NETMEDS MARKETPLACE LIMITED

Financial Statements

2022-23

INDEPENDENT AUDITOR'S REPORT

To The Members of Netmeds Marketplace Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Netmeds Marketplace Limited ("the Company"), which comprise the Balance Sheet as at 31st 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 31st 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 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 not paid/ provided any remuneration to its directors during the year and hence the provisions of section 197(16) of the Companies Act, 2013 are not 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 has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 29 to the financial statements.
   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 it's knowledge and belief, as disclosed in the note 36 (iii) 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 it's knowledge and belief, as disclosed in the note 36 (iv) 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 31st 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 23113861BGXTRU5957)

Place: Mumbai
Date: 18th 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 Netmeds Marketplace Limited on the financial statements of the Company for the year ended 31st 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 Netmeds Marketplace Limited ("the Company") as of31st 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 31st 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-23113861BGXTRU5957)

Place: Mumbai
Date: April 18, 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 Netmeds Marketplace Limited on the financial statements of the Company for the year ended 31st 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 31st 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.

(iii) 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

(iv) 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 sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

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

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

(vii) According to the information and explanations given to us, 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 in all cases during the year.

We have been informed that the provisions of the Sales tax, Service 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 31st March, 2023 for a period of more than six months from the date they became payable.

(b)Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the statute	**Nature of the dues**	**Amount (Rs)**	**Period to which the amount relates**	**Forum where Dispute is pending**
Income Tax Act,1961	Income tax	62,83,051	AY 2018-19	CIT(Appeals)

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

(ix) (a) 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.

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

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

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

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

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

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

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

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period from April 2022 to December 2022 covering the period under audit.

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

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

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

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

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

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(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 23113861BGXTRU5957)

Place: Mumbai
Date: 18th April 2023

NETMEDS MARKETPLACE 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
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	1	221.14	219.50
(b) Intangible Assets	1	3.83	11.60
(c) Financial Assets			
i) Other financial assets	2	92.57	244.14
(d) Deferred Tax Assets (Net)	27	19.30	-
(e) Other Non-Current Assets	3	29.01	2,361.64
Total Non-Current Assets		**365.85**	**2,836.88**
CURRENT ASSETS			
(a) Inventories	5	49.12	-
(b) Financial Assets			
i) Investments	4	2,108.36	2,471.77
ii) Trade Receivables	6	3,169.46	360.55
iii) Cash and Cash Equivalents	7	36.46	566.67
iv) Bank balances other than (iii) above	8	4.47	4.24
v) Other Financial Assets	9	51.91	1,008.81
(c) Other Current Assets	10	2,255.20	1,024.11
Total Current Assets		**7,674.98**	**5,436.15**
Total Assets		**8,040.83**	**8,273.03**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	11	929.24	929.24
(b) Instruments entirely equity in nature	12.1	1,200.00	1,200.00
(c) Other Equity	12.2	1,952.02	832.10
Total Equity		**4,081.26**	**2,961.34**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Lease Liabilities	13	-	1.97
(b) Provisions	14	261.96	221.36
Total Non-Current Liabilities		**261.96**	**223.33**
CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	15	-	745.74
ii) Lease Liabilities	16	1.97	11.13
iii) Trade Payables	17		
A) total outstanding dues of micro and small enterprises;		29.64	16.53
B) total outstanding dues of creditors other than micro and small enterprises		1,848.10	1,697.28
iv) Other Financial Liabilities	18	686.80	476.99
(b) Other Current Liabilities	19	1,067.08	2,091.45
(c) Provisions	20	64.02	49.24
Total Current Liabilities		**3,697.61**	**5,088.36**
Total Liabilities		**3,959.57**	**5,311.69**
Total Equity and Liabilities		**8,040.83**	**8,273.03**

Significant Accounting Policies
See Accompanying notes to the financial statements **1 to 38**

NETMEDS MARKETPLACE 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)

Pallavi Sharma
Partner

Membership No. 113861

Date: April 18, 2023

For and on behalf of the Board
Netmeds Marketplace Limited

M Pradeep Dadha
Director
DIN - 00087519

Jethu Singh Bhati
Director
DIN - 00104046

Advait Suhas Pandit
Director
DIN - 02972886

NETMEDS MARKETPLACE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

		Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
INCOME				
	Value of Sales		3.89	-
	Income from Services		17,139.66	12,997.02
	Less: GST Recovered		2,612.12	1,983.56
(i)	**Revenue from Operations**	**21**	**14,531.43**	**11,013.46**
(ii)	Other Income	**22**	111.39	135.25
(iii)	**Total Income (i+ii)**		**14,642.82**	**11,148.72**
EXPENSES				
	Purchase of stock in Trade		52.47	-
	Changes in Inventories of Stock-in-Trade	**23**	(49.12)	-
	Employee Benefits Expense	**24**	3,148.66	2,268.13
	Finance Costs	**25**	44.15	144.12
	Depreciation and Amortisation Expense	**1**	202.14	134.19
	Other Expenses	**26**	10,141.63	7,544.59
(iv)	**Total Expenses**		**13,539.93**	**10,091.03**
(v)	**Profit before tax**		**1,102.89**	**1,057.69**
(vi)	**Tax Expenses:**			
	(a) Current Tax	**27**	-	-
	(b) Deferred Tax	**27**	(19.30)	-
(vii)	**Profit for the year (v-vi)**		**1,122.19**	**1,057.69**
(viii)	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to Profit or loss	**22.1**	(2.27)	21.93
	Total Other Comprehensive Income for the Year [Net of Tax]		**(2.27)**	**21.93**
(ix)	**Total Comprehensive Income for the Year (vii+viii)**		**1,119.92**	**1,079.62**
(x)	**Earnings per equity share of face value of Rs. 10 each**			
	(a) Basic (in Rs.)	**28**	**6.04**	**5.69**
	(b) Diluted (in Rs.)	**28**	**2.64**	**1.92**

Significant Accounting Policies
See Accompanying notes to the financial statements **1 to 38**

NETMEDS MARKETPLACE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 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
Netmeds Marketplace Limited

Pallavi Sharma
Partner

Membership No. 113861

M Pradeep Dadha
Director
DIN - 00087519

Jethu Singh Bhati
Director
DIN - 00104046

Advait Suhas Pandit
Director
DIN - 02972886

Date: April 18, 2023

NETMEDS MARKETPLACE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 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
929.24	-	929.24	-	929.24

B Other Equity

Particulars	Balance as at April 1, 2022	Profit for the year	Other Comprehensive Income for the year	Issue / Redemption of Instrument Classified as Equity	Balance as at March 31, 2023
As at March 31, 2023					
RESERVES AND SURPLUS					
Securities Premium	45,246.60	-	-	-	45,246.60
Retained Earnings	(45,204.53)	1,122.19	(2.27)	-	(44,084.61)
DEEMED EQUITY CONTRIBUTION - Group Share Based Payment Scheme	790.03	-	-	-	790.03
INSTRUMENT CLASSIFIED AS EQUITY	1,200.00	-	-	-	1,200.00
Total	**2,032.10**	**1,122.19**	**(2.27)**	**-**	**3,152.02**

Particulars	Balance as at April 1, 2021	Profit for the year	Other Comprehensive Income for the year	Issue / Redemption of Instrument Classified as Equity	Balance as at March 31, 2022
As at March 31, 2022					
RESERVES AND SURPLUS					
Securities Premium	45,246.60	-	-	-	45,246.60
Retained Earnings	(46,284.15)	1,057.69	21.93	-	(45,204.53)
DEEMED EQUITY CONTRIBUTION - Group Share Based Payment Scheme	790.03	-	-	-	790.03
INSTRUMENT CLASSIFIED AS EQUITY	1,580.00	-	-	(380.00)	1,200.00
Total	**1,332.48**	**1,057.69**	**21.93**	**(380.00)**	**2,032.10**

NETMEDS MARKETPLACE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 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
Netmeds Marketplace Limited

Pallavi Sharma
Partner

Membership No. 113861

M Pradeep Dadha
Director
DIN - 00087519

Jethu Singh Bhati
Director
DIN - 00104046

Advait Suhas Pandit
Director
DIN - 02972886

Date: April 18, 2023

NETMEDS MARKETPLACE LIMITED
STATEMENT OF CASH FLOW FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

	Year Ended March 31, 2023	Year Ended March 31, 2022
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax as per Statement of Profit and Loss	**1,102.89**	**1,057.69**
Adjusted for:		
Unwinding of interest on security deposit	(0.93)	(0.84)
Depreciation and Amortisation Expenses	202.14	134.19
Interest income on refund of Income Tax	(31.75)	-
Reversal of Provision for expected credit lossess	(10.00)	-
Gain on sale of Mutual fund units	(67.71)	(17.18)
Interest Income	(0.23)	(0.21)
Provision for Cashback scheme no longer required	-	(102.05)
Finance Costs	44.15	-
Operating Profit before Working Capital Changes	**1,238.56**	**1,071.60**
Adjusted for:		
(Increase) / Decrease in other financial assets	1,118.47	(666.72)
(Increase) / Decrease in other current and non-current assets	768.91	851.72
(Increase) / Decrease in trade receivables	(2,808.91)	2,980.04
(Increase) / Decrease in Inventory	(49.12)	-
Increase / (Decrease) in trade payables	163.80	919.65
Increase / (Decrease) in other financial liabilities	210.64	(63.92)
Increase / (Decrease) in other current liabilities	(1,024.38)	1,142.87
Increase / (Decrease) in provisions	53.38	43.13
Cash Generated from Operations	**(328.69)**	**6,278.37**
Taxes Paid (Net)	(332.63)	93.14
Net Cash flow from / (used in) Operating Activities	**3.94**	**6,371.51**
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	(196.01)	(143.81)
Purchase of Mutual funds units	(12,359.38)	(10,340.03)
Deposits with bank	(0.23)	(0.21)
Proceeds from Sale of Mutual fund units	12,790.50	7,936.73
Interest Income	31.99	0.21
Net Cash Flow from / (used in) Investing Activities	**266.87**	**(2,547.11)**
C: CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowing	(745.74)	(3,182.60)
Payment of Lease Liabilities	(11.95)	(11.95)
Redemption of Debentures	-	(380.00)
Interest Paid on borrowings	(43.33)	1.89
Net Cash Flow from / (used in) Financing Activities	**(801.02)**	**(3,572.66)**
Net (Decrease)/ Increase in Cash and Cash Equivalents	**(530.20)**	**251.74**
Opening Balance of Cash and Cash Equivalents	**566.67**	**314.93**
Closing Balance of Cash and Cash Equivalents [Refer Note 7]	**36.46**	**566.67**

NETMEDS MARKETPLACE LIMITED
STATEMENT OF CASH FLOW FOR THE PERIOD 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)

Pallavi Sharma
Partner

Membership No. 113861

Date: April 18, 2023

For and on behalf of the Board
Netmeds Marketplace Limited

M Pradeep Dadha
Director
DIN - 00087519

Jethu Singh Bhati
Director
DIN - 00104046

Advait Suhas Pandit
Director
DIN - 02972886

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

A. CORPORATE INFORMATION

Netmeds Marketplace Limited ('the Company') is a company incorporated in India having its registered office at No. 49 & 50L, 6th floor, Whites Road, Royapettah, Chennai, Tamil Nadu-600014, India. The Company's immediate holding company is Tresara Health Limited (formerly known as Tresara Health Private Limited), intermediate holding company is Reliance Retail Ventures Limited and the Ultimate Holding Company is Reliance Industries Limited.

The Company is carrying on the business of providing business consultancy, technical services and related advisory/support services. The Company is also rendering agency services relating to doctor consultations, diagonistics, customer subscriptions and has also started the sale of Pharma and Over the counter products to retail customers through its offline stores.

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

Estimation of current tax expense and payable - Note B.06 and Note 27
Estimated useful life of property, plant and equipment - Note B.13
Estimation of defined benefit obligation - Note 24.1 and B.19
Fair value measurements and valuation processes - Note 31
Recognition of deferred tax assets - Note 27
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 (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances:

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

(I) Sale of Goods

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 on cash and carry basis and also credit basis as per agreed term with the customers. The credit period is generally short term, thus there is no significant financing component.

(II) Sale of services

(i) Marketplace fees

Revenue from providing services is recognised at a point in time when the performance obligations are fulfilled.

(ii) Diagnostic services

Revenue from diagnostic consultation is recognised at a point in time, when the services are performed and the customer has availed the services.

(iii) Doctor consultation

Revenue from doctor consultation is recognised at a point in time, when the performance obligation of providing the consultation is performed.

(iv) Marketing services

Revenue from marketing services are in the nature of time and space provided in the online marketplace for advertisement. Revenue is recognised over time when the performance obligations are satisfied in the accounting periods it is performed.

(v) Business consultancy, technical services and related advisory / support services

Revenue in the nature of Business Consultancy, technical services and related advisory / support services is recognised over time when the performance obligations are fulfilled and there is no uncertainty over the realisation of revenue from the customer.

Collections from marketing services are due as per the agreed credit terms of the contract.

Payment for the doctor consultation is received upfront when the customer blocks appointment through the portal.

Payment for the diagnostic consultation is received either when the end customer blocks the appointment for the services, or when the consultation services is performed.

Payment for Business Consultancy, technical services and related advisory/support services are as per the terms of the contract.

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

B.6. TAX EXPENSES

The tax expenses for the period comprises of current tax and deferred income tax. Tax is 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

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.

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

(a) 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.

(b) 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.

(c) 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.

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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

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

Asset	Useful life
Office equipments	5 years
Furnitures and fixtures	10 years
Computers and accessories	
-Servers and networks	6 years
-End user devices, such as laptops, desktops, etc.	3 years
Leasehold improvements	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).

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.

ii) Computer software including internally developed software

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

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

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

iii) Amortisation methods and periods

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

Asset	**Useful life**
Computer software	4 years
Licenses	4 years
Non compete fee	3 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 longterm 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 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) Bonus plans

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

v) Share-based payments

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

Employee options

The 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 recognsied 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 performace 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.

B.22. Inventories

Inventories are valued batchwise and stated at lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of traded goods includes all expenditure directly attributable to bring the inventory to its present location and condition. 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.

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 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

i) Ind AS 101 - First-time Adoption of Indian Accounting Standards
ii) Ind AS 102 - Share-based Payment
iii) Ind AS 103 - Business Combination
iv) Ind AS 107 - Financial Instruments Disclosures
v) Ind AS 109 - Financial Instruments
vi) Ind AS 115 - Revenue from Contracts with Customers
vii) Ind AS 1 - Presentation of Financial Statements
viii)Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
ix) Ind AS 12 - Income Taxes
x) Ind AS 34 - Interim Financial Reporting

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

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 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				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	Upto March 31, 2023	As at March 31, 2023	As at March 31, 2022
Property, Plant and Equipment										
Own Assets:										
Computers and accessories	524.03	161.16	-	685.19	366.88	162.21	-	529.09	156.10	157.15
Office Equipment	48.91	24.76	-	73.67	40.49	5.45	-	45.94	27.73	8.42
Furniture and Fixtures	61.87	1.25	-	63.12	42.11	5.18	-	47.29	15.83	19.76
Leasehold Improvements	137.59	4.34	-	141.93	116.48	6.58	-	123.06	18.87	21.11
Sub-Total	**772.40**	**191.51**	**-**	**963.91**	**565.96**	**179.42**	**-**	**745.38**	**218.53**	**206.44**
Right- of-Use Assets:										
Buildings	46.17	-	-	46.17	33.11	10.45	-	43.56	2.61	13.06
Sub-Total	**46.17**	**-**	**-**	**46.17**	**33.11**	**10.45**	**-**	**43.56**	**2.61**	**13.06**
Total (A)	**818.57**	**191.51**	**-**	**1,010.08**	**599.07**	**189.87**	**-**	**788.94**	**221.14**	**219.50**
Intangible Assets										
Licenses	7.83	-	-	7.83	7.83	-	-	7.83	-	-
Non Compete Fee	17.15	-	-	17.15	17.15	-	-	17.15	-	-
Computer Software	163.66	4.50	-	168.16	152.06	12.27	-	164.33	3.83	11.60
Total (B)	**188.64**	**4.50**	**-**	**193.14**	**177.03**	**12.27**	**-**	**189.31**	**3.83**	**11.60**
Total (A+B)	**1,007.21**	**196.01**	**-**	**1,203.22**	**776.10**	**202.14**	**-**	**978.25**	**224.97**	**231.10**
Previous year	863.40	143.81	-	1,007.21	641.92	134.19	-	776.11	231.10	221.48

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
2	**Other Financial Assets - Non Current**		
	Security Deposits		
	Unsecured and Considered Good	92.57	244.14
	Unsecured and Credit Impaired	2.00	2.00
	Less: Loss allowance for Credit Impairment	(2.00)	(2.00)
	Total	**92.57**	**244.14**

(Refer Note 32.1 for movement in loss allowance for credit impairment)

		As at March 31, 2023	As at March 31, 2022
3	**Other Non-Current Assets**		
	(Unsecured and Considered Good unless otherwise speficied)		
	Capital Advances		
	Unsecured and Credit Impaired	2.28	2.28
	Less: Loss allowance for Credit Impairment	(2.28)	(2.28)
	Balances with Government Authorities	-	2,000.00
	Advance Income Tax	29.01	361.64
	Total	**29.01**	**2,361.64**

(Refer Note 32.1 for movement in loss allowance for credit impairment)

		As at March 31, 2023	As at March 31, 2022
3.1	**Advance Income Tax**		
	At start of year	361.64	268.50
	Charge for the year	-	-
	Tax paid during the year (net of refunds)	(332.63)	93.14
	At end of year	**29.01**	**361.64**

		As at March 31, 2023	As at March 31, 2022
4	**Investments - Current**		
	Investments Measured at Fair Value Through Profit and Loss (FVTPL) *		
	In Mutual Funds - Unquoted	2,108.36	2,471.77
	Total Investments - Current	**2,108.36**	**2,471.77**

		Units	Units
4.1	**Mutual Funds - Unquoted**		
	Axis Liquid Fund - Direct Growth	66,935.71	93,091.39
	Axis Overnight Fund - Direct Growth	36,638.82	24,114.90

** Refer Note 31*

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
5	**Inventories**		
	(Valued at lower of cost or net realisable value)		
	Pharmceutical Products		
	Stock in Trade	49.12	-
	Total	**49.12**	**-**

		As at March 31, 2023	As at March 31, 2022
6	**Trade Receivables**		
	Trade receivables		
	Unsecured and Considered Good	3,169.46	360.55
	Unsecured and Credit Impaired	2.86	2.86
	Less: Loss allowance for Credit Impairment	(2.86)	(2.86)
	Total	**3,169.46**	**360.55**

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)
(Refer Note 32.1 for movement in loss allowance for credit impairment)

6.1 Trade Receivables ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total(*)
	Not Due	Less than 6 Months	Less than 6 months-1year	1-2 years	2-3 years	More than 3 years(*)	
(i) Undisputed Trade receivables considered good	3,154.35	2.96		11.82	0.30	0.03	3,169.46
(ii) Undisputed Trade Receivables which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired		-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good		-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired		-	-	-	-	-	-
Total	**3,154.35**	**2.96**	**-**	**11.82**	**0.30**	**0.03**	**3,169.46**

(*) *Net of provision*

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

6.2 Trade Receivables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total (*)
	Not Due	Less than 6 Months	Less than 6 months-1year	1-2 years	2-3 years(*)	More than 3 years(*)	
(i) Undisputed Trade receivables considered good	333.06	20.42	5.71	1.33	0.03	-	360.55
(ii) Undisputed Trade Receivables which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired		-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good		-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired		-	-	-	-	-	-
Total	**333.06**	**20.42**	**5.71**	**1.33**	**0.03**	**-**	**360.55**

(*) *Net of provision*

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
7	**Cash and Cash Equivalents**		
	Balances with banks		
	- in Current Accounts	36.38	547.62
	Cheques on Hand	-	19.02
	Cash on Hand	0.08	0.03
	Cash and Cash Equivalent as per Balance Sheet	**36.46**	**566.67**
	Cash and Cash Equivalent as per Statement of Cash Flows	**36.46**	**566.67**

		As at March 31, 2023	As at March 31, 2022
8	**Bank balances other than Cash and Cash Equivalents**		
	Deposits with maturity of more than 3 months and less than 12 months	4.47	4.24
		4.47	**4.24**

		As at March 31, 2023	As at March 31, 2022
9	**Other Financial Assets - Current**		
	(Unsecured and Considered Good unless otherwise speficied)		
	Receivable from payment gateways and delivery agents		
	Unsecured and Considered Good	42.49	965.33
	Unsecured and Credit Impaired	54.26	64.26
	Less: Loss allowance for credit impairment	(54.26)	(64.26)
	Contractually reimbursable expenses	9.42	38.16
	Recoverable from Employees	-	5.32
	Total	**51.91**	**1,008.81**

(Refer Note 32.1 for movement in loss allowance for credit impairment)

NETMEDS MARKETPLACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

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

	As at March 31, 2023	As at March 31, 2022
10 Other Current Assets		
(Unsecured and Considered Good unless otherwise speficied)		
Balances with Government Authorities	2,011.94	855.46
Prepaid expenses	171.15	82.82
Advance to suppliers		
Unsecured and Considered Good	50.75	49.59
Unsecured and Credit Impaired	0.84	0.84
Less: Loss allowance for Credit Impairment	(0.84)	(0.84)
Others Advances	21.36	36.24
Total	**2,255.20**	**1,024.11**

(Refer Note 32.1 for movement in loss allowance for credit impairment)

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

			As at March 31, 2023	As at March 31, 2022
11	**Share Capital**			
	Authorised:			
	2,00,00,000 (2,00,00,000)	Equity shares of Rs. 5 each	1,000.00	1,000.00
	Total		**1,000.00**	1,000.00
	Issued, Subscribed and Paid-Up:			
	1,85,84,788 (1,85,84,788)	Equity shares of Rs. 5 each	929.24	929.24
	Total		**929.24**	929.24

Figures in bracket represents Previous year's figures.

11.1 The details of Shares held by the holding company

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	**% held**	**No. of Shares**	**% held**
Equity shares of Rs. 5 each				
Tresara Health Limited*#	1,85,84,788	100.00%	1,85,84,788	100.00%

** Includes shares held by nominees*
 # formerly known as Tresara Health Private Limited

11.2 Shareholding of Promoter

As at March 31, 2023

S. No.	Promoter Name	No of Shares at the beginning of the year	Change during the year	No of Shares at the end of the year	% of Total Shares	% change during the year
	Fully Paid up Equity Shares of Rs. 5 each					
1	Tresara Health Limited *	1,85,84,788	-	1,85,84,788	100.00%	0.00%

As at March 31, 2022

S. No.	Promoter Name	No of Shares at the beginning of the year	Change during the year	No of Shares at the end of the year	% of Total Shares	% change during the year
	Fully Paid up Equity Shares of Rs. 5 each					
1	Tresara Health Limited *	1 85 84 788	-	1 85 84 788	100.00%	0.00%

** formerly known as Tresara Health Private Limited*

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

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

	As at March 31, 2023		As at March 31, 2022	
Name of the Shareholders	**No. of Shares**	**% held**	**No. of Shares**	**% held**
Tresara Health Limited *	1,85,84,788	100%	1,85,84,788	100%
(including shares held by Nominees)				
** formerly known as Tresara Health Private Limited*				

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

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
	No. of shares	**No. of shares**
Equity shares of Rs. 5 each		
Equity Shares outstanding at the beginning of the year	1,85,84,788	1,85,84,788
Equity Shares outstanding at the end of the year	**1,85,84,788**	**1,85,84,788**

11.5 Rights, Preference and Restrictions

The Company has only one class of equity shares having a par value of Rs. 5 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.

12 Other Equity

			As at March 31, 2023	As at March 31, 2022
12.1	**Instruments Classified as Equity**			
i)	12,000 (12,000)	0.001% Optionally Fully Convertible Debentures Face Value Rs.10,000	1,200.00	1,200.00
	Total		**1,200.00**	**1,200.00**

Figures in bracket represents Previous year's figures.

ii) Terms of 0.001% Optionaly Fully Convertible Debentures

Instruments classified as Equity includes 12,000 fully paid (previous year: 12,000) 0.001% Unsecured Optionally Fully Convertible Debentures (OFCDs) of Face Value Rs.10,000 each held by Tresara Health Limited (Holding Company)(formerly known as Tresara Health Private Limited). The Company (issuer) has an option for early conversion at any time after allotment of the OFCDs by giving one month notice to the Holder.

The instrument is convertible into 2,000 equity shares for every 1 OFCD held, at the option of the Company at any time. Equity Shares arising out of conversion of the OFCDs will rank pari-passu in all respects with the then outstanding Equity Shares of the Company on the date of such conversion, except for dividend, which if declared, shall be paid on pro-rata basis from the date of allotment of such Equity Shares. The Company will settle the outstanding OFCDs on expiry of 10 years. OFCDs may be redeemed at any time earlier than 10 years (at any date after expiry of 30 days from the date of allotment of the OFCDs) at the option of the Company. Since the OFCDs are unsecured, no security is required to be created.

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

iii) The reconciliation of the number of 0.001% Optionally Fully Convertible Debentures Face Value Rs.10,000 outstanding is set out below :

Particulars	As at March 31, 2023	As at March 31, 2022
	No of Debentures	**No of Debentures**
Outstanding at the beginning of the year	12,000	15,800
Less: Redeemed during the year	-	(3,800)
Outstanding at the end of the year	**12,000**	**12,000**

12.2 Reserves and Surplus	As at March 31, 2023	As at March 31, 2022
i) Securities Premium		
Balance at the Beginning of the Year	45,246.60	45,246.60
Balance at the End of the Year	**45,246.60**	**45,246.60**
ii) Retained Earnings		
Balance at the Beginning of the Year	(45,204.53)	(46,284.15)
Add: Profit / (loss) for the year	1,122.19	1,057.69
Add: Items of other comprehensive income directly recognised in retained earnings		
Remeasurements of post-employment benefit obligations (net of tax)	(2.27)	21.93
Balance at the End of the Year	**(44,084.61)**	**(45,204.53)**
iii) Deemed Equity Contribution - Group Share-based payment scheme		
Balance at the Beginning of the Year	790.03	790.03
Balance at the End of the Year	**790.03**	**790.03**
Total	**1,952.02**	**832.10**

v) Nature and purpose of reserves

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

Retained earnings / General reserves
Company's cumulative loss 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 ESOP Holders of Vitalic ESOP 2019 of subsidiary company Netmeds Marketplace Limited.

Share options outstanding account
The employees stock option reserve is used to recognise the grant date fair value of options issued to employees under Vitalic ESOP 2019 plan.

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
13 Lease Liabilities - Non Current		
Lease Liabilities	-	1.97
Total	**-**	**1.97**

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 leases various offices and warehouses. Rental contracts are typically made for fixed period of 11 months to 6 years, but may have extension clauses as described in (ii) 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 recoginzed in balance sheet respectively.

c) Description of Liabilities	As at March 31, 2023	As at March 31, 2022
Opening balance	13.10	23.16
Finance cost accrued	0.82	1.89
Payment of lease liabilities	(11.95)	(11.95)
Closing Balance	**1.97**	**13.10**

(ii) Amounts recognised in the statement of profit and loss
The statement of profit and loss shows the following amounts relating to leases:

	As at March 31, 2023	As at March 31, 2022
Depreciation Charge for right-of-use assets		
Buildings	10.45	10.45
	10.45	**10.45**
Interest expense (included in finance costs)	0.82	1.89
Expense relating to short-term leases (included in other expenses)	163.51	334.41

The total cash outflow for leases for the year ended March 31, 2023 was INR 11.95 lakhs (March 31, 2022 - INR 11.95 lakhs).

Extension and termination options:

Extension and termination options are included in a number of property leases. These are used to 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 only by the Company and not with the respective lessor.

NETMEDS MARKETPLACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

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

(iii) 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).

For leases of buildings, the following factors are normally the most relevant:

(a) If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend and not terminate).

(b) If any leasehold improvements are expected to have a significant remaining value the Company is typically reasonably certain to extend (or not terminate).

(c) Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

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.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	1.97	11.95
One to five years	-	1.99
More than five years	-	-
Total	**1.97**	**13.94**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
14	**Provisions - Non Current**		
	Provision for Employee Benefits (Refer Note 24.1)		
	Gratuity	141.71	123.99
	Compensated absences	120.25	97.37
	Total	**261.96**	**221.36**

		As at March 31, 2023	As at March 31, 2022
15	**Borrowings - Current**		
	Unsecured - At amortised Cost		
	Loans from related parties	-	745.74
	Total	**-**	**745.74**

(i) Unsecured loan from Vitalic Health Limited (formerly known as Vitalic Health Private Limited) (Current Year: Nil and Previous Year: Rs 745.74 lakhs) are repayable on demand and carries a 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.

	As at March 31, 2023	As at March 31, 2022
Cash and Cash Equivalents	36.46	566.67
Current Investments	2,108.36	2,471.77
Lease liabilities	(1.97)	(13.10)
Current borrowings	-	(745.74)
	2,142.85	**2,279.60**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 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	Non Current Borrowings	Current Borrowings	Lease Liabilities
Net debt as at March 31, 2021	**314.93**	**50.00**	**-**	**(3,928.33)**	**(23.16)**
Cash flows	251.74	2,421.77	-	3,182.59	10.06
Additions	-	-	-	-	-
Interest expense	-	-	-	142.23	(1.89)
Interest paid	-	-	-	(142.23)	1.89
Net debt as at March 31, 2022	**566.67**	**2,471.77**	**-**	**(745.74)**	**(13.10)**
Cash flows	(530.21)	(363.41)	-	745.74	11.13
Additions	-	-	-	-	-
Interest expense	-	-	-	41.02	(0.82)
Interest paid	-	-	-	(41.02)	0.82
Net debt as at March 31, 2023	**36.46**	**2,108.36**	**-**	**-**	**(1.97)**

	As at March 31, 2023	As at March 31, 2022
16 Lease Liabilities - Current		
Lease Liabilities	1.97	11.13
Total	**1.97**	**11.13**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

17	**Trade payables**	**As at March 31, 2023**	**As at March 31, 2022**
	Trade payables		
	Total outstanding dues of micro and small enterprises	29.64	16.53
	Total outstanding dues of creditors other than micro and small enterprises	1,848.10	1,697.28
	Total	**1,877.74**	**1,713.81**

17.1 There are no overdue amounts to Micro and Small 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	29.64	-	-	-	-	29.64
(ii) Others	1,584.72	92.85	131.42	33.66	5.45	1,848.10
(iii) Disputed Dues - MSME		-	-	-	-	-
(iv) Disputed Dues - Others		-	-	-	-	-
Total	**1,614.36**	**92.85**	**131.42**	**33.66**	**5.45**	**1,877.74**

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	16.53	-	-	-	-	16.53
(ii) Others	1,502.79	154.25	34.77	5.30	0.17	1,697.28
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	**1,519.32**	**154.25**	**34.77**	**5.30**	**0.17**	**1,713.81**

NETMEDS MARKETPLACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

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

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

Particulars	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	29.64	16.53
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	-	-

NETMEDS MARKETPLACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

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

		As at March 31, 2023	As at March 31, 2022
18	**Other Financial Liabilities - Current**		
	Refundable security deposits	271.08	273.38
	Advances received from customers of fulfilment centres	-	193.98
	Employee Benefits Payable	415.72	9.63
	Total	**686.80**	**476.99**

		As at March 31, 2023	As at March 31, 2022
19	**Other Current Liabilities**		
	Statutory Dues	323.69	88.05
	Income Received in Advance	50.84	45.42
	Advance from Customers	0.57	4.72
	Amounts payable to fulfillment centres	691.98	1,941.36
	Other liabilities - Cash back to customers	-	11.90
	Total	**1,067.08**	**2,091.45**

		As at March 31, 2023	As at March 31, 2022
20	**Provisions - Current**		
	Provision for Employee Benefits (Refer Note 24.1)		
	Gratuity	28.22	21.91
	Compensated absences	35.80	27.33
	Total	**64.02**	**49.24**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

	Year Ended March 31, 2023	Year Ended March 31, 2022
21 Revenue from Operations		
Sales of Traded goods	3.56	-
Income from Services		
Technical Support Services	14,313.05	10,454.63
Commission income	-	12.76
Franchisee fees	5.64	4.76
Support services to group companies	100.48	236.51
Customer subscription charges	85.39	56.37
Other operating revenue		
Marketing services	-	10.75
Data Fees	15.67	-
Revenue From Doctor Consultation (Net) (1)	2.31	5.93
Revenue from Diagnostic Consulation (Net)(2)	-	22.25
Marketplace fees	5.33	208.21
Software Income	-	1.30
Subtotal	**14,527.87**	**11,013.46**
Total (Net of GST)	**14,531.43**	**11,013.46**

(1) In CY, Net Revenue from Doctor Consultation: Rs.2.31 Lakhs (PY: Rs. 5.93 lakhs) (Gross Revenue: Rs. 38.49 Lakhs (PY: 38.53 lakhs) less expenses: Rs.36.18 Lakhs (PY:32.60 lakhs)

(2) In CY,Net Loss from Diagnostic Consultation: (Rs.2.55 Lakhs) (PY: Rs. 22.25 lakhs) - Gross Revenue: Rs.31.49 Lakhs (PY: Rs.94.85 lakhs) less expenses: Rs.34.04 Lakhs (PY: Rs.72.60 lakhs).

21.1 Disaggregated revenue

The Company derives revenue from transfer of goods and services over time and at a point in time as given below:

	Year Ended March 31, 2023	Year Ended March 31, 2022
Timing of recognition		
Over time		
Technical Support Services	14,313.05	10,454.63
Franchisee fees	5.64	4.76
Support services to group companies	100.48	236.51
Data Fees	15.67	-
Customer subscription charges	85.39	56.37
Marketing services	-	10.75
	14,520.23	**10,763.02**
Point in time		
Commission income	-	12.76
Sales of Traded goods	3.56	-
Marketplace Fees	5.33	208.21
Revenue from doctor consultation	2.31	5.93
Revenue from diagnostic consultation	-	22.25
Software Income	-	1.30
	11.20	**250.45**
Total	**14,531.43**	**11,013.46**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

21.2 Reconciliation of revenue with contract price

Partiulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Contract price:		
Sales of Traded goods	3.56	-
Commission income	-	12.76
Revenue from doctor consultation	2.31	5.93
Revenue from diagnostic consultation	-	22.25
Technical Support Services	14,313.05	10,454.63
Support services to group companies	100.48	236.51
Others	112.03	281.39
Adjustments:		
Incentives - relating to commissions income, revenue from diagonistic and consultation	5.43	7.21
Contract liabilities - commission income, franchisee fees and customer subscription charges	(5.43)	(7.21)
Revenue from operations as per Statement of Profit and Loss	**14,531.43**	**11,013.46**

21.3 The Company has only one reportable segment. The requirement to disclose relationship with operating segments under Ind AS 108 is not required.

21.4 Contract balances

Payment for the revenue recognised is collected as per the terms of the contract. In case of Customer Subscription charges, revenue is received in advance. Such Revenue is deferred in accordance with Ind AS 115. (Also refer 19)

21.5 Performance obligations

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

		Year Ended March 31, 2023	Year Ended March 31, 2022
22	**Other Income**		
	Interest		
	Bank Deposits	0.23	0.21
	Other Non-Operating Income		
	Interest on Income tax Refund	31.75	-
	Reversal of Provision for expected credit lossess	10.00	-
	Provision for Cashback scheme no longer required	-	102.05
	Others	1.70	15.28
		43.45	**117.33**
	Gain on sale of investments in mutual funds		
	Realised gain on sale	55.69	17.18
	Unrealised gain on valuation at year end	12.02	0.53
		67.71	**17.71**
	Total	**111.39**	**135.25**
22.1	**Other Comprehensive Income - Items that will not be reclassified to Profit and loss**		
	Remeasurement gain / (loss) of Defined Benefits Plan	(2.27)	21.93
	Total	**(2.27)**	**21.93**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

		Year Ended March 31, 2023	Year Ended March 31, 2022
23	**Changes in Inventories of**		
	Inventories (at close)		
	Stock-in-Trade	49.12	-
		49.12	**-**
	Inventories (at commencement)		
	Stock-in-Trade	-	-
		-	**-**
	Total	**(49.12)**	**-**

		Year Ended March 31, 2023	Year Ended March 31, 2022
24	**Employee Benefits Expense**		
	Salaries and Wages	2,561.73	1,959.87
	Contribution to Provident and Other Funds	110.07	103.15
	Gratuity (Refer Note 24.1)	31.32	34.75
	Employee share-based payment expense (Refer Note 24.2)	280.85	49.79
	Staff Welfare Expenses	164.69	120.57
	Total	**3,148.66**	**2,268.13**

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	105.03	94.04
Employer's Contribution to Employees' State Insurance	5.04	9.11

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

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

The Company has a unfunded 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*

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

Particulars	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
Defined Benefit Obligation at beginning of the year	145.90	145.89
Current Service Cost	24.35	27.15
Interest Cost	8.42	7.60
Actuarial (Gain)/ Loss	(2.27)	(21.93)
Benefits Paid	(6.47)	(12.81)
Defined Benefit Obligation at year end	**169.93**	**145.90**

II. Expenses recognised during the year

Particulars	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
In Income Statement		
Current Service Cost	24.35	27.15
Interest Cost	8.42	7.60
Net Cost	**32.77**	**34.75**
In Other Comprehensive income		
Actuarial (Gain)/ Loss	(2.27)	(21.93)
Net (Income) / Expense for the	**(2.27)**	**(21.93)**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

III. 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)	7.30%	5.91%
Rate of Escalation in Salary (per annum)	9.00%	9.00%
Rate of employee turnover (per annum)	20.00%	20.00%

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

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 accomodate the impact of disabilities as well.

IV. Effect of future cash flows

The expected contributions for Defined Benefit Plan for the next financial year will be INR 28.22 lakhs

The weighted average duration of the defined benefit obligation is 5.43 years (March, 2022 – 5.71 years).

Time Period (In Years)	Year Ended March 31, 2023	Year Ended March 31, 2022
<= 1 year	28.22	21.91
2 - 5 years	96.79	78.72
6 - 10 years	69.65	56.54
11 - 15 years	34.30	27.17
Above 15 years	26.91	21.16

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

V. 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%	(7.45)	8.19	(6.84)	7.56
Change in Rate of Salary Escalation				
- Delta effect of -/+ 1%	(6.78)	7.22	(6.08)	6.50
Change in Rate of Employee Turnover				
- Delta effect of -/+ 25%	(4.86)	6.18	(6.48)	9.00

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 actuarials risks, investment risk, liquidity risk &

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

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

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

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

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

C) Other Long Term Employee
- Compensated Absenses

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.

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

Settlement of Options Scheme
During the FY 20-21, the Company had entered into a settlement agreement with the employees who were offered share options.
The employees have confirmed, agreed, acknowledged and undertook that the ESOP Options granted to them by the Company shall forthwith, without any further action, stand terminated and cancelled.
As part of the agreement, the employees have agreed to the full and final settlement of their respective share options, waived their rights with respect to the cancelled options including the right to exercise such ESOP Options under the ESOP plan.

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

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

		Year Ended March 31, 2023	Year Ended March 31,
25	**Finance Costs**		
	Interest Expenses		
	- on loans from related parties	41.02	142.23
	- on lease liabilities	0.82	1.89
	- on others	2.31	-
	Total	**44.15**	**144.12**

		Year Ended March 31, 2023	Year Ended March 31,
26	**Other Expenses**		
	Sales Promotion and Advertisement Expenses	203.20	187.84
	Warehousing and Distribution Expenses	-	45.79
	Technical Support Charges	1,591.23	1,285.44
	Repairs (Others)	41.14	33.37
	Rent including Lease Rentals	163.51	334.41
	Communication Expenses	386.34	270.88
	Rates and Taxes	8.63	8.21
	Business support and advisory charges	81.38	42.72
	Travelling and Conveyance Expenses	16.23	5.52
	Payment to Auditors (Refer Note 26.1)	16.07	15.42
	Legal and Professional Fees	1,197.50	447.83
	Printing and stationery	2.30	0.54
	Web hosting expenses	6,270.62	4,326.63
	Payment Gateway Charges	90.71	481.39
	Exchange Differences (Net)	11.98	-
	Electricity Expenses	15.87	33.64
	Loss from Diagnostic Consulation (Net)	2.55	-
	Security Expenses	32.40	14.45
	General Expenses	9.97	10.51
	Total	**10,141.63**	**7,544.59**
26.1	**Payment to Auditors as:**		
	(a) Statutory Audit Fees	15.00	15.00
	(b) Out of Pocket Expenses	1.07	0.42
		16.07	**15.42**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

		Year Ended March 31, 2023	Year Ended March 31, 2022
27	**Taxation**		
	Income Tax recognised in Profit or Loss		
	Current Tax	-	-
	Deferred Tax	(19.30)	-
	Total Income Tax Expense / (Credit)	**(19.30)**	-

Components of Deferred tax Assets	As at March 31, 2022	(Credit) / Charge to Statement of Profit and Loss	(Credit) / Charge to Other comprehensive Income	As at March 31, 2023
Deferred tax assets (Net) in relation to:				
Property, planet and equipment	-	62.74	-	62.74
Carried Forward Loss	-	-	-	-
Disallowance under the Income Tax Act, 1961	-	(82.04)	-	(82.04)
Total	-	**(19.30)**	-	**(19.30)**
Net Deferred Tax (Asset) / Liabilities	-	**(19.30)**	-	**(19.30)**

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	1,102.89	1,057.69
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	277.57	266.20
Tax Effect of :		
Carry forward losses utilised	(277.57)	(266.20)
Current Tax Provision (A)	-	-
Incremental Deferred Tax Liability on account of PPE & Intangible Assets	62.74	-
Incremental Deferred Tax Assets on account of Financial Assets & Other items	(82.04)	-
Deferred Tax Provision (B)	**(19.30)**	-
Tax Expenses recognised in Statement of Profit and Loss (A+B)	**(19.30)**	-
Effective Tax Rate	**(1.75%)**	**0.00%**

		As at March 31, 2023	As at March 31, 2022
27.1	**Tax Losses**		
	Unused tax losses for which no deferred tax asset has been recognized	36,749.71	37,852.60
	Potential tax benefit @ 25.17%	9,249.90	9,527.50

Unrecognised deferred tax assets relates to unabsorbed depreciation which can be carried forward without any restrictions.

NETMEDS MARKETPLACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

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

	Year Ended March 31, 2023	Year Ended March 31, 2022
28 Earnings Per Share (EPS)		
Face Value per Equity Share (Rs.)	5.00	5.00
Basic Earnings per Share (Rs.)	6.04	5.69
Net Profit as per Profit and Loss Statement attributable to Equity Shareholders (Rs, Lakhs)	1,122.19	1,057.69
Weighted average number of equity shares used as denominator for calculating EPS	1,85,84,788.00	1,85,84,788.00
Diluted Earnings per Share (Rs.)	2.64	1.92
Net Profit as per Profit and Loss Statement attributable to Equity Shareholders (Rs. Lakhs)	1,122.19	1,057.69
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	4,25,84,788.00	5,50,81,226.36
Reconciliation of weighted average number of shares		
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	1,85,84,788.00	1,85,84,788.00
Total Weighted Average Potential Equity Shares	2,40,00,000.00	3,64,96,438.36
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	4,25,84,788.00	5,50,81,226.36

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
29 Commitments and Contingent Liabilities		
(I) Contingent Liabilities		
(A) Guarantees		
Outstanding guarantees furnished to banks including in respect of letters of credit	3.00	3.00
(B) Claim against the company/disputed liabilities not acknowledged as debts		
- Income tax matters	62.83	-
- in respect of Others	9.50	-

(II) Commitments

Capital Commitments are Nil for the year ended March 31, 2023 (Nil for year ended March 31, 2022)

30 Capital Management

The Company's objectives when managing capital are to: -
• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

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

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

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

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

	As at March 31, 2023	As at March 31, 2022
Gross Debt	1.97	758.84
Cash and Marketable Securities*	(2,144.82)	(3,038.44)
Net Debt (A)	**(2,142.86)**	**(2,279.60)**
Total Equity (As per Balance Sheet) (B)	**4,081.26**	**2,961.34**
Net Gearing (A/B)	**(52.50%)**	**(76.98%)**

* Cash and Marketable Securities includes Cash and Cash Equivalents of Rs.36.46 lakhs (Previous year Rs.566.67 Lakhs) and Current Investments of Rs.2108.36 Lakhs (Previous Year Rs. 2471.77 Lakhs)

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

31 Financial Instruments

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

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

Fair value measurement hierarchy:

Particulars	Note	As at March 31, 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
Financial Assets									
At Amortised Cost									
Trade Receivables	6	3,169.46	-	-	-	360.55	-	-	-
Cash and Bank Balances	7 & 8	40.93	-	-	-	570.91	-	-	-
Other Financial Assets	2 & 9	144.48	-	-	-	1,252.95	-	-	-
								-	
At FVTPL									
Investments	4	2,108.36	2,108.36		-	2,471.77	2,471.77	-	-
Financial Liabilities									
At Amortised Cost									
Borrowings	15	-	-	-	-	745.74	-	-	-
Trade Payables	17	1,877.73	-	-	-	1,713.81	-	-	-
Lease Liabilities	13 & 16	1.97	-	-	-	13.10	-	-	-
Other Financial Liabilities	18	686.80	-	-	-	476.99	-	-	-

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.

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 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, trade payables and other financial liabilities. The main purpose of these financial liabilities to finance the Company's operation. The Company's main financial assets includes trade receivable, cash and cash equivalent, other bank balances and other financial assets derived from its operations.

Risk	Exposure arising from	Measurement
Credit risk (Refer Note 32.1)	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis Credit ratings
Liquidity risk (Refer Note 32.2)	Borrowings, lease liabilites 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.

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.

Impairment of Financial Assets

Expected credit loss trade receivables - simplified approach

Customer credit risk is managed by the Company based on established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on prior experience. Outstanding customer receivables are regularly monitored and assessed for its recoverability. Default is said to occur when the amount remains outstanding beyond the agreed credit period. An impairment analysis is performed at each reporting date on an individual basis for major clients. This is done by taking into account the financial position, past experience and other industry-wide factors.

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

Expected credit loss for financial assets other than trade receivables

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.

Other Non-Current Financials Assets - Security Deposits

Particulars	Loss allowance measured at 12 month expected credit loss	Loss allowance measured at life-time expected credit losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired
Loss allowance on March 31, 2021	**2.00**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	-	-	-
Loss allowance on March 31, 2022	**2.00**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	-	-	-
Loss allowance on March 31, 2023	**2.00**	**-**	**-**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

Other Non-Current Assets - Capital Advances

Particulars	Loss allowance measured at 12 month expected credit loss	Loss allowance measured at life-time expected credit losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired
Loss allowance on March 31, 2021	**9.77**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	(7.49)	-	-
Loss allowance on March 31, 2022	**2.28**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	-	-	-
Loss allowance on March 31, 2023	**2.28**	**-**	**-**

Other Non-Current Assets - Balances with Government Authorities

Particulars	Loss allowance measured at 12 month expected credit loss	Loss allowance measured at life-time expected credit losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired
Loss allowance on March 31, 2021	**-**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	-	-	-
Loss allowance on March 31, 2022	**-**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	-	-	-
Loss allowance on March 31, 2023	**-**	**-**	**-**

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

Other Financial Assets - Receivable from payment gateways and delivery agents

Particulars	Loss allowance measured at 12 month expected credit loss	Loss allowance measured at life-time expected credit losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired
Loss allowance on March 31, 2021	**64.26**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	-	-	-
Loss allowance on March 31, 2022	**64.26**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	(10.00)	-	-
Loss allowance on March 31, 2023	**54.26**	**-**	**-**

Other Current Assets - Advances to Suppliers

Particulars	Loss allowance measured at 12 month expected credit loss	Loss allowance measured at life-time expected credit losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired
Loss allowance on March 31, 2021	**4.28**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	(3.44)	-	-
Loss allowance on March 31, 2022	**0.84**	**-**	**-**
Changes in loss allowance			
- Provision made during the year	-	-	-
- Written off	-	-	-
- Recoveries	-	-	-
Loss allowance on March 31, 2023	**0.84**	**-**	**-**

NETMEDS MARKETPLACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 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 through equity infusion from Holding Company and surplus cash is deposited in the banks which are liquidated based on working capital requirements.

Maturity Profile of Financial Liabilities as on March 31, 2023

Liquidity Risks	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings	-	-	-	-	-	-	-
Trade Payables	1,877.73	-	-	-	-	-	1,877.73
Other Financials Liabilities	686.80	-	-	-	-	-	686.80
Sub-Total	**2,564.53**	-	-	-	-	-	**2,564.53**
Lease Liabilities*	1.97	-					1.97
Total	**2,566.50**	-	-	-	-	-	**2,566.50**

Maturity Profile of Financial Liabilities as on March 31, 2022

Liquidity Risks	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings	-	-	-	-	-	745.74	745.74
Trade Payables	1,713.81	-	-	-	-	-	1,713.81
Other Financials Liabilities	476.99	-	-	-	-	-	476.99
Sub-Total	**2,190.80**	-	-	-	-	**745.74**	**2,936.54**
Lease Liabilities*	2.99	2.99	5.98	1.00	-	-	12.96
Total	**2,193.79**	**2.99**	**5.98**	**1.00**	-	**745.74**	**2,949.50**

** Lease maturities are on undiscounted basis.*

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

33 Related Party Disclosures :

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

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

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Retail Ventures Limited	Intermediate Holding Company
3	Tresara Health Limited (formerly known asTresara Health Private Limited)	Holding Company
4	Vitalic Health Limited (formerly known as Vitalic Health Private Limited)	Fellow Subsidiary
5	Jio Haptik Technologies Limited (formerly known as Reliance Jio Digital Services Limited)	
6	Reliance Jio Infocomm Limited	
7	Dadha Pharma Distribution Limited (formerly known as Dadha Pharma Distribution Private Limited)	
8	Reliance Retail Limited	
9	Urban Ladder Home Décor Solutions Limited (formerly known as Urban Ladder Home Décor Solutions Pvt Limited)	
10	Shri M Pradeep Dadha - Director*	Director / Key Managerial Personnel (KMP)
11	Shri Advait Suhas Pandit - Director	
12	Shri Jethu Singh Bhati - Director	
13	Dadha Pharma Private Limited	Entities in which Directors have an interest

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

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

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

Sr. No.	Nature of Transactions / Balances	Ultimate / Intermediate Holding Company	Holding Company	Fellow Subsidiaries of Holding Company	KMP	Total
1	**Borrowings Repaid**	**-**	**-**	**745.74**	**-**	**745.74**
		1,590.00	*-*	*1,592.60*	*-*	*3,182.60*
2	**Redemption of Optionally Fully Convertible Debentures**	-	-	-	-	**-**
		-	*380.00*	*-*	*-*	*380.00*
3	**Revenue from Operations - Technical Support Services**	**-**	**-**	**14,313.05**	**-**	**14,313.05**
		-	*-*	*10,454.66*	*-*	*10,454.66*
4	**Revenue from Operations - Support Service to Group Companies**	**-**	**89.48**	**11.00**	**-**	**100.48**
		-	*170.51*	*66.00*	*-*	*236.51*
5	**Other Income - Other Non-Operating Income**	**-**	**-**	**-**	**-**	**-**
		-	*-*	*0.70*	*-*	*0.70*
6	**Business support and advisory Charges etc.**	**-**	**-**	**81.38**	**-**	**81.38**
		-	*-*	*42.72*	*-*	*42.72*
7	**Technical Support Charges**	**-**	**-**	**19.24**	**-**	**19.24**
		-	*-*	*24.20*	*-*	*24.20*

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

8	**Communication Expenses**	**-**	**-**	**251.03**	**-**	**251.03**
		-	*-*	*124.56*	*-*	*124.56*
9	**Staff Welfare**	**-**	**0.10**	**7.21**	**-**	**7.31**
		-	*0.78*	*2.60*	*-*	*3.38*
10	**Remuneration paid**	**-**	**-**	**-**	**-**	**-**
		-	*-*	*-*	*0.50*	*0.50*
11	**Interest Expenses on Loans**	**-**	**0.01**	**41.02**	**-**	**41.03**
		-	*0.01*	*142.23*	*-*	*142.24*
12	**Legal and Professional Fees**	**-**	**-**	**2.00**	**-**	**2.00**
		-	*-*	*-*	*-*	*-*
13	**Purchase of Plant Property & Equipment**	**-**	**-**	**58.82**	**-**	**58.82**
		-	*-*	*51.52*	*-*	*51.52*
14	**Purchase of stock in Trade**	**-**	**-**	**52.47**	**-**	**52.47**
		-	*-*	*-*	*-*	*-*

Figures in italics represents previous year's amount.

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

iii Balances outstanding at the year end

Sr. No.	Nature of Balances	Ultimate / Intermediate Holding Company	Holding Company	Fellow Subsidiary	Subsidiary	Director / KMP	Others	Total
1	**Trade Receivables**							
a)	Reliance Retail Limited	**-**	**-**	**3,134.79**	**-**	**-**	**-**	**3,134.79**
		-	-	*333.02*	-	-	-	333.02
b)	Reliance Industries Limited	**2.96**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-	-	-
2	**Trade Payables**							
a)	Reliance Retail Limited	**-**	**-**	**687.06**	**-**	**-**	**-**	**687.06**
		-	-	*1,958.97*	-	-	-	*1,958.97*
b)	Reliance Jio Infocomm Limited	**-**	**-**	***12.02***	**-**	**-**	**-**	**12.02**
		-	**-**	**-**	**-**	**-**	**-**	-
3	**Advance to Supplier**							
a)	Reliance Jio Infocomm Limited	**-**	**-**	***0.25***	**-**	**-**	**-**	**0.25**
		-	-	*0.25*	-	-	-	*0.25*
4	**Borrowings**							
a)	Vitalic Health Limited (formerly known as Vitalic Health Private Limited)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	*745.74*	-	-	-	*745.74*
5	**Optionally Fully Convertible Debentures**							
a)	Tresara Health Limited (formerly known as Tresara Health Private Limited)	**-**	**1,200.00**	**-**	**-**	**-**	**-**	**1,200.00**
		-	1,200.00	-	-	-	-	*1,200.00*

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 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
1	**Borrowings Repaid**			
	Vitalic Health Limited(formerly known as Vitalic Health Private Limited)	Fellow Subsidiary	745.74	1,592.60
	Reliance Retail Ventures Limited	Intermediate Holding Company	-	1,590.00
2	**Redemption of Optionally Fully Convertible Debentures**			
	Tresara Health Limited (formerly known as Tresara Health Private Limited)	Holding Company	-	380.00
3	**Revenue from Operations - Technical Support Services**			
	Reliance Retail Limited	Fellow Subsidiary	14,313.05	10,454.66
4	**Other Income - Support Service to Group Companies**			
	Vitalic Health Limited(formerly known as Vitalic Health Private Limited)	Fellow Subsidiary	11.00	66.00
	Tresara Health Limited (formerly known as Tresara Health Private Limited)	Holding Company	89.48	170.51
5	**Other Income - Other Non-Operating Income**			
	Urban Ladder Home Décor Solutions Limited (formerly known as Urban Ladder Home Décor Solutions Private Limited)	Fellow Subsidiary	-	0.70
6	**Business support and advisory Charges**			
	Vitalic Health Limited(Formerly known as Vitalic Health Private Limited)	Fellow Subsidiary	81.38	42.72
7	**Technical Support Charges**			
	Jio Haptik Technologies Limited (Formerly known as Reliance Jio Digital Services Limited)	Fellow Subsidiary	19.24	24.20

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 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
8	**Communication Expenses**			
	Reliance Jio Infocomm Limited	Fellow Subsidiary	250.88	124.56
	Jio Haptik Technologies Limited (Formerly known as Reliance Jio Digital Services Limited)	Fellow Subsidiary	0.15	-
9	**Staff Welfare**			
	Tresara Health Limited (formerly known as Tresara Health Private Limited)	Holding Company	0.10	0.78
	Reliance Retail Limited	Fellow Subsidiary	7.21	2.60
10	**Remuneration paid**			
	Ramya Krishna Singarapu	Director / KMP	-	0.50
11	**Interest Expenses on Loans**			
	Tresara Health Limited (formerly known as Tresara Health Private Limited)	Holding Company	0.01	0.01
	Vitalic Health Limited(formerly known as Vitalic Health Private Limited)	Fellow Subsidiary	41.02	135.04
	Reliance Retail Ventures Limited	Fellow Subsidiary	-	7.19
12	**Purchase of stock in Trade**			
	Reliance Retail Limited	Fellow Subsidiary	52.47	-
13	**Purchase of Plant Property & Equipment**			
	Reliance Retail Limited	Fellow Subsidiary	58.82	51.52
14	**Legal and Professional fees**			
	Reliance Retail Limited	Fellow Subsidiary	2.00	-

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

34 Segment Information

a) Description of segments

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

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

b) Segment revenue

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

c) Segment Assets

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

35 Ratio Analysis

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022	Variance
i	Current Ratio(1)	2.08	1.07	94.29%
ii	Debt - Equity Ratio(2)	-	0.25	(100.00%)
iii	Debt Service Coverage Ratio(3)	1.45	0.36	301.97%
iv	Return on Equity Ratio	31.87%	40.50%	(21.31%)
v	Inventory Tunrover Ratio(4)	0.07	-	100.00%
vi	Trade Receivables Turnover Ratio(5)	9.71	6.90	40.77%
vii	Trade Payable Turnover Ratio	5.68	6.02	(5.66%)
viii	Net Capital Turnover Ratio(6)	4.31	36.69	(88.25%)
ix	Net Profit Ratio	6.55%	8.29%	(21.04%)
x	Return on Capital Employed (Excluding Working Capital Financing)(7)	93.12%	25.26%	268.65%
xi	Return on Investment(8)	2.62%	1.05%	149.00%

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

Reason for variance:

(1) Current Ratio has increased due to the increase in Trade receivable during the current year
(2) Debt Equity Ratio has reduced due to repayment of borrowing during the year.
(3) Debt Service Coverage ratio has increased due to repayment of principal portions of demand loans during the year.
(4) Inventory turnover ratio has increased due to the Retail sales started during the current period, so there is no comparative in the previous financial year
(5) The increase in the Trade Receivable Turnover ratio is due to increase in outstanding from the Customers during the current year
(6) Net Capital Turnover Ratio has decreased due to increase in working capital while turnover has decreased.
(7) Return on Capital Employed has increased due to increase in profit during the year.
(8) Return on Investment has increased due to increase in net gains on sale of investment during the year.

35.1 Formulae for computation of ratios are as follows:

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

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023
(All amounts are in Rs. lakhs, unless otherwise stated)

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

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

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

v) The Company have 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 the 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 Financials Institution and hence the Company has not been classified as a willful dafaulter.

xi) Compliance with number of layer 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.

xii) 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 section 230 to 237 of the Companies Act, 2013.

37 The figures of the corresponding year has been regrouped / reclassified wherever necessary in accordance with the requirements of Schedule III of the 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

NETMEDS MARKETPLACE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 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
Netmeds Marketplace Limited

Pallavi Sharma
Partner

Membership No. 113861

Date: April 18, 2023

M Pradeep Dadha
Director
DIN - 00087519

Jethu Singh Bhati
Director
DIN - 00104046

Advait Suhas Pandit
Director
DIN - 02972886