.6 and Note 27*

Estimated useful life of property, plant and equipment - *Note B.13*

Estimation of defined benefit obligation - *Note B.19 and Note 24.1*

Fair value measurements and valuation processes - *Note B.12 and Note 31*

Recognition of deferred tax assets - *Note 3*

Impairment of financial assets - *Note B.12 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 (Rs.), 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 recognised 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 Goods****a) Revenue recognition in the case of Sales to Related Parties**

Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are dispatched as per the relevant terms of the contract, at which point in time the Company has a right to payment for the asset, customer has possession and legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

**b) Revenue recognition in the case of Sales to other than Related Parties**

Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract, at which point in time the Company has a right to payment for the asset, customer has possession and legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Company in its usual business practice provides for right to return the goods by the customers. A refund liability (included in other current liabilities) is recognised for expected returns from the customers. Accumulated experience is used to estimate and provide for the refund liability, and revenue is recognised only to the extent that it is highly probable that a significant reversal will not occur.

**B.6. TAX EXPENSES**

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity. In which case, the tax is also recognised 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 recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised 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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.



**B.7. LEASES****As a lessee**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- (i) fixed payments (including in-substance fixed payments), less any lease incentives receivable
- (ii) variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- (iii) amounts expected to be payable by the Company under residual value guarantees
- (iv) the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- (v) payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- (i) where possible uses a third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- (ii) uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
- (iii) makes adjustments specific to the lease, e.g. term, country, currency and security.

Potential future increases in variable lease payments based on an index or rate are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- (i) the amount of the initial measurement of lease liability
- (ii) any lease payments made at or before the commencement date less any lease incentives received
- (iii) any initial direct costs, and
- (iv) restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

**B.8. 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 recognises 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 recognised 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 recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

**B.9. 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 recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**B.10. 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.11. TRADE RECEIVABLES**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised 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 amortised cost using the effective interest rate method, less loss allowance.

**B.12. 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 recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. 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 recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

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

**ii) Financial Liabilities****a. Initial Recognition and Measurement**

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

**b. Subsequent Measurement**

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

**(iii) 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 recognised using effective interest rate method.

**b. Dividends**

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

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****B.13. 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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is 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 straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

<b>Asset</b>	<b>Useful life</b>
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment's	5 years
Computers and accessories	3 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).

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****B.14. 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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

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**

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

**iii) Amortisation methods and periods**

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

<b>Asset</b>	<b>Useful life</b>
Computer software	4 years

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

**B.15. 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.16. BORROWINGS**

Borrowings are initially recognised 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 recognised 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 recognised 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.17. BORROWING COSTS**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised 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 capitalisation.

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



**B.18. PROVISIONS AND CONTINGENT LIABILITIES****i) Provisions:**

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**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.19. 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 recognised 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 recognised 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 recognised as employee benefits expense when they are due. Prepaid contributions are recognised 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 recognised 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 recognised 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 recognised immediately in profit or loss as past service cost.

**iv) Share-based payments**

Share-based compensation benefits provided to employees under the "Vitalic 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 option is treated as an equity-settled share-based payment as the Company does not have an obligation to settle the award. The fair value of options granted under the plan is recognised 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 recognised 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 recognised 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 recognises the impact of the original to revised estimates, if any, in profit or loss, with a corresponding adjustments to equity.

**B.20. 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.21. 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.

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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**B.22. INVENTORIES**

Inventories are stated at lower of cost or net realisable value. The cost of traded goods comprises the cost of purchases (after deducting rebates and discount) and the all other cost of bringing the inventories to their present location and condition. Cost is assigned to the individual items of inventory on the basis of First in first out method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down for expired goods, wherever necessary

**B.23. 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.24. 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 109 – Financial Instrument  
Ind AS 16 – Property, Plant and Equipment  
Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets  
Ind AS 102 – Share Based Payment  
Ind AS 107 – Financial Instrument disclosure  
Ind AS 115 – Revenue Recognition  
Ind AS 116- Leases  
Ind AS 1- Presentation of Financial Statements  
Ind AS 12- Income Tax

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

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

**1 Property, Plant and Equipment, Right-of-Use Assets and Intangible Assets**

Description	Gross Block (at cost)				Depreciation / Amortisation				Net Block	
	As at April 1, 2022	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2023	As at April 1, 2022	For the year	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
<b>Property, Plant and Equipment</b>										
<b>Own Assets:</b>										
Computers	13.19	12.50	-	25.69	5.99	4.68	-	10.67	15.02	7.20
Office Equipment	94.96	1.75	-	96.71	7.74	18.46	-	26.20	70.51	87.22
Furniture and Fixtures	47.10	13.51	-	60.61	34.05	(1.11)	-	32.94	27.67	13.05
Vehicles	9.63	1.58	2.79	8.42	8.77	(0.59)	2.20	5.98	2.44	0.86
<b>Sub-Total</b>	<b>164.88</b>	<b>29.34</b>	<b>2.79</b>	<b>191.43</b>	<b>56.55</b>	<b>21.44</b>	<b>2.20</b>	<b>75.79</b>	<b>115.64</b>	<b>108.33</b>
<b>Right- of-Use Assets:</b>										
Buildings	20.86	-	-	20.86	15.06	4.09	-	19.15	1.71	5.80
<b>Sub-Total</b>	<b>20.86</b>	<b>-</b>	<b>-</b>	<b>20.86</b>	<b>15.06</b>	<b>4.09</b>	<b>-</b>	<b>19.15</b>	<b>1.71</b>	<b>5.80</b>
<b>Total (A)</b>	<b>185.74</b>	<b>29.34</b>	<b>2.79</b>	<b>212.29</b>	<b>71.61</b>	<b>25.53</b>	<b>2.20</b>	<b>94.94</b>	<b>117.35</b>	<b>114.13</b>
<b>Intangible Assets</b>										
Computer Software	4.41	-	-	4.41	3.65	0.76	-	4.41	-	0.76
<b>Total (B)</b>	<b>4.41</b>	<b>-</b>	<b>-</b>	<b>4.41</b>	<b>3.65</b>	<b>0.76</b>	<b>-</b>	<b>4.41</b>	<b>-</b>	<b>0.76</b>
<b>Total (A+B)</b>	<b>190.15</b>	<b>29.34</b>	<b>2.79</b>	<b>216.70</b>	<b>75.26</b>	<b>26.29</b>	<b>2.20</b>	<b>99.35</b>	<b>117.35</b>	<b>114.89</b>
<b>Previous year</b>	94.00	96.25	(0.10)	190.15	53.63	21.70	(0.07)	75.26	114.89	40.37

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

		<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>	
<b>2</b>	<b>Others Financial Assets - Non Current</b>			
	Security Deposits	63.96	64.10	
	<b>Total</b>	<b>63.96</b>	<b>64.10</b>	
<b>3</b>	<b>Deferred Tax Assets (Net)</b>			
	<b>Component of Deferred Tax Assets / (Liabilities):</b>			
	Deferred Tax Assets (Net)	64.56	64.23	
	<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>64.56</b>	<b>64.23</b>	
<b>3.1</b>	<b>Component of Deferred tax Assets</b>	<b>As at March 31, 2022</b>	<b>(Credit) / Charge to</b>	<b>As at March 31, 2023</b>
			<b>Statement of Profit and Loss</b>	<b>Other Comprehensive Income</b>
	<b>Deferred tax asset (Net) in relation to:</b>			
	Property, plant and equipment	8.70	(0.01)	-
	Carried Forward Loss			
	Disallowance under the Income Tax Act, 1961	55.53	0.34	-
	<b>Total</b>	<b>64.23</b>	<b>0.33</b>	<b>64.56</b>
	<b>Net Deferred Tax (Asset) / Liabilities</b>	<b>64.23</b>	<b>0.33</b>	<b>64.56</b>
<b>4</b>	<b>Other Non-Current Assets</b> <i>(Unsecured, Considered Good)</i>			
	Advance Income Tax (Net of Provision)			32.99
	<b>Total</b>			<b>17.13</b>

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>4.1 Advance Income Tax (Net of Provision)</b>		
At start of year	32.99	23.05
Charge for the year	(40.30)	(160.24)
Tax paid during the year (net of refunds)	24.44	170.18
<b>At end of year</b>	<b>17.13</b>	<b>32.99</b>
	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>5 Inventories</b> <i>(Valued at lower of cost or net realisable value)</i>		
Pharmaceutical products and allied products Stock-in-Trade <sup>(1)</sup>	2,490.42	2,449.19
<b>Total</b>	<b>2,490.42</b>	<b>2,449.19</b>
-1 The Company follows provisioning norms for writing down the value of Inventories towards slow moving, non-moving inventory. Provision for slow and non moving inventory for the year ended March 31, 2023 is amounting to Rs. 10.30 lakhs ( March 31, 2022 Rs. Nil ).		
	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>6 Investments - Current</b>		
<b>Investments Measured at Fair Value Through Profit and Loss (FVTPL) *</b>		
In Mutual Funds - Unquoted	351.86	600.06
<b>Total Investments - Current</b>	<b>351.86</b>	<b>600.06</b>
Aggregate Value of Unquoted Investment * Refer Note 31	351.86	600.06
<b>6.1 Mutual fund unquoted</b>	<b>Units</b>	<b>Units</b>
Axis Overnight Fund Direct Growth (ONDGG)	29,679.14	17,796.97
Axis Liquid Fund - Direct Growth( CF-DG)	-	16,942.58

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

**7 Trade Receivables**

	As at March 31, 2023	As at March 31, 2022
Trade receivables		
<i>Unsecured and Considered Good</i>	1,653.14	2,044.68
<i>Unsecured and Credit Impaired</i>	43.98	25.17
Less: Loss Allowances for Credit Impairment	(43.98)	(25.17)
<b>Total</b>	<b>1,653.14</b>	<b>2,044.68</b>

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)

**7.1 Trade Receivables ageing schedule as on March 31, 2023**

Particulars	Outstanding for following periods from due date of payment						Total <sup>(*)</sup>
	Not Due	Less than 6 Months	6 months - 1 year <sup>(*)</sup>	1-2 years <sup>(*)</sup>	2-3 years <sup>(*)</sup>	More than 3 years <sup>(*)</sup>	
(i) Undisputed Trade receivables considered good	1,455.05	121.97	67.12	9.00	-	-	1,653.14
(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		-	-	-	-	-	-
<b>Total</b>	<b>1,455.05</b>	<b>121.97</b>	<b>67.12</b>	<b>9.00</b>	<b>-</b>	<b>-</b>	<b>1,653.14</b>

\* Net of provision



**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

**7.2 Trade Receivables ageing schedule as on March 31, 2022**

Particulars	Outstanding for following periods from due date of payment						Total <sup>(*)</sup>
	Not Due	Less than 6 Months	6 months - 1 year <sup>(*)</sup>	1-2 years <sup>(*)</sup>	2-3 years <sup>(*)</sup>	More than 3 years <sup>(*)</sup>	
(i) Undisputed Trade receivables considered good	1,432.63	555.89	54.57	1.33	0.26	-	<b>2,044.68</b>
(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	-	-	-	-	-	-	-
<b>Total</b>	<b>1,432.63</b>	<b>555.89</b>	<b>54.57</b>	<b>1.33</b>	<b>0.26</b>	<b>-</b>	<b>2,044.68</b>

\* Net of provision

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>8 Cash and Cash Equivalents</b>		
Balances with banks		
- in Current Accounts	88.55	51.89
Cheques on Hand	31.27	23.03
Cash on Hand	0.26	2.35
<b>Cash and Cash Equivalent as per Balance Sheet</b>	<b>120.08</b>	<b>77.27</b>
<b>Cash and Cash Equivalents as per Statement of Cash Flows</b>	<b>120.08</b>	<b>77.27</b>
	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>9 Other Financial Assets - Current</b> <i>(Unsecured, Considered Good)</i>		
Interest Accrued on Investment	0.02	0.12
<b>Total</b>	<b>0.02</b>	<b>0.12</b>
	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>10 Other Current Assets</b> <i>(Unsecured and Considered Good unless otherwise specified)</i>		
Balances with Government Authorities	-	42.70
Right to Recover Returned Goods	1,721.56	690.60
Claims Receivable		
<i>Unsecured and Considered Good</i>	384.81	247.81
<i>Unsecured and Credit Impaired</i>	2.44	52.83
<i>Less: Loss Allowance for Credit Impairment</i>	(2.44)	(52.83)
Advance to Suppliers	7.37	5.55
Advance to Employees	-	0.45
Prepaid Expenses	7.56	14.95
<b>Total</b>	<b>2,121.30</b>	<b>1,002.06</b>

**DADHA PHARMA DISTRIBUTION LIMITED**

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

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>11 Share Capital</b>		
<b>Authorised:</b>		
10,00,000 Equity shares of Rs. 10 each (10,00,000)	100.00	100.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>
<b>Issued, Subscribed and Paid-Up:</b>		
8,11,600 Equity shares of Rs. 10 each (8,11,600)	81.16	81.16
<b>Total</b>	<b>81.16</b>	<b>81.16</b>

Figures in bracket represent Previous year's figure.

**11.1 The details of Shares held by the holding company**

	<b>As at March 31, 2023</b>		<b>As at March 31, 2022</b>	
	<b>No. of Shares</b>	<b>% held</b>	<b>No. of Shares</b>	<b>% held</b>
<b>Equity shares of Rs. 10 each</b>				
Reliance Retail Ventures Limited*	8,11,600	100.00%	8,11,600	100.00%

\* Includes share held by nominees

**11.2 Shareholding of Promoter****As at March 31, 2023**

<b>S. No.</b>	<b>Promoter Name</b>	<b>No of Shares at the beginning of the year</b>	<b>Change during the year</b>	<b>No of Shares at the end of the year</b>	<b>% of Total Shares</b>	<b>% change during the year</b>
	<b>Fully Paid up Equity Shares of Rs. 10 each</b>					
1	Reliance Retail Ventures Limited	8,11,600	-	8,11,600	100.00%	0.00%

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

<b>As at March 31, 2022</b>						
<b>S. No.</b>	<b>Promoter Name</b>	<b>No of Shares at the beginning of the year</b>	<b>Change during the year</b>	<b>No of Shares at the end of the year</b>	<b>% of Total Shares</b>	<b>% change during the year</b>
<b>Fully Paid up Equity Shares of Rs. 10 each</b>						
1	Reliance Retail Ventures Limited	-	8,11,600	8 11 600	100%	100%

**11.3 The details of Shareholders holding more than 5% shares :**

<b>Name of the Shareholders</b>	<b>As at March 31, 2023</b>		<b>As at March 31, 2022</b>	
	<b>No. of</b>	<b>% held</b>	<b>No. of Shares</b>	<b>% held</b>
Reliance Retail Ventures Limited (including shares held by Nominees)	8,11,600	100%	8,11,600	100%

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

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	<b>No. of shares</b>	<b>No. of shares</b>
<b>Equity Shares Of Rs.10 each</b>		
Equity Shares outstanding at the beginning of the year	8,11,600	8,11,600
<b>Equity Shares outstanding at the end of the year</b>	<b>8,11,600</b>	<b>8,11,600</b>

**11.5 Rights, Preferences and Restrictions attached to 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.

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>12 Other Equity</b>		
<b>Securities Premium</b>		
Balance at the Beginning of the Year	419.84	419.84
<b>Balance at the End of the Year</b>	<b>419.84</b>	<b>419.84</b>
<b>Capital Reserve</b>		
Balance at the Beginning of the Year	3.96	3.96
<b>Balance at the End of the Year</b>	<b>3.96</b>	<b>3.96</b>
<b>Retained Earnings</b>		
Balance at the Beginning of the Year	879.42	410.89
Add: Profit / (loss) for the year	101.40	462.77
Add: Items of other comprehensive income directly recognised in retained earnings		
Remeasurements of post-employment benefit obligations (net of tax)	6.63	5.76
<b>Balance at the End of the Year</b>	<b>987.45</b>	<b>879.42</b>
<b>Deemed Equity Contribution - Group Share-based payment scheme</b>		
Balance at the Beginning of the Year	67.03	67.03
<b>Balance at the End of the Year</b>	<b>67.03</b>	<b>67.03</b>
<b>Total</b>	<b>1,478.29</b>	<b>1,370.25</b>

**DADHA PHARMA DISTRIBUTION LIMITED****(formerly known as Dadha Pharma Distribution Private Limited)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****(All amounts are in Rs.Lakhs, unless otherwise stated)**

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**12.1 Nature and purpose of reserves****Capital reserve**

Capital reserve represent reserve created pursuant to the business combinations.

**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**

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

**Deemed Equity Contribution - Group Share-based payment scheme**

Represents amounts paid by Reliance Retail Ventures Limited through Vitalic Health Limited formerly known as Vitalic Health Private Limited (erstwhile Holding company) to compensate the Holders of Vitalic 2019 of subsidiary company Dadha Pharma Distribution Limited formerly known as Dadha Pharma Distribution Private Limited.

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

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>13 Lease Liabilities - Non Current</b>		
Lease Liabilities	-	2.06
	<b>-</b>	<b>2.06</b>

- 13.1** As per Indian Accounting Standard 116 “Leases”, the disclosures as defined are given below :  
This note provides information for leases where the Company is a lessee. The Company generally enters into building leases. Rental contracts are typically made for fixed period from 11 months to 3 years, but may have extension clauses as described in (iii) below.

**(i) Amounts recognised in the balance sheet**

a) Refer note 1 for gross block, accumulated depreciation and net block of Right of Use Assets recognized in balance sheet.

b) Refer note 13 & 16 for non-current & current lease liabilities recognized in balance sheet respectively.

c) Description of Liabilities	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Opening balance</b>	6.16	9.69
Finance cost accrued	0.43	0.81
Payment of lease liabilities	(4.65)	(4.34)
<b>Closing Balance</b>	<b>1.94</b>	<b>6.16</b>

**(ii) Amounts recognised in the statement of profit and loss**

The statement of profit and loss shows the following amounts relating to leases:

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Depreciation of for right-of-use assets</b>		
Buildings	4.09	4.09
	<b>4.09</b>	<b>4.09</b>
Interest expense (included in finance costs)	0.43	0.81
Expense relating to short-term leases (included in other expenses)	144.09	88.43

The total cash outflow for leases for the year ended March 31, 2023 was Rs 4.65 lakhs (March 31, 2022 - Rs. 4.35 lakhs)

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

***(iii) Extension and termination options***

Extension and termination options are considered in assessing maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable by mutual consent between the Company with the respective lessor.

***(iv) Critical judgements in determining the lease term***

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. During the current financial year, there was no revision in the lease terms.

- 13.2** The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Less than one year	1.94	4.64
One to five years	-	1.99
More than five years	-	-
<b>Total</b>	<b>1.94</b>	<b>6.63</b>

**14 Provisions - Non Current**

Provision for Employee Benefits (Refer Note 24.1)

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Gratuity	73.69	73.17
Compensated absences	11.20	9.15

<b>Total</b>	<b>84.89</b>	<b>82.32</b>
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**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>15 Borrowings - Current</b>		
<b>Unsecured - At amortised Cost</b>		
From related parties	2,995.95	3,270.95
<b>Total</b>	<b>2,995.95</b>	<b>3,270.95</b>

(i) Unsecured loan from Tresara Health Limited (formerly known as Tresara Health Private Limited) (Current Year: Rs. 745.95 lakhs and Previous Year: Rs. 770.95 lakhs) and Reliance Retail Ventures Limited (Current Year: Rs. 2,250 lakhs and Previous Year: Rs.2,500 lakhs) are repayable on demand of lender or at the discretion of the company and carries an interest rate of 7.5% p.a (Previous Year: 7.5% p.a)

**15.1** Refer note 32.2 on Liquidity Risk for maturity profile.

**15.2 Net Debt Reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Cash and Cash Equivalents	120.08	77.27
Current Investments	351.86	600.06
Lease liabilities	(1.94)	(6.15)
Current borrowings	(2,995.95)	(3,270.95)
	<b>(2,525.95)</b>	<b>(2,599.78)</b>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	Other Assets		Liabilities from Financing Activities	
	Cash and Cash Equivalents	Current Investments	Current Borrowings	Lease Liabilities
<b>Net debt as at March 31, 2021</b>	<b>171.74</b>	<b>250.00</b>	<b>(770.95)</b>	<b>(9.69)</b>
Cash flows	(94.47)	350.06	-	3.53
Additions	-	-	(2,500.00)	-
Interest expense	-	-	(126.54)	(0.81)
Interest paid	-	-	126.54	0.81
<b>Net debt as at March 31, 2022</b>	<b>77.27</b>	<b>600.06</b>	<b>(3,270.95)</b>	<b>(6.16)</b>
Cash flows	42.81	(248.20)	-	4.22
Repayment	-	-	275.00	-
Interest expense	-	-	(245.14)	(0.43)
Interest paid	-	-	245.14	0.43
<b>Net debt as at March 31, 2023</b>	<b>120.08</b>	<b>351.86</b>	<b>(2,995.95)</b>	<b>(1.94)</b>

**16 Lease Liabilities - Current**

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Lease Liabilities	1.94	4.10
	<b>1.94</b>	<b>4.10</b>

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	As at March 31, 2023	As at March 31, 2022
<b>17 Trade payables</b>		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	48.68	32.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	380.24	575.96
<b>Total</b>	<b>428.92</b>	<b>608.79</b>

17.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2023

**17.2 Trade Payables ageing schedule as on March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	48.68	-	-	-	-	48.68
(ii) Others	276.31	103.93		-	-	380.24
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>324.99</b>	<b>103.93</b>	-	-	-	<b>428.92</b>

**17.3 Trade Payables ageing schedule as on March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	32.83	-	-	-	-	<b>32.83</b>
(ii) Others	345.79	220.73	9.44	-	-	<b>575.96</b>
(iii) Disputed Dues - MSME		-	-	-	-	-
(iv) Disputed Dues - Others		-	-	-	-	-
<b>Total</b>	<b>378.62</b>	<b>220.73</b>	<b>9.44</b>	-	-	<b>608.79</b>

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

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

**17.4 Dues to micro and small enterprises disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)**

Particulars below as per Schedule III	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	48.68	32.83
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	-	-

**DADHA PHARMA DISTRIBUTION LIMITED**

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

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>18 Other Financial Liabilities - Current</b>		
Employee Benefit Payable	48.14	17.53
<b>Total</b>	<b>48.14</b>	<b>17.53</b>

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>19 Other Current Liabilities</b>		
Advance from Customers	33.73	273.55
Statutory Dues	41.14	18.89
Refund Liabilities <sup>(i)</sup>	1,826.20	741.12
<b>Total</b>	<b>1,901.07</b>	<b>1,033.56</b>

(i) Where a customer has a right to return the products within a given period, the Company recognises a refund liability for the amount of consideration received for which the entity does not expect to be entitled. The Company also recognises a right to recover the returned goods measured by reference to the former carrying amount of the goods (Refer Note 10).

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>20 Provisions - Current</b>		
Provision for Employee Benefits (Refer Note 24.1)		
Gratuity	-	-
Compensated absences	2.00	1.41
<b>Total</b>	<b>2.00</b>	<b>1.41</b>

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>21 Revenue from Operations</b>		
<b>Value of Sales</b>		
Pharmaceutical products and allied products	23,366.17	18,952.84
<b>Total *</b>	<b>23,366.17</b>	<b>18,952.84</b>
* Net of GST		

**21.1 Revenue**

The Company has only one category of revenue stream 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 Reconciliation of revenue with contract price**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Contract price	23,264.78	20,078.94
<b>Adjustments :</b>		
Discounts given	1,186.47	(730.86)
Refund liabilities	(1,085.08)	(395.24)
<b>Revenue from Operations as per Statement of Profit and Loss</b>	<b>23,366.17</b>	<b>18,952.84</b>

**21.3 Contract liabilities**

Payments received in advance from customers (i.e., before transferring control of goods) is recognised as a contract liability. As and when the performance obligation is met, the same is recognized as revenue. Contract liabilities are represented by "Advance from customers" (refer note 19). The entire amount of contract liability in the beginning (i.e., the closing balance of previous period) was recognised as revenue in the current period.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

		Year Ended March 31, 2023	Year Ended March 31, 2022
<b>22</b>	<b>Other Income</b>		
	<b>Interest</b>		
	Interest on Income Tax refund	2.29	2.76
	Others	0.37	0.15
		<b>2.66</b>	<b>2.91</b>
	<b>Gain on sale of investments in mutual funds</b>		
	Realised gain on sale	6.51	3.52
	Unrealised gain on valuation at year end	1.82	-
		<b>8.33</b>	<b>3.52</b>
	Reversal of provision no longer required	50.39	48.54
	Other Non-Operating Income	0.81	0.35
		<b>51.20</b>	<b>48.89</b>
	<b>Total</b>	<b>62.19</b>	<b>55.32</b>
		Year Ended March 31, 2023	Year Ended March 31, 2022
<b>22.1</b>	<b>Other Comprehensive Income - Items that will not be reclassified to Profit and loss</b>		
	Remeasurement gain / (loss) of Defined Benefits Plan	6.63	5.76
	<b>Total</b>	<b>6.63</b>	<b>5.76</b>
		Year Ended March 31, 2023	Year Ended March 31, 2022
<b>23</b>	<b>Changes in Inventories of Stock-in-Trade Inventories (at close)</b>		
	Stock-in-Trade <sup>(1)</sup>	2,490.42	2,449.19
	Right to recover returned goods	1,721.51	690.60
		<b>4,211.93</b>	<b>3,139.79</b>
	<b>Inventories (at commencement)</b>		
	Stock-in-Trade	2,449.19	1,855.89
	Right to recover returned goods	690.60	319.26
		<b>3,139.79</b>	<b>2,175.15</b>
	<b>Total</b>	<b>(1,072.14)</b>	<b>(964.64)</b>

-1 The Company follows provisioning norms for writing down the value of Inventories towards slow moving, non-moving inventory. Provision for slow and non moving inventory for the year ended March 31, 2023 is amounting to Rs. 10.30 lakhs ( March 31, 2022 Rs. Nil).

**DADHA PHARMA DISTRIBUTION LIMITED**

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

	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>24 Employee Benefits Expense</b>		
Salaries and Wages	207.63	171.19
Contribution to Provident and Other Funds	10.49	11.29
Gratuity (Refer note 24.1)	10.01	9.57
Employee share-based payment expense (Refer note 24.2)	24.09	6.38
Staff Welfare Expenses	10.93	9.00
<b>Total</b>	<b>263.15</b>	<b>207.43</b>

**24.1** 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, recognised as expenses for the year is as under:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Employer's Contribution to Provident Fund	9.25	9.58
Employer's Contribution to Employees' State Insurance & Other Funds	1.24	1.71

**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 14 & 20 for Current and Non Current Liability on account of Gratuity*



**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(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, 2023	Year Ended March 31, 2022
<b>Defined Benefit Obligation at beginning of the year</b>	83.03	78.65
Current Service Cost	5.14	5.58
Interest Cost	5.52	5.01
Actuarial (Gain) / Loss	(7.46)	(5.85)
Benefits Paid	(2.86)	(0.36)
<b>Defined Benefit Obligation at year end</b>	<b>83.39</b>	<b>83.03</b>

**II. Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Fair Value of Plan Assets at beginning of the year</b>	9.87	9.71
Expected Return on Plan Assets	0.67	0.61
Actuarial Gain/ (Loss)	(0.83)	(0.09)
Benefits Paid	-	(0.36)
<b>Fair Value of Plan Assets at year end</b>	<b>9.71</b>	<b>9.87</b>
<b>Actual Return on Plan Asset</b>	<b>(0.16)</b>	<b>0.52</b>

**III. Reconciliation of Fair Value of Assets and Obligations**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Fair Value of Plan Assets	9.71	9.87
Present Value of Obligation	83.39	83.03
<b>Amount recognised in Balance Sheet (Surplus / Deficit)</b>	<b>(73.68)</b>	<b>(73.17)</b>

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

**IV. Expenses recognised during the year**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>In Income Statement</b>		
Current Service Cost	5.14	5.58
Interest Cost	5.52	5.01
Return on Plan Assets	(0.67)	(0.61)
<b>Net Cost</b>	<b>9.99</b>	<b>9.98</b>
<b>In Other Comprehensive income</b>		
Actuarial (Gain) / Loss on Defined Benefit Obligation	(7.46)	(5.85)
Actuarial (Gain) / Loss on Return on Plan Assets	0.83	0.09
<b>Net (Income)/ Expense for the period Recognised in OCI</b>	<b>(6.63)</b>	<b>(5.76)</b>

**V. Investment Details**

Particulars	As at March 31, 2023		As at March 31, 2022	
	%	Invested	%	Invested
Fixed Deposits	9.71	100%	9.86	100%
	<b>9.71</b>	<b>100%</b>	<b>9.86</b>	<b>100%</b>

**VI. Actuarial Assumptions**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Mortality Table (IALM)	2012-14 (Ultimate)	2012-14 (Ultimate)
Discount Rate (per annum)	7.33%	6.77%
Rate of Escalation in Salary (per annum)	12.00%	12.00%
Rate of employee turnover (per annum)	10.00%	10.00%

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.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

**VII. Effect on future cash flows**

The expected contributions for Defined Benefit Plan for the next financial year will be Rs. 78.03 lakhs.

The weighted average duration of the defined benefit obligation is 6.49 years (March, 2022 – 7.27 years).

Time Period (In Years)	Year Ended March 31, 2023	Year Ended March 31, 2022
<= 1 year	7.65	7.21
2 - 5 years	58.52	52.36
6 - 10 years	16.34	21.65
11 - 15 years	24.25	22.63
Above 15 years	36.78	40.53

**VIII. Sensitivity Analysis**

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

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Decrease	Increase	Decrease	Increase
Change in Rate of Discounting				
- Delta effect of +/- 1%	(4.96)	4.39	(4.95)	5.62
Change in Rate of Salary Escalation				
- Delta effect of +/- 1%	(3.92)	4.20	(4.27)	4.60
Change in Rate of Employee Turnover				
- Delta effect of +/- 25%	(3.25)	2.38	(2.94)	4.04

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 recognised in the balance sheet.

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

**DADHA PHARMA DISTRIBUTION LIMITED****(formerly known as Dadha Pharma Distribution Private Limited)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****(All amounts are in Rs.Lakhs, unless otherwise stated)**

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**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:** The investment is a fixed deposit with no risk of capital erosion. The only residual risk is that of counter-party default, whereby the provider Sundaram BNP Paribas Home Finance Limited defaults on payment of interest or principal amounts.

**Liquidity Risk:** The plan's assets are invested in highly liquid investments that can be encashed at very short notice. However, there could be some penalty for premature withdrawal in line with the terms and conditions of the deposit. However, since the plan is not wholly funded, there could be liquidity risk with respect to the unfunded portion. If unexpected large scale resignations were to occur - company would have to finance the shortfall in payments (amount of gratuity payable that exceeds the fund value) from its own cash sources. This is the residual amount of liquidity risk that the company retains.

**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 Benefits****- 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.

**DADHA PHARMA DISTRIBUTION LIMITED****(formerly known as Dadha Pharma Distribution Private Limited)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****(All amounts are in Rs.Lakhs, unless otherwise stated)**

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**24.2 Share-based payments**

Share-based compensation benefits were provided to employees under via the "Vitalic 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 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 Options under the plan.

In lieu of cancellation of the 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, 2023 has been recorded as Employee share based payment expense and the unpaid amount, if any, as at March 31, 2023 has been recorded as Employee share based liability.

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>25 Finance Costs</b>		
Interest Expenses		
- on borrowings	245.14	126.54
- on lease liabilities	0.43	0.81
<b>Total</b>	<b>245.57</b>	<b>127.35</b>
	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>26 Other Expenses</b>		
Brokerage and Commission	31.18	33.40
Outsourced Manpower	82.48	54.22
Freight Charges	60.21	60.61
Machinery Repairs	2.57	2.07
Vehicle Repairs and Maintenance	1.53	1.43
Other Repairs	15.99	20.22
Operating Lease Rentals	144.09	88.43
Insurance	18.21	11.46
Rates and Taxes	1.08	0.43
Travelling and Conveyance Expenses	19.07	6.59
Payment to Auditors (Refer Note No. 26.1)	9.00	8.50
Professional Fees	255.44	29.83
Electricity Expenses	13.85	13.08
Bad Debts Written Off	-	3.18
CSR Activities	5.65	-
General Expenses	72.31	40.73
<b>Total</b>	<b>732.66</b>	<b>374.18</b>
<b>26.1 Payment to Auditors as:</b>		
(a) Statutory Audit Fees	9.00	8.50
	<b>9.00</b>	<b>8.50</b>

**26.2 Corporate Social Responsibilities (CSR)**

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹5.45 Lakh (Previous Year ₹ NA).
- (b) Expenditure related to Corporate Social Responsibility is ₹5.65 Lakh (Previous Year ₹ Nil).
- (C) For note (b) above, 5.65₹ Lakh (Previous Year ₹ Nil) contributed to Reliance Foundation, which is related party.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>27 Taxation</b>		
<b>Income Tax recognised in Profit or Loss</b>		
Current Tax	40.30	160.24
Deferred Tax	(0.33)	(3.43)
<b>Total Income Tax Expense</b>	<b>39.97</b>	<b>156.81</b>

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

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before Tax	141.37	619.58
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	35.58	155.94
<b>Tax Effect of :</b>		
Expenses disallowed	4.71	4.30
<b>Current Tax Provision (A)</b>	<b>40.29</b>	<b>160.24</b>
Incremental Deferred Tax Liability on account of PPE & Intangible Assets	0.01	0.78
Incremental Deferred Tax asset on account of Financial Assets & Other items	(0.34)	(4.21)
<b>Deferred Tax Provision (B)</b>	<b>(0.33)</b>	<b>(3.43)</b>
<b>Tax Expenses recognised in Statement of Profit and Loss (A+B)</b>	<b>39.97</b>	<b>156.81</b>
<b>Effective Tax Rate</b>	28.28%	25.31%

	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>28 Earnings Per Share (EPS)</b>		
<b>Face Value per Equity Share (Rs.)</b>	10.00	10.00
<b>Basic Earnings per Share (Rs.)</b>	12.49	57.02
Net Profit as per Statement of Profit and Loss attributable to Equity Shareholders (In Rs. lakhs)	101.40	462.77
Weighted average number of equity shares used as denominator for calculating EPS	8,11,600	8,11,600

There is no dilution to the basic earnings per share as there are no dilutive potential equity shares.

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>29 Commitments and Contingent Liabilities</b>		
<b>(I) Contingent Liabilities</b>		
<b>(A) Claims against the company / disputed liabilities not acknowledged as debts</b>		
- Income Tax Matters	-	3.64

\* The above disputed liabilities are not expected to have any material effect on the financial position of the Company

**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
- maintain an optimal capital structure to reduce the cost of capital.

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.

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

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Gross Debt <sup>(1)</sup>	2,997.89	3,277.11
Less: Cash and Marketable Securities <sup>(2)</sup>	(471.94)	(677.33)
<b>Net Debt (A)</b>	<b>2,525.95</b>	<b>2,599.78</b>
<b>Total Equity (As per Balance Sheet) (B)</b>	1,559.45	1,451.41
<b>Net Gearing (A/B)</b>	<b>161.98%</b>	<b>179.12%</b>

(1)Gross Debt includes Lease Liability of Rs. 1.94 lakhs (Previous Year Rs. 6.15 Lakhs) and Borrowings of Rs. 2995.95 Lakhs (Previous Year Rs. 3270.95 Lakhs).

(2)Cash and Marketable Securities include Cash and Cash Equivalents of Rs. 120.08 Lakhs (Previous Year Rs. 77.27 Lakhs) and Current Investments of Rs. 351.86 Lakhs (Previous Year Rs. 600.06 Lakhs) .



**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

**31 Financial Risk Management****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, 2023				As at March 31, 2022			
		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
<b>Financial Assets</b>									
<b>At Amortised Cost</b>									
Trade Receivables	7	1,653.14	-	-	-	2,044.68	-	-	-
Cash and Bank Balances	8	120.08	-	-	-	77.27	-	-	-
Other Financial Assets	2 & 9	63.98	-	-	-	64.22	-	-	-
							-		
<b>At FVTPL</b>									
Investments	6	351.86	351.86	-	-	600.06	600.06	-	-
<b>Financial Liabilities</b>									
<b>At Amortised Cost</b>									
Borrowings	15	2,995.95	-	-	-	3,270.95	-	-	-
Trade Payables	17	428.92	-	-	-	608.79	-	-	-
Lease Liabilities	13 & 16	1.94	-	-	-	6.15	-	-	-
Other Financial Liabilities	18	48.14	-	-	-	17.53	-	-	-

**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.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

**32 Financial Risk Management**

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

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>
Credit risk (Refer Note 32.1)	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis Credit ratings
Liquidity risk (Refer Note 32.2)	Borrowings, lease liabilities and other liabilities	Rolling cash flow forecasts

**32.1 Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation. Credit risk arises from cash and cash equivalents, deposits with banks, as well as credit exposures to customers including outstanding receivables and financial assets measured at amortised cost.

**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.

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 financial assets including security deposits and other receivables.

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

**b) Impairment of Financial Assets*****Expected credit loss on Claims Receivables***

Entity's claims receivables are measured at amortised cost and are considered to have low credit risk, and the loss allowance recognised is restricted to 12 months' expected credit losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual obligations in the near term. The Company assesses whether there has been a significant increase in credit risk by comparing the risk of default at inception of the contract with the risk of default as at the reporting date by considering forward-looking information. Based on such assessment, the management considered that there has not been a significant risk in credit risk and has accordingly provided for 12-month expected credit losses.

**Claims Receivables:**

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
<b>Loss allowance on March 31, 2021</b>	<b>73.19</b>	-	-
Changes in loss allowance			
- Provision made during the year	52.65	-	-
- Written off	-	-	-
- Recoveries	(73.01)	-	-
<b>Loss allowance on March 31, 2022</b>	<b>52.83</b>	-	-
Changes in loss allowance			
- Provision made during the year	2.44	-	-
- Written off	-	-	-
- Recoveries	(52.83)	-	-
<b>Loss allowance on March 31, 2023</b>	<b>2.44</b>	-	-

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(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, 2023**

<b>Liquidity Risks</b>	<b>Below 3 months</b>	<b>3-6 Months</b>	<b>6-12 Months</b>	<b>1-3 Years</b>	<b>3-5 Years</b>	<b>Above 5 Years</b>	<b>Grand Total</b>
Borrowings	2,995.95	-	-	-	-	-	2,995.95
Trade Payables	428.92	-	-	-	-	-	428.92
Other Financial Liabilities	48.14	-	-	-	-	-	48.14
<b>Sub-Total</b>	<b>3,473.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,473.01</b>
<b>Lease Liabilities*</b>	1.15	0.79	-	-	-	-	1.94
<b>Total</b>	<b>3,474.16</b>	<b>0.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,474.95</b>

**Maturity Profile of Financial Liabilities as on March 31, 2022**

<b>Liquidity Risks</b>	<b>Below 3 months</b>	<b>3-6 Months</b>	<b>6-12 Months</b>	<b>1-3 Years</b>	<b>3-5 Years</b>	<b>Above 5 Years</b>	<b>Grand Total</b>
Borrowings	3,270.95	-	-	-	-	-	3,270.95
Trade Payables	608.79	-	-	-	-	-	608.79
Other Financial Liabilities	17.53	-	-	-	-	-	17.53
<b>Sub-Total</b>	<b>3,897.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,897.27</b>
<b>Lease Liabilities*</b>	1.12	1.14	2.38	1.99	-	-	6.63
<b>Total</b>	<b>3,898.39</b>	<b>1.14</b>	<b>2.38</b>	<b>1.99</b>	<b>-</b>	<b>-</b>	<b>3,903.90</b>

\* Lease maturities are on undiscounted basis.

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

**33 Related Party Disclosures :**

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

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

<b>Sr. No.</b>	<b>Name of the Related Party</b>	<b>Relationship</b>
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Retail Ventures Limited	Holding Company
3	Reliance Retail Limited	Fellow Subsidiary
4	Tresara Health Limited (formerly known as Tresara Health Private Limited)	
5	C Square Info Solutions Private Limited	
6	Reliance Jio Infocomm Ltd	
7	Shri. S Mohanchand Dadha - Director	Director / Key Managerial Personnel (KMP)
8	Shri M Pradeep Dadha - Director	
9	Shri Advait Suhas Pandit - Director	
10	Shri Jethu Singh Bhati - Whole-time Director	
11	Shubdha Dadha	Others

*\*No transactions with these KMP in current year and previous year*

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

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

<b>Sr. No.</b>	<b>Nature of Transactions</b>	<b>Holding Company</b>	<b>Fellow Subsidiary</b>	<b>Director / KMP</b>	<b>Others</b>	<b>Total</b>
<b>1</b>	<b>Loans (Assets) repaid</b>	<b>250.00</b>	<b>25.00</b>	-	-	<b>275.00</b>
		-	-	-	-	-
<b>2</b>	<b>Loans Taken</b>	-	-	-	-	-
		<i>2,500.00</i>	-	-	-	<i>2,500.00</i>
<b>3</b>	<b>Revenue from Operations</b>	-	<b>14,604.21</b>	-	-	<b>14,604.21</b>
		-	<i>8,598.62</i>	-	-	<i>8,598.62</i>
<b>4</b>	<b>Purchase of Goods</b>	-	-	-	<b>114.55</b>	<b>114.55</b>
		-	<i>77.90</i>	-	<i>126.90</i>	<i>204.80</i>
<b>5</b>	<b>Remuneration paid (including payments made in lieu of employee stock option reserve)</b>	-	-	<b>66.51</b>	-	<b>66.51</b>
		-	-	<i>63.44</i>	-	<i>63.44</i>
<b>6</b>	<b>Interest paid</b>	<b>187.45</b>	<b>57.66</b>	-	-	<b>245.11</b>
		<i>68.84</i>	<i>57.82</i>	-	-	<i>126.66</i>
<b>7</b>	<b>Operating Lease Rental</b>	-	<b>46.80</b>	<b>46.79</b>	<b>46.79</b>	<b>140.38</b>
		-	-	<i>42.10</i>	<i>42.10</i>	<i>84.20</i>
<b>8</b>	<b>Professional Charges</b>	-	<b>239.15</b>	-	-	<b>239.15</b>
		-	<i>14.14</i>	-	-	<i>14.14</i>
<b>9</b>	<b>Purchase of Property Plant &amp; Equipment</b>	-	-	-	-	-
		-	<i>84.75</i>	-	-	<i>84.75</i>
<b>10</b>	<b>Other Expenses</b>	<b>2.05</b>	<b>6.65</b>	-	-	<b>8.70</b>
		-	-	-	-	-

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

**DADHA PHARMA DISTRIBUTION LIMITED**

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

**iii Balances outstanding at the year end**

<b>Sr. No.</b>	<b>Nature of Balances</b>	<b>Holding Company</b>	<b>Fellow Subsidiary</b>	<b>Director / KMP</b>	<b>Others</b>	<b>Total</b>
<b>1</b>	<b>Trade Receivables</b>					
a)	Reliance Retail Limited	-	<b>288.71</b>	-	-	<b>288.71</b>
		-	<i>190.80</i>	-	-	<i>190.80</i>
<b>2</b>	<b>Trade Payables</b>					
a)	Pradeep Dadha Distributors	-	-	-	-	-
		-	-	-	<i>3.84</i>	<i>3.84</i>
<b>3</b>	<b>Borrowings</b>					
a)	Reliance Retail Ventures Limited	-	<b>2,250.00</b>	-	-	<b>2,250.00</b>
		-	<i>2,500.00</i>	-	-	<i>2,500.00</i>
b)	Tresara Health Limited (formerly known as Tresara Health Private Limited)	-	<b>745.95</b>	-	-	<b>745.95</b>
		-	<i>770.95</i>	-	-	<i>770.95</i>
<b>4</b>	<b>Advance from Customers</b>					
	Reliance Retail Limited	-	<b>0.83</b>	-	-	<b>0.83</b>
						-
						-
<b>5</b>	<b>Other Payable</b>					
a)	Reliance Projects & Property Management Services Limited	-	<b>42.12</b>	-	-	<b>42.12</b>
		-	-	-	-	-
b)	Reliance Retail Limited	-	<b>0.05</b>	-	-	<b>0.05</b>
		-	-	-	-	-

Figures in italics represents previous year's amount.

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

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

<b>Sr. No.</b>	<b>Particulars</b>	<b>Relationship</b>	<b>Year Ended March 31, 2023</b>	<b>Year Ended March 31, 2022</b>
<b>1</b>	<b>Loans (Assets) repaid</b>			
	Reliance Retail Ventures Limited	Holding Company	250.00	-
	Tresara Health Limited (formerly known as Tresara Health Private Limited)	Fellow Subsidiary	25.00	-
<b>2</b>	<b>Loans Taken</b>			
	Reliance Retail Ventures Limited	Holding Company	-	2,500.00
<b>3</b>	<b>Revenue from Operations</b>			
	Reliance Retail Limited	Fellow Subsidiary	13,993.22	8,426.85
	Tresara Health Limited (formerly known as Tresara Health Private Limited)	Fellow Subsidiary	-	-
	Tresara Health Limited (formerly known as Tresara Health Private Limited)	Fellow Subsidiary	610.99	171.77
<b>4</b>	<b>Interest Income</b>			
	Jethu Singh Bhati	Director / KMP	-	-
<b>5</b>	<b>Purchase of Goods</b>			
	Pradeep Dadha Distributors	Others	114.55	126.89
	Tresara Health Limited (formerly Tresara Health Private Limited)	Fellow Subsidiary	-	30.28
	Reliance Retail Limited	Fellow Subsidiary	-	47.62
<b>6</b>	<b>Remuneration paid (including payments made in lieu of employee stock option reserve)</b>			
	Jethu Singh Bhati	Director / KMP	66.51	63.44
	S Mohanchand Dadha	Director / KMP	-	-
<b>7</b>	<b>Interest paid</b>			
	Tresara Health Limited (formerly known as Tresara Health Private Limited)	Holding Company	-	-
	Tresara Health Limited (formerly known as Tresara Health Private Limited)	Fellow Subsidiary	57.66	57.82
	Reliance Retail Ventures Limited	Holding Company	187.45	68.84



**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

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

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

Sr. No.	Particulars	Relationship	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>8</b>	<b>Operating Lease Rental</b>			
	Shubda Dadha	Others	46.78	42.10
	M. Pradeep Dadha	Director / KMP	46.78	42.10
	Reliance Projects & Property Management Services Limited		46.80	-
<b>9</b>	<b>Professional Charges</b>			
	C Square Info Solutions Private Limited	Fellow Subsidiary	239.15	
<b>10</b>	<b>Repairs and Maintenance - Others</b>			
	C Square Info Solutions Private Limited	Fellow Subsidiary	-	14.44
<b>11</b>	<b>Purchase of Property Plant &amp; Equipment</b>			
	Reliance Jio Infocomm Limited	Fellow Subsidiary	-	84.75
<b>12</b>	<b>Other Expenses</b>			
	Reliance Retail Limited	Holding Company	2.05	-
	Reliance Jio Infocomm Ltd	Fellow Subsidiary	1.00	0.11
	Reliance Foundation	Fellow Subsidiary	5.65	-

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**(All amounts are in Rs.Lakhs, unless otherwise stated)

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

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****35 Ratio Analysis**

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022	Variance
i)	Current Ratio	1.25	1.25	0.16%
ii)	Debt - Equity Ratio	1.92	2.25	(14.75%)
iii)	Debt Service Coverage Ratio <sup>(1)</sup>	1.58	5.87	(73.13%)
iv)	Return on Equity Ratio <sup>(2)</sup>	6.74%	38.02%	(82.28%)
v)	Inventory Turnover Ratio	9.33	8.38	11.43%
vi)	Trade Receivables Turnover Ratio <sup>(3)</sup>	14.24	10.68	33.31%
vii)	Trade Payable Turnover Ratio <sup>(4)</sup>	45.92	33.97	35.17%
viii)	Net Capital Turnover Ratio	19.38	17.22	12.56%
ix)	Net Profit Ratio <sup>(5)</sup>	0.39%	2.17%	(82.28%)
x)	Return on Capital Employed (Excluding Working Capital Financing) <sup>(6)</sup>	7.00%	19.76%	(64.59%)
xi)	Return on Investment	10.68%	10.00%	6.78%

**Reason for variance:**

- (1) Debt Service Coverage Ratio has decreased during the year on account of the following reasons
  - a) Lower PBT during the year
  - b) Interest charged during the last year was only part of the year, whereas for the current year, interest was charged for the whole year
- (2) Return on Equity Ratio has decreased due to lower profit for the year and increase in other expenses like professional charges, rent, outsourced manpower and provision for doubtful debts
- (3) Trade Receivables Turnover Ratio has increased due to the following reasons
  - a) Increase in revenue during the year due to sales to related party has increased.
  - b) Reduction in receivables at the year end due to prompt collection from RRL.
- (4) Trade Payables Turnover Ratio has increased due to the following reasons
  - a) Increase in purchase in proportionate to the volume of sales during the year and credit period is 7 days for maximum suppliers.
  - b) Increase in Others Expenses during the year
- (5) Net Profit Ratio has decreased due to the following reasons
  - a) Reduction in GP Ratio
  - b) Increase in Employee Costs
  - c) Increase in Other Expenses
- (6) Return on Capital Employed has decreased due to the following reasons
  - a) Increase in Other Income
  - b) Cash and Cash equivalents are higher at the year when compared to previous year

**DADHA PHARMA DISTRIBUTION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****35.1 Formulae for computation of ratios are as follows:**

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

**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.

**DADHA PHARMA DISTRIBUTION LIMITED**

(formerly known as Dadha Pharma Distribution Private Limited)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****36 Other Statutory Information**

- i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
  - ii) As per section 248 of the Companies Act, 2013, there are no transactions and balances outstanding with struck off companies.
  - iii) 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.
  - iv) 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.
  - v) 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.
  - vi) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961
  - vii) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - viii) The Company do not have any Cryptocurrency transactions / balances during the financial year.
  - ix) Title deeds of Immovable Property not held in name of the Company - Not applicable as there are no immovable properties other than lease hold properties.
  - x) The Company has no loans from Banks or Financial Institution and hence the Company has not been classified as a wilful defaulter.
  - xi) Compliance with approved Scheme(s) of Arrangements - Not Applicable as the Company has no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
  - xii) Compliance with number of layers of companies - Not Applicable as the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- 37** 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.

**38 Approval of Financial Statements**

The financial statements were approved for issue by the Board of Directors on April 18, 2023.

**DADHA PHARMA DISTRIBUTION LIMITED**  
(formerly known as Dadha Pharma Distribution Private Limited)  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**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  
**DADHA PHARMA DISTRIBUTION LIMITED**

**Pallavi Sharma**  
Partner  
Membership No. 113861

**M Pradeep Dadha**  
Director  
DIN-00087519

**Jethu Singh Bhati**  
Whole-Time Director  
DIN-00104046

Date: April 18, 2023

**Advait Suhas Pandit**  
Director  
DIN-02972886