

19th ANNUAL REPORT 2021-2022

AyurvedaGram Heritage Wellness Centre Private Limited

Hemmandanahalli, Samethanahalli Post

Whitefield, Bengaluru-560 067, India

Tel: 91-80-27945430-33 Fax: 91-80-27945427

E-mail: response@ayurvedagram.com

Website: www.ayurvedagram.com

BOARD OF DIRECTORS

CHAIRMAN	: Mr. Ramesh Vangal
DIRECTORS	: Mr. Anand Subramanian Mr. Subramaniam Krishnamurthy Mr. Arunkumar Kunjupanicker Sreerangam Mrs.Sangeetha Arunkumar
REGISTERED OFFICE & RESORT	: Hemmandanahalli, Samethanahalli Post : Whitefield, Bangalore-560067.
CORPORATE OFFICE	: No.1134, 1st Floor, 100 Feet Road, HAL 2 nd Stage, Bangalore-560008
AUDITORS	: S V Sabareesan & Co Chartered Accountants #34, 1st Block, 5th Cross, Kumara Park West Bangalore- 560020

AYURVEDAGRAM HERITAGE WELLNESS CENTRE PRIVATE LIMITED
Regd.Off: Hemmandanahalli, Samethanahalli Post, Whitefield, Bengaluru-560 067.
Ph: +91 (80)27945430-33 Fax: +91(80)027945427
Email: response@ayurvedagram.com Website: www.ayurvedagram.com
(CIN: U74140KA2003PTC031511)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting of the Members of **Ayurvedagram Heritage Wellness Centre Private Limited** will be held on Monday, 26th September, 2022 at 10.30 A.M at Hemmandanahalli, Samethanalli Post, Whitefield, Bangalore-560067 to transact the following business:

ORDINARY BUSINESS

1. To consider, approve and adopt the audited Financial Statements of the Company comprising the Balance Sheet as on March 31, 2022, Statement of Profit & Loss and Cash Flow Statement and Notes thereto for the financial year ended on March 31, 2022 together with the Report of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. S.K.Arunkumar (DIN:0024462) who retires by rotation, and being eligible, offers herself for re-appointment.

Place: Bangalore
Date: **12th August, 2022**

By order of the Board of Directors

Sd/-

Anand Subramanian
Director (DIN: 00064083)

AYURVEDAGRAM HERITAGE WELLNESS CENTRE PRIVATE LIMITED

DIRECTORS' REPORT

Your directors have pleasure in presenting the 19th Annual Report on the business and operations of your company together with the Audited Accounts for the year ended 31st March 2022.

1. Financial Results

The Financial Results of the company for the year ended on 31st March 2022 as compared with the previous year are as under:

	Year ended 31st March 2022 (Rs. in Lakhs)	Year ended 31 st March 2021 (Rs. in Lakhs)
Net Income from Sales /Services	497.69	277.84
Other Income	32.29	11.05
Total Revenues	529.98	288.90
Profit before Interest, Depreciation and Tax (EBITDA)	135.9	(45.58)
Finance Charges	91.01	(43.9)
Depreciation	26.09	(30.93)
Profit before taxation	18.83	(120.41)
Deferred tax	6.60	(26.91)
Income Tax	-	-
MAT Credit	-	-
Net Profit/(Loss)	12.23	(93.49)

2. Performance Analysis

During the year under review, the company has achieved total revenues of Rs.529.98 Lakhs against revenue of Rs. 288.90 of previous financial year. The Net profit of the company for the year, after providing for tax is Rs. 12.23 Lakhs in the current year as compared to a net loss of Rs. 93.49 Lakhs in previous year. There is a growth of 113.08% in the net profit as compared to the previous year

3. Business Review

Due to Covid-19 pandemic the company has incurred a huge loss in 2020-21. But the situations being changed and progressing

4. Reserves:

During the year under report, your directors do not propose to transfer any amount to any Reserves.

5. Dividend

Though the company has posted net profit during the year, in order to conserve cash for further investment in the business, your Directors do not propose to recommend any dividend for the year.

6. Directors Responsibility Statement

In accordance with section 134(5) of the Companies Act, 2013, the Board confirms that:-

- a) in the preparation of the Annual Accounts for the year ended 31st March 2021, the applicable accounting standards had been followed along with proper explanations and there were no material departures.
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March 2022 and of the profit and loss of the company for the year ended 31st March 2022.
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. Material changes and commitment if any affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report

No material changes and commitments took place in the company during the financial year.

8. Change in the Nature of Business

There was no change in the nature of business of the Company during the financial year ended 31st March, 2022.

9. Names of Companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year

During the financial year ended 31st March, 2022, no entity became or ceased to be the subsidiary, joint venture or associate of the Company.

10. Deposits

During the year under review the company has not accepted any deposits. There are no unclaimed deposit as on date.

11. Labour Relations

Labour relations have been excellent and harmonious throughout the year.

12. Statement Concerning Development and Implementation of Risk Management policy of the company

The company does not have any Risk Management Policy as the elements of risk threatening the company's existence are very minimal.

13. Subsidiaries, Joint Ventures and Associate companies

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

14. Extract of Annual Return

Pursuant to Section 92(3) and 134(3)(a) of the Companies act, 2013, the extract of the Annual Return as on March 31,2022 in form MGT-9 is annexed herewith as **Annexure 1**.

15. Particulars of Contracts or Arrangements with related parties

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso is attached as **Annexure 2**.

16. Particulars of loans, guarantees or investments under section 186

No loans or Guarantee has been given by the company during the Financial Year 2021-22.

**17. Directors
(Appointment/Reappointment/Resignation of Directors)**

There has been no change in the constitution of Board during the year under review i.e. the structure of the Board remains the same. Mr. Ramesh Vangal Mr. Anand Subramanian, Mr. Subramaniam Krishnamurthy, Ms.Sangeetha Arunkumar and Mr. Arunkumar Kunjupanicker Sreerangam are on Board

18. Meeting of Board of Directors

The Board meets at the regular intervals to discuss business plan and strategies. The notice of the Board Meeting is given well in advance to all the Directors.

During the financial year ended 31st March 2022, the following were the dates on which Board meetings of the company were held:

Serial Number	Date of the Board Meetings
1	6 th May, 2021
2	30 th June, 2021
3	3 rd August, 2021
4	13 th August, 2021
5	3 rd November, 2021
6	14 th December, 2021
7	12 th February, 2022

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

19. AUDITORS

M/s. S V Sabareesan & Co, Chartered Accountants, were appointed as Statutory Auditors of the company for a term of 5 years upto the conclusion of Annual General Meeting to be held in the year in 2024. The company has received a letter, pursuant to Section 139 of the Companies Act, 2013, from M/s. S V Sabareesan & Co, Chartered Accountants, confirming consent and their eligibility for acting as Statutory Auditors of the Company. The Board also recommends their appointment as Statutory Auditors for the ensuing financial year.

20. Details in respect of adequacy of internal financial controls with reference to financial statements

The Directors have adopted adequate policies and procedures for ensuring the orderly and efficient conduct of the business, including adherence to Companies policies, safeguarding the assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial disclosures.

21. Cost Audit

The provision of Cost audit as per Section 148 is not applicable to the Company

22. Statutory Auditors' Report

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

23. Corporate social responsibility

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and therefore there is no requirement to constitute Corporate Social Responsibility Committee.

24. Appointment of Secretarial Auditor and Secretarial Audit Report

As per the provision of Section 204 and other applicable provisions, if any, of Companies Act, 2013, M/s BMP & Co., LLP having Regd Off: at # 4272, Sapthagiri, 2nd Floor, Vivekananda Park Road, Near Seetha Circle, Girinagar, Bengaluru- 560085 was appointed as the Secretarial Auditors of the Company for the financial year 2022- 2023.

The Secretarial Audit Report is annexed herewith as **Annexure 4** in the prescribed format MR 3.

25. Energy Conservation, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo.

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure 3** and forms part of this Report.

26. Share Capital

The authorized capital of the Company is Rs.2,50,00,000 (Rupees Two Crore Fifty Lakhs Only) divided into 25,00,000 Lakh Equity shares of Rs.10 each and the paid up share capital is Rs.2,25,00,000 (Rupees Two Crore Twenty Five Lakhs only) divided 2,25,000 Equity shares of Rs.10 each. They were no allotments made during the year

a. Buy Back of securities

The company has not bought back any of its securities during the year under review

b. Sweat Equity

The company has not issued Sweat Equity shares during the year under review

c. Bonus Shares

The company has not issued Bonus shares during the year under review

d. Employee Stock Option Plan

The company has not provided any stock option scheme to the employees during the year under review

27. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No orders were passed by any Courts or Tribunals impacting the going concern status and company's operations in future.

28. Sexual Harassment policy

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the year, no complaint of sexual harassment has been received.

29. Acknowledgements

Your Directors gratefully acknowledge the continued co-operation and support received from Bankers. Your Directors wish to express their appreciation for the dedicated and sincere efforts put in by employees, which has resulted in a strong performance by the company. The Company is also in compliance of secretarial standards

On behalf of the Board of Directors

Date: 12th August, 2022

Ramesh Vangal

Anand Subramanian

Sd/-
Director
DIN: 00064018

Sd/-
Director
DIN:00064083

ANNEXURE –1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2022

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management & Administration) Rules, 2014**

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74140KA2003PTC031511
2.	Registration Date	27 th January, 2003
3.	Name of the Company	Ayurvedagram Heritage Wellness Centre Private Limited
4.	Category/ Sub-category of the Company	Company Limited by Shares and Indian Non-Government Company
5.	Address of the Registered office & contact details	Hemmandanahalli, Samethanalli Post, Whitefield, Bangalore -560067
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/service	% total turnover of the company
1	Ayurvedic Medicine	21003	12
2	Health Care Services	86901	88

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and address of the Company	CIN/ GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	KERALA AYURVEDA LIMITED	L24233KL1992PLC006592	Holding	74	2(46)

	SUB TOTAL B(1)	0	0	0	0	0	0	0	0	0
2	Non-Institutions									
a	Bodies Corporate (Indian/foreign/overseas)	0	0	0	0	0	0	0	0	0
b	Individuals (Resident/NRI/Foreign National)	0	0	0	0	0	0	0	0	0
i	Individual shareholders holding Nominal share Capital upto Rs.1 Lakh	0	0	0	0	0	0	0	0	0
ii	Individual shareholders holding Nominal share Capital above Rs.1 Lakh	0	0	0	0	0	0	0	0	0
c	Any other(specify)	0	0	0	0	0	0	0	0	0
	SUB TOTAL B (2)	0	0	0	0	0	0	0	0	0
	Total Public Shareholding B=B(1)+B(2)	0	0	0	0	0	0	0	0	0
	TOTAL (A)+(B)	0	2250000	2250000	100	0	2250000	2250000	100	0
	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	0	2250000	2250000	100	0	2250000	2250000	100	0

ii. Shareholding of Promoter

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change
		No. of Shares	%of total Shares of the company	%of Shares Pledged/encumber ed to total shares	No. of Shares	%of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	KERALA AYURVEDA LIMITED	16,64,996	74.00%		16,64,996	74.00%		0.00%
2	S K ARUNKUMAR	2,92,500	13.00%		2,92,500	13.00%		0.00%
3	SANGEETHA ARUNKUMAR	2,92,500	13.00%		2,92,500	13.00%		0.00%
4	ANAND SUBRAMANIAN	1	0.00%		1	0.00%		0.00%
5	ARVIND AGARWAL	1	0.00%		1	0.00%		0.00%
6	SURYA KAMAL KATHPALIA	1	0.00%		1	0.00%		0.00%
7	MANIKANDAN ACHUTHAN	1	0.00%		1	0.00%		0.00%

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the Year	NO CHANGE			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc. At the end of the year				

iv. Shareholding of Directors and Key Managerial Personnel:

			Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
			No. of shares	% of total shares	No. of shares	% of total shares
1	Name MR S K ARUNKUMAR					
	At the beginning of the year		2,92,500	13.00%		0.00%
	Changes during the year		-	0.00%		0.00%
	At the end of the year		2,92,500	13.00%	2,92,500	13.00%
2	Name SANGEETHA ARUNKUMAR					
	At the beginning of the year		2,92,500	13.00%		0.00%
	Changes during the year			0.00%		0.00%
	At the end of the year		2,92,500	13.00%	2,92,500	13.00%
3	Name ANAND SUBRAMANIAN					
	At the beginning of the year		1	0.00%		0.00%
	Changes during the year		-	0.00%	-	0.00%
	At the end of the year				1	0.00%

v. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	NA				
	At the beginning of the year	0	0	0	0

	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	0	0	0	0

vi. Indebtedness – Indebtedness of the Company including interest outstanding/accrued but not due for payment (in lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	0	993	0	993
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	993	0	993
Change in indebtedness during the financial year				
* Addition	0	95	0	95
* Reduction	0	717	0	717
Net Change	0	-622	0	-622
Indebtedness at the end of the financial year				
i) Principal Amount	0	369	0	369
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	369	0	369

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole – Time Directors and/or Manager:

Sr No	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		0	0
1	Gross salary	0	0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0

	(c) Profits in lieu of salary/section 17(3) Income- tax Act,	0	0
2	Stock Option / Sweat Equity	0	0
3	Commission - as % of profit / others,	0	0
4	Others, please specify	0	0
	Total (A)	0	0
	Ceiling as per the Act	0	0

* Ceiling as per Schedule V of the companies Act 2013 is up to 60 Lakhs per Annum

B. Remuneration to other directors.

Sr No	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors				
	Fee for attending board/ committee meetings				
	Commission / others, please specify				
	Total (1)				
2	Other Non-Executive Directors				
	Fee for board committee meetings				
	Commission / Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

Ceiling is maximum Rs.1,00,000 per meeting which can be paid to independent Directors as sitting fee.

C. Remuneration to Key Managerial Personnel Other than MD /Manager/ WTD

Sr No	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary in `	0	0	0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income- tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4	Commission / - as % of profit	0	0	0
5	Others, please specify	0	0	0

	Total	0	0	0
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VI. PENALTIES/PUNISHMENT/COMPUNDING OF OFFENCES:

There were no penalties/punishments/compounding offences under the Companies Act for the year ending 31st March 2022.

By order of the Board of Directors
For Ayurvedagram Heritage Wellness Centre Private Limited

Sd/-
Ramesh Vangal
Director
DIN: 00064018

Sd/-
Anand Subramanian
Director
DIN:00064083

Date:12th August, 2022

ANNEXURE - 2

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

Serial No.	Particulars	Details
a)	Name of the related party & nature of relationship	KERALA AYURVEDA LIMITED
b)	Nature of contracts/arrangements/transaction	Purchase of Medicines
c)	Duration of contracts/arrangements/transaction	01.04.2021 to 31.03.2022
d)	Salient terms of contracts/arrangements/transaction including the value, if any	15% discount on MRP of KAL Products
e)	Justification for entering into such contracts/arrangements/transaction	Being a subsidiary of the company, KAL is offering such discount
f)	Date of approval by the Board	24 th August, 2020
g)	Amount paid as advances, if any	NIL
h)	Total value of transaction during the year	Rs. 54.20 lakhs

2. Details of contracts or arrangements or transactions at Arm's length basis.

SI No	Name of the Related Party	Nature of Contract/ Transactions	Nature of relationship	Duration of the contract, Salient terms & Advance paid	Transaction Amount in Rs Lakhs
1.	KATRA HOLDING PRIVATE LIMITED	Sale of goods/services	Common Director	NA	8.97

By order of the Board of Directors

For Ayurvedagram Heritage Wellness Centre Private Limited

Sd/-

Date: 12th August, 2022

Ramesh Vangal

Director

DIN: 00064018

Sd/-

Anand Subramanian

Director

DIN:00064083

ANNEXURE-3

Information in accordance with Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the year ended 31st March, 2019.

A. CONSERVATION OF ENERGY

- I. The Steps taken or Impact on conservation of energy- NIL
- II. The Steps taken By the Company for utilizing alternate source of energy -NIL
- III. The Capital Investment on energy conservation equipments-NIL

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- I. The efforts made towards technology absorption
All developments were done indigenously
- II. The benefits derived like product improvement, cost reduction, product development or import substitution -NIL
- III. Details of imported technology
During the year, company has not imported any technology. All developments were done indigenously.
- IV. The expenditure incurred on research and development- NIL

C. FOREIGN EXCHANGE EARNINGS & OUTGO

The details of foreign exchange earnings and outgo are as under: (in lakhs)

Foreign Exchange earnings & outgo	Current year	Previous Year
Earnings	85.23	12.58
Outgo	Nil	Nil

On behalf of the Board of Directors

	Sd/-	Sd/-
Date: 12th August, 2022	Ramesh Vangal	Anand Subramanian
	Director	Director
	DIN: 00064018	DIN:00064083

INDEPENDENT AUDITORS' REPORT

To the Members of

AYURVEDAGRAM HERITAGE WELLNESS CENTRE PRIVATE LIMITED

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **AYURVEDAGRAM HERITAGE WELLNESS CENTRE PRIVATE LIMITED** ('the Company'), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including 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 standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit for the period, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

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

We determine that there are no key audit matters to communicate in our report.

Information Other than 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 Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we will perform, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.



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- e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. No managerial remuneration has been paid for the year ended March 31, 2022, consequently we do not comment on the compliance with the provisions of Section 197 read with Schedule V of the Act.;
- h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has no pending litigations which has significant impact as at March 31, 2022, on its financial position in its standalone Ind AS 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 during the year.
 - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(b) The management has represented, that, to the best of its knowledge and belief, 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, whether, 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 such audit procedures that we 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 (a) and (b) contain any material misstatement.
 - (v) The Company has not declared any final dividend during the previous year and any interim dividend during the current year and hence compliance to Section 123 of the Act is not applicable.

For S V Sabareesan & Co.,
Chartered Accountants
(FRN. 013995S)

Sabareesan S.V.
Sabareesan Sarangapani Venkatesh
Proprietor
(Membership No. 208917)

UDIN: 22208917AKVRXY7340

Bengaluru, May 27, 2022



Annexure A

Referred to in Paragraph 1 on "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Ayurvedagram Heritage Wellness Centre Private Limited on the financial statement as of and for the year ended March 31, 2022

- (i) (a)(A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment
- (B) The Company does not have any intangible asset. Hence paragraph 3(i)(a)(B) of the Order is not applicable.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, discrepancies noticed were not material and have been dealt with appropriately in the books of account.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the photocopy of deeds provided to us, we report that, the title deeds, comprising immovable properties disclosed in the financial statements are held in the name of the Company as at the Balance sheet date. The original title deeds have been offered as collateral.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence paragraph 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder and hence paragraph 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) According to the information and explanation given to us, considering the fact that most of the consumables have a shelf life, the procedures followed are satisfactory. There is a need to formalise the process of periodic inventory verification of non-consumable / non-perishable inventory.
- (b) Based on our audit procedures & according to the information and explanation given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks & financial institutions on the basis of security of current assets. A financial institution has stipulated filing of quarterly returns, which the Company has not complied with.



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- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any secured loans or secured or unsecured advances in the nature of loans, to companies, firms, limited liability partnerships or any other parties during the year.

The Company has not made investments in or granted any unsecured loans to firms, limited liability partnerships or any other parties during the year.

The Company has given guarantee for borrowing as per the information given below.

- (a) According to the information and explanation given to us, the Company has provided guarantee for borrowing by the parties referred below:

(Rs. Lakhs)		
Particulars	Loans	Advances
Aggregate amount during the year:		
- Parent Company	-	-
- Promoter Group Company	-	-
Balance outstanding as at Balance sheet date:		
- Parent Company	2,889.97	-
- Promoter Group Company	3,610.14	-

- (b) According to the information and explanation given to us, the Company has not made any investments during the year. Accordingly, paragraph 3(iii)(b) of the Order is not applicable.
- (c) According to the information and explanation given to us, the Company has not granted any loans during the year and accordingly, paragraph 3(iii)(c) of the Order is not applicable.
- (d) According to the information and explanation given to us, the Company has not granted any loan to entities referred in paragraph 3(iii)(a) above. Accordingly, paragraph 3(iii)(d) of the Order is not applicable.
- (e) According to the information and explanation given to us, there is no loan or advance in nature of loan granted which has fallen due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties. Accordingly, paragraph 3(iii)(e) of the Order is not applicable.
- (f) According to the information and explanation given to us and on the basis of examination of records of the Company, 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. Accordingly, paragraph 3(iii)(f) of the Order is not applicable.
- (iv) The Company has neither given any loan, guarantees and security nor made any investment during the year covered under Sections 185 and 186 of the Act during the year. Therefore paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.



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- (vi) The Company is not required to maintain cost records specified by the Central Government under sub-section (1) of Section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales Tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST. According to the information and explanations given to us in respect of statutory dues, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Tax Deducted at Source, Professional Tax, Goods and Services Tax, and Other Statutory Dues applicable to it.
- (b) No undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Tax Deducted at Source, Professional Tax, Goods and Services Tax, and Other Statutory Dues outstanding, at the year end, for a period of more than six months from the date they became payable.
- (viii) According to the information and explanation given to us, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.
- (ix) (a) According to the information and explanation given to us, the Company has not defaulted in repayments of loans or other borrowings or in payment of interest thereon to any lender. Accordingly, paragraph 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company during the year and hence the question of the amount of loan so diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and the records of the Company examined by us, there were no funds raised on short-term basis by the Company during the year. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures. Accordingly, paragraph 3(xi)(e) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.



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(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year and hence the question of whether the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

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

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24).

(xiv) On the basis of the information and explanations given to us, we are of the opinion that the appointment of an internal auditor is not mandated as per Section 138 of the Companies Act read with Rule 13 of the Companies (Account) Rules, 2014 and hence paragraph 3(xiv)(a) to (b) of the Order is not applicable.

(xv) On the basis of the information and explanations given to us during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, does not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us, the Group(as per provisions of the Core Investment Companies(Reserve Bank) Directions, 2016) does not have more than one CIC as part of the Group. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable.



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- (xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses during the current financial year but has incurred cash loss of Rs.63 Lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability 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) According to the information and explanations given to us, the Company is not required to spend any amount towards Corporate Social Responsibility (CSR) as per the provisions of Section 135 of Companies Act, 2013 and accordingly paragraph 3(xx)(a) and (b) of the Order are not applicable.
- (xxi) The Company is not required to prepare consolidated financial statements and hence paragraph 3(xxi) of the Order regarding qualifications or adverse remarks by the auditors of the companies included in the consolidated financial statements is not applicable.

For S V Sabareesan & Co.,
Chartered Accountants
(FRN. 013995S)

Sabareesan Sarangapani Venkatesh
Proprietor
(Membership No. 208917)
UDIN: 22208917AKVRXY7340

Bengaluru, May 27, 2022



Annexure B

Referred to in paragraph 2(f) on "Report on Other Legal & Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls with reference to financial statements of Ayurvedagram Heritage Wellness Centre Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls 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. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to 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, 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.



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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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Company will have to formalise procedures, schedule of authority including ensuring segregation of duties, ensuring audit trails and relevant application controls.

In our opinion, in view of the aforesaid material weakness and possible effects thereon, the Company is required to take steps to document and implement internal financial controls over financial reporting and such internal controls in its operating areas, considering essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by Institute of Chartered Accountants of India.

The aforesaid improvements in internal control suggested by us, do not affect our opinion on the financial statements of the Company.

For S V Sabareesan & Co.,
Chartered Accountants
(FRN. 013995S)

Sabareesan Sarangapani Venkatesh
Proprietor
(Membership No. 208917)
UDIN: 22208917AKVRXY7340

Bengaluru, May 27, 2022



Ayurvedagram Heritage Wellness Centre Private Limited

CIN: U74140KA2003PTC031511

Balance Sheet as at 31 March 2022

		(₹ Lakhs)	
Particulars	Note	As at 31 March 2022	As at 31 March 2021
A Assets			
Non Current Assets			
Property, Plant and Equipment	4	485.38	504.30
Capital work in progress	5	211.37	211.37
Financial assets			
i. Investments		-	-
ii. Loans		-	-
iii. Other financial assets	6	29.96	503.45
Income tax assets (net)		-	-
Total non-current assets		726.70	1,219.11
Current Assets			
Inventories	7	14.74	13.15
Financial assets			
i. Trade receivables	8	195.71	179.35
ii. Cash and cash equivalents	9	37.64	342.20
Other current assets	10	212.37	28.28
Total Current Assets		460.47	562.98
Total Assets		1,187.17	1,782.09
B EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	225.00	225.00
Other Equity	12	359.80	347.57
Total Equity		584.80	572.57
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	13	173.87	689.74
ii. Provisions	14	26.88	31.41
Deferred Tax liabilities (net)	15	17.60	11.01
Total non-current liabilities		218.36	732.15
Current liabilities			
Financial liabilities			
i. Borrowings	16	198.37	303.23
ii. Trade payables	17		
(a) Total Outstanding dues of Mirco & Small Enterprises			
(b) Total Outstanding dues of Creditors other than micro & small enterprises		129.05	103.02
Other current liabilities	18	39.43	54.43
Provisions	19	17.17	16.68
Total current liabilities		384.01	477.37
Total liabilities		602.37	1,209.52
Total equity and liabilities		1,187.17	1,782.09

The accompanying notes form an integral part of the financial statements

In terms of our report attached.

For S V Sabareesan & Co.,

Chartered Accountants

(FRN.013995S)

Sabareesan Sarangapani Venkatesh

Proprietor

(Membership No. 208917)

UDIN: 22208917AKVRXY7340

Bengaluru, May 27, 2022

For and on behalf of the Board of Directors of
Ayurvedagram Heritage Wellness Centre Private Limited

Ramesh Vangal

Director

DIN: 00064018

Bengaluru, May 27, 2022

Anand Subramanian

Director

DIN: 00064083



Ayurvedagram Heritage Wellness Centre Private Limited

CIN: U74140KA2003PTC031511

Statement of Profit and Loss for the year ended 31 March 2022

		(₹ Lakhs)	
Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	20	529.98	288.90
Total revenue		529.98	288.90
Expenses			
(a) Cost of materials consumed	21	41.27	28.95
(b) Purchases	22	55.44	35.41
(c) Changes in Inventories of FG, WIP & Stock In Trade	23	(3.03)	4.24
(d) Employee benefits expense	24	167.71	173.22
(e) Finance costs	25	91.00	43.90
(f) Depreciation	4	26.09	30.94
(g) Other expenses	26	132.67	92.66
Total Expenses		511.16	409.31
Profit Before Tax		18.83	(120.41)
Tax expense:			
(a) Current tax		-	-
(b) Deferred tax		6.60	(26.92)
(c) (Less): MAT credit (where applicable)		-	-
		6.60	(26.92)
Profit for the period		12.23	(93.50)

The accompanying notes form an integral part of the financial statements

In terms of our report attached.

For S V Sabareesan & Co.,

Chartered Accountants

(FRN.013995S)

Sabareesan Sarangapani Venkatesh

Proprietor

(Membership No. 208917)

UDIN: 22208917AKVRXY7340

For and on behalf of the Board of Directors of

Ayurvedagram Heritage Wellness Centre Private Limited



Ramesh Vangal

Director

DIN: 00064018



Anand Subramanian

Director

DIN: 00064083

Bengaluru, May 27, 2022

Bengaluru, May 27, 2022



a) Equity Share Capital

Current Reporting Period				Balance at the end of current reporting period
Particulars	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	
Balance at the beginning of current reporting period	-	-	-	225.00
225.00				
Previous Reporting Period				Balance at the end of previous reporting period
Particulars	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the previous year	
Balance at the beginning of previous reporting period	-	-	-	225.00
225.00				

b) Other Equity

Current Reporting Period				Reserve & Surplus			Money received against share warrants	Total
Particulars	Share application Money pending allotment	Capital Reserve	Securities Premium	Other Reserves	Retained Earnings			
Balance as at April 01, 2021	-	-	-	-	347.57	-	-	347.57
Changes in Accounting policy/prior period errors	-	-	-	-	-	-	-	-
Balance at the beginning of the current reporting period	-	-	-	-	347.57	-	-	347.57
Profit for the year ended March 31, 2022	-	-	-	-	12.23	-	-	12.23
Other Comprehensive Income for the current year	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	-	-	-	-	359.80	-	-	359.80

Previous Reporting Period				Reserve & Surplus			Money received against share warrants	Total
Particulars	Share application Money pending allotment	Capital Reserve	Securities Premium	Other Reserves	Retained Earnings			
Balance as at April 01, 2020	-	-	-	-	441.07	-	-	441.07
Changes in Accounting policy/prior period errors	-	-	-	-	-	-	-	-
Balance at the beginning of the current reporting period	-	-	-	-	441.07	-	-	441.07
Profit for the year ended March 31, 2021	-	-	-	-	(93.50)	-	-	(93.50)
Other Comprehensive Income for the current year	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	-	-	-	347.57	-	-	347.57



Ayurvedagram Heritage Wellness Centre Private Limited

CIN: U74140KA2003PTC031511

Cash flow statement for the year ended 31 March 2022

Particulars	(₹ Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities		
Net Profit / (Loss) before tax	18.83	(120.41)
Adjustments for:		
Depreciation and amortisation	26.09	30.94
(Profit) / loss on sale / write off of assets	-	-
Finance costs	91.00	43.90
Operating profit / (loss) before working capital changes	135.92	(45.57)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(1.59)	8.04
Trade receivables	(16.36)	3.32
Other Current Assets	(184.09)	51.98
Non current financial assets	473.49	-
Income tax assets	-	-
Other Financial assets	473.49	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	26.02	92.53
Other current liabilities	(15.01)	(25.91)
Short-term provisions	0.48	(29.62)
Non current liabilities	(4.52)	(2.56)
Cash generated from operations	414.34	52.22
Net income tax (paid) / refunds	-	-
Net cash flow from / (used in) operating activities (A)	414.34	52.22
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(7.17)	(1.29)
Investments in Fixed Deposits	-	(500.00)
Proceeds from sale of fixed assets	-	-
Net cash flow from / (used in) investing activities (B)	(7.17)	(501.29)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	(515.87)	431.21
Repayment of long-term borrowings	-	-
Proceeds from short-term borrowings	(104.86)	-
Repayment of short-term borrowings	-	197.64
Finance cost	(91.00)	(43.90)
Net cash flow from / (used in) financing activities (C)	(711.74)	584.95
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(304.56)	135.88
Cash and cash equivalents at the beginning of the year	342.20	206.32
Cash and cash equivalents at the end of the year	37.64	342.20
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 16)		
Cash and cash equivalents at the end of the year		
(a) Cash on hand	0.55	0.82
(b) Cheques / Drafts on hand & balances with banks in current accounts	27.25	341.38
(d) Others (Credit Cards Swiping)	9.85	-
	37.64	342.20

In terms of our report attached.

For S V Sabareesan & Co.,
Chartered Accountants
(FRN.013995S)



For and on behalf of the Board of Directors of
Ayurvedagram Heritage Wellness Centre Private Limited

Ramesh Vangal
Ramesh Vangal
Director
DIN: 00064018

Anand Subramanian
Anand Subramanian
Director
DIN: 00064083

Bengaluru, May 27, 2022

Ayurvedagram Heritage Wellness Centre Private Limited

Notes forming part of the financial statements

Note 4- Property, Plant and Equipment

Particulars	Gross Block		Accumulated depreciation		Net block	
	As at 01 April 2021	Additions 31 March 2022	As at 01 April 2021	Depreciation for the year 31 March 2022	As at 31 March 2022	As at 31 March 2021
A. Tangible Assets						
(a) Land	104.75	-	-	-	104.75	104.75
(b) Buildings	1,021.84	-	672.61	15.48	333.75	349.32
(c) Furniture and Fixtures	66.93	0.39	64.01	0.72	2.59	2.83
(d) Vehicles	47.74	-	23.57	3.02	21.16	24.17
(e) Office equipment	78.30	0.33	73.43	1.81	3.38	7.07
(f) Computers	37.63	0.47	33.29	1.70	3.10	2.12
(g) Plant & Machinery	27.55	5.98	13.52	3.37	16.65	14.04
Total	1,384.74	7.17	880.44	26.09	485.38	504.30
Previous year	1,383.44	1.30	849.50	30.94	504.30	533.94

Note 5 - Capital Work-In-Progress (Refer Note 5B)

Particulars	Gross Block		Accumulated depreciation		Net block	
	As at 01 April 2021	Additions 31 March 2022	As at 01 April 2021	Depreciation for the year 31 March 2022	As at 31 March 2022	As at 31 March 2021
A. Capital work-in-progress						
(a) Capital work-in-progress / Capital advance	211.37	-	-	-	211.37	211.37
Total	211.37	-	-	-	211.37	211.37
Previous year	211.37	-	-	-	211.37	211.37



Ayurvedagram Heritage Wellness Centre Private Limited
Notes forming part of the financial statements

		(₹ Lakhs)	
	Particulars	As at 31 March 2022	As at 31 March 2021
6	Other Financial Asset		
	(a) Security deposits	29.96	3.45
	(b) Balances with government, authorities	-	-
	(c) Fixed Deposit with Karnataka Bank Limited \$	-	500.00
	\$ Lien on FDs marked by Karnataka Bank Limited in connection with the Term Loan sanctioned by the Bank		
		29.96	503.45
7	Inventories		
	(a) Pharmacy- Medicines	10.50	7.47
	(b) Other Consumables	4.24	5.68
		14.74	13.15
8	Trade receivables (Refer Note 8B)		
	Outstanding for a period exceeding six months from the date they were due for payment	-	-
	Unsecured, Considered Good	-	-
	Other Trade receivables (refer 8(a) below)	195.71	179.35
		195.71	179.35
	8 (a) Trade receivables include debts due from:		
	Private companies in which any director is a Director	150.88	153.17
9	Cash and cash equivalents		
	(a) Cash on hand	0.55	0.82
	(b) Cheques / Drafts on hand & Balance in current accounts	27.25	341.38
	(c) Others :	-	-
	Credit Card collection due	9.85	-
		37.64	342.20
10	Other current assets		
	(a) Loans and advances to employees		
	Unsecured, Considered Good	(0.27)	0.85
	(b) Other Advances		
	(i) Prepaid expense	-	-
	(ii) Advance to Suppliers	197.83	16.72
	(iii) Others	14.81	10.71
		212.37	28.28



Ayurvedagram Heritage Wellness Centre Private Limited
Notes forming part of the financial statements

		(₹ Lakhs)	
	Particulars	As at 31st March 2022	As at 31st March 2021
11	Share capital		
	(a) Authorised Capital 2500000 Equity shares of Rs. 10/- each	250.00	250.00
	(b) Issued Capital 2250000 Equity shares of Rs. 10/- each	225.00	225.00
	(c) Subscribed and fully paid up 2250000 Equity shares of Rs. 10/- each	225.00	225.00
		225.00	225.00
11.1	Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:		
	Equity shares with voting rights		
	Opening Balance	22.50	22.50
	Fresh issue	-	-
	Buy back	-	-
	Closing Balance	22.50	22.50
11.2	Details of shares held by the holding company, the ultimate holding Kerala Ayurveda Ltd, the holding company and its nominees	16.65	16.65
11.3	Details of shares held by each shareholder holding more than 5%		
	Class of shares / Name of shareholder		
	Equity shares with voting rights(in Numbers)		
	M/s Kerala Ayurveda Ltd	16.65	16.65
	% holding	73.99%	73.99%
	Mrs.Sangeetha Arunkumar	2.93	2.93
	% holding	13.00%	13.00%
	Mr. S K Arunkumar	2.93	2.93
	% holding	13.00%	13.00%
12	Other Equity		
	Reserves and Surplus	359.80	347.57
12.1	Particulars		
	Balance at the beginning of the year	347.57	441.07
	Profit for the year	12.23	(93.50)
	Other Comprehensive income	-	-
	Balance at the end of the year	359.80	347.57



Ayurvedagram Heritage Wellness Centre Private Limited
Notes forming part of the financial statements

		(₹ Lakhs)	
	Particulars	As at 31 March 2022	As at 31 March 2021
13	Long-term borrowings		
	Loans & advances from related parties		
	Secured		
	Term Loan from Karnataka Bank Limited \$	326.10	487.17
	Less: Current maturities of long-term borrowings	(177.20)	(160.82)
	\$ Term Loan repayable in 34 months. Secured by lien marked on receivables, inventory of and guaranteed by a Director of the Company (Previous year in addition to the foregoing, also secured by lien marked on FD placed with the said bank)	148.90	326.35
	Unsecured		
	From Holding Company		
	Kerala Ayurveda Limited	-	397.76
		-	397.76
	Others		
	Term loans from financial institutions #	43.12	106.21
	Less: Current maturities of long-term borrowings	(18.15)	(48.02)
		24.97	58.19
		173.87	782.30
14	Long-term Provisions		
	Provision for employee benefits	26.88	31.41
		26.88	31.41
16	Short-term borrowings		
	Secured		
	Current maturities of Long-Term Borrowings	177.20	160.82
	Unsecured #		
	Current maturities of Long-Term Borrowings	18.15	48.02
	From banks #		
	Kotak Mahindra Bank Limited	3.02	1.82
	# The aforesaid unsecured loans from financial institutions are supported by personal guarantee of two directors of the Company.		
		198.37	210.66
17	Trade payables (Refer Note 17A)		
	Dues to micro enterprises and small enterprises	-	-
	Dues to other than micro and small enterprises	129.05	103.02
		129.05	103.02
18	Other current liabilities		
	(a) Other payables		
	TDS	2.41	4.58
	GST	-	-
	Tips collected and Payable	0.06	0.15
	Provident Fund	1.35	1.26
	Professional Tax	0.05	0.04
	ESI collected and payable	0.19	0.18
	Rent	0.24	0.22
	(b) Advance from customers	33.45	27.48
	(c) Other Payables	1.70	5.80
	Salaries and Wages Payable	-	14.71
		39.43	54.43
19	Short-term provisions		
	Provision for Expenses	14.61	14.13
	Provision for Gratuity - Current	2.56	2.55
	Provision for tax	-	-
		17.17	16.68



For the year ended 31 March 2021Net Tax Assets/(Liabilities)

Particulars	(₹ Lakhs)	
	As at 31 March 2022	As at 31 March 2021
20 Revenue from Operations		
(a) Revenue from rendering of healthcare services	436.09	230.75
(b) Revenue from sale of traded goods	61.59	47.10
(c) Other operating revenue	32.30	11.05
	529.98	288.90
21 Cost of materials consumed		
Raw Material		
Opening stock	5.68	9.49
Add: Purchases	39.82	25.14
Less: Closing stock	4.24	5.68
Material consumed	41.27	28.95
22 Purchases		
Purchase of Medicine	55.44	35.41
	55.44	35.41
23 Changes in inventories of Traded Items and Provision & Consumables		
<u>Inventories at the end of the year:</u>		
Stock of Medicines	10.50	7.47
	10.50	7.47
<u>Inventories at the beginning of the year:</u>		
Stock of Medicines	7.47	11.71
	7.47	11.71
Net (increase) / decrease	(3.03)	4.24
24 Employee benefits expense		
Salaries and wages	147.59	151.67
Contributions to PF & Other funds	11.55	10.69
Gratuity	(0.80)	3.90
Staff welfare expenses	9.36	6.96
	167.71	173.22
25 Finance costs		
Interest expense on:		
(i) Borrowings	90.60	41.27
(ii) Others	0.41	2.64
	91.00	43.90
26 Other expenses		
Power and fuel	16.88	12.89
Repairs and maintenance - Buildings	8.37	5.17
Repairs and maintenance - Others	7.79	4.52
Rates and taxes	6.54	3.74
Communication	7.26	7.80
Marketing Expenses	29.64	25.13
Travelling and conveyance	0.13	0.02
Treatment Expense	18.00	5.59
Referral expenses	3.10	0.04
Security Charges	21.21	22.12
General & Administration expense (refer note below)	13.75	5.65
	132.67	92.66

Notes:

(i) Payment to auditors (net of levies):

Statutory audit	1.00	1.00
Tax audit / TP Audit	0.60	-
Certification	0.45	0.45
Reimbursement of expenses/Others	-	-



1. Corporate Information

Ayurvedagram Heritage Wellness Centre Private Limited was incorporated on 27th January 2003 and CIN is U74140KA2003PTC031511. The Company is into hospital services. The principal place of operations of the Company is located at Hemmandanahalli, Sametanahalli post, Whitefield, Bengaluru.

The financial statements were approved by the Board of Directors and authorised for issue on May 27, 2022.

2. Application of New Indian Accounting Standards

The Indian Accounting Standards issued under Section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparation of these Financial Statements.

3. Significant Accounting Policies**a) Statement of Compliance**

The Standalone Financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the act.

b) Recent Accounting Pronouncements

New amended standards and interpretation:

The following Accounting Standards have been modified on miscellaneous issues with effect from June 18, 2021. Such changes include clarification/guidance on:

- i) Ind AS 107 Financial Instruments Disclosures – Additional disclosures relating to interest rate benchmark reform (IBOR reform) including nature and extent of risks to which the entity is exposed due to financial instruments subject to interest rate benchmark reform and how the Company manages those risks; the Company's progress in completing the transition to alternative benchmark rates and how the Company is managing the transition.
- ii) Ind AS 109 Financial Instruments – Guidance provided on accounting for modifications of contracts resulting from changes in the basis for determining the contractual cash flows as a result of the IBOR reform; various exceptions and relaxations have been provided in relation to the hedge accounting.
- iii) Ind AS 116 Leases – Extension of optional practical expedient in case of rent concessions as a direct consequence of COVID-19 pandemic till June 30, 2022 and guidance on accounting for modification of lease contracts resulting from the IBOR reform.
- iv) Ind AS 102 Share based payments – Alignment of liabilities definition with the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.
- v) Ind AS 103 Business Combination – Alignment of assets and liabilities definition with the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards.
- vi) Amendment of definition of term 'recoverable amount' in Ind AS 105, Ind AS 16 and Ind AS 36 from 'fair value less cost to sell' to 'fair value less cost of disposal'.

Changes in Schedule III Division II of Companies Act, 2013 Notified and adopted by the Company

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013 to be effective from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

In Balance Sheet:

- i) Lease liabilities should be separately disclosed under the head duly distinguished as current or non-current.
- ii) Certain additional disclosures in the statement of changes in equity.
- iii) Specified format for disclosure of shareholding of promoters.
- iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- v) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- vi) Specific disclosure under regulatory such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and Advances to Promoters, Directors, Key Managerial Personnel (KMP) and related parties, details of benami property held, relationship with struck-off companies, financial ratios, etc.

In Statement of Profit and Loss:

- i) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head "additional information" in the notes forming part of financial statements.

The amendments are extensive, and the Company has given effect to them as required by law in the current year financial statements to the extent applicable.

c) Standards Issued but not yet effective

The following Accounting Standards have been modified on miscellaneous issues with effect from April 1, 2022. Such changes include clarification/guidance on:

- i) Ind AS 103 Business Combination – Identified assets acquired and liabilities assumed (including contingent assets and contingent liabilities) must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the Institute of Chartered Accountants of India (ICAI).
- ii) Ind AS 109 Financial Instruments – Guidance provided on identifying substantial modification of the terms of an existing financial liability basis difference in discounted present value of the cash flows between old and new terms (the '10 percent' test).
- iii) Ind AS 16 Property, Plant and Equipment (PPE) – Clarification provided on accounting for excess of net sale proceeds of items produced over the cost of testing as deduction from the directly attributable costs considered as part of cost of an item of PPE.
- iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Illustrative guidance provided on the cost of fulfilling a contract – incremental costs of fulfilling the contract and allocation of other costs that relate directly to fulfilling contracts, and clarification provided on recognising impairment loss that has occurred on assets used in fulfilling the contract before a separate provision for onerous contract established.

None of these amendments is expected to have any material impact on the financial statements of the Company.

d) Basis of Preparation & Presentation

The financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per company's operating cycle and other criteria set out in IND AS 1 "Presentation of Financial Statements" and Schedule III to the Companies Act, 2013.

e) Critical Accounting Estimates & Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amount of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenues and expenses for the year. Actual results could differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- **Useful Lives of Property, Plant and Equipment and Intangible Assets:** The Company has with the help of technical assessment estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the Balance Sheet date. This reassessment may result in change in depreciation expense in future periods.
- **Impairment Testing:** Property, plant and equipment are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- **Income Taxes:** Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and the tax charge in the statement of profit or loss.
Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss.
- **Litigation:** From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

f) Revenue Recognition**i) Rendering of Services**

Revenue primarily comprises fee charged for inpatient and outpatient hospital services. Services include charges for accommodation, medical & professional services, equipment, and pharmaceutical goods used. Revenue is recorded and recognized during the period in which the hospital service is provided, based upon the amounts due from patients.

ii) Sale of Goods

Revenue is measured at the value of consideration received or receivable, taking into account contractually defined terms of payment, excluding taxes and duties collected on behalf of the government. Revenue is stated net of returns and discounts wherever applicable.

iii) Other operating revenue

Other operating revenue comprises of travelling income and other miscellaneous income.

g) Employee benefits**a) Short-term benefits:**

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave and other short-term benefits in the period the related service is rendered, at undiscounted amount, for benefits expected to be paid in exchange for the service.

b) Other Long-Term benefits:

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Gratuity

The Company has an obligation towards gratuity as per actuarial valuation.

Provident fund

Payments to defined contribution plans are recognized as expense when employees have rendered service entitling them to the contribution.

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The basis for determination of liability is as under:

		Gratuity	
		Current year	Previous year
Change in present value of obligation			
1.	Present value of the obligation at the beginning of the year	33.95	35.62
2.	Current service cost	4.18	4.52
3.	Interest on defined benefit obligation	2.24	2.40
4.	Actuarial (gain)/loss	(7.49)	(3.01)
5.	Benefits paid	(3.43)	(5.57)
6.	Present value of obligation at the end of the year	29.45	33.95
Liability recognized in the financial statements			
	Long term	26.89	31.40
	Short term	2.56	2.55
Costs for the year			
Change in the present value of obligation			
1.	Current service cost	4.18	4.52
2.	Interest Cost	2.24	2.40
3.	Actuarial (gain)/loss	-	-
4.	Total Expenses	6.42	6.92
Main Actuarial Assumptions			
	Discount rate (p.a)	6.95%	6.85%
	Salary escalation rate (p.a)	8.00%	8.00%
	Method	Projected Unit Credit Method	Projected Unit Credit Method

h) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the location of assets and making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on all fixed assets is provided based on the useful lives of the asset as prescribed under Schedule II of the Companies Act, 2013. Depreciation on additions has been calculated on pro rata basis.

i) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

j) Foreign Currency Translation

The functional currency of the Company is Indian rupee.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were fair value measured.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of other monetary items are recognised in the Statement of Profit and Loss.

k) Inventories

Inventories of medicines, medicare items traded and dealt with by the company are valued at cost. Stock of provisions, stores, stationeries, and housekeeping items are stated at cost. The net realizable value is not applicable in the absence of any further modification/alteration before being consumed in house only.

Cost comprises of costs of purchase and other costs incurred in bringing the inventories to their present location.

l) Income Taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the temporary difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

I. Current Tax

Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

II. Deferred Tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are generally recognised for all taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

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 Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

m) Accounting for Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised, when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, the non-current provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation and the unwinding of the discount is recognised as interest expense.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

n) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method.

o) Cash and Cash Equivalents

Cash and bank balance comprises cash on hand, cash in current account with banks and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

p) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows for the year are classified by operating, investing and financing activities.

q) Earnings Per Share

Basic earnings per share is calculated by dividing the profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period.

r) Segment Reporting

The Company identifies operating segments based on the internal reporting provided to the chief operating decision maker.

The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that make strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Since the company's business consists of Treatment services and medicines, no separate information for segment wise disclosures is given.

s) Financial Instruments**Financial Assets**Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Derecognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

Financial liabilitiesClassification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans, and borrowings, or as payables, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Derecognition of Financial Liabilities

The Company de-recognises financial liabilities when the Company's obligations are discharged, cancelled, or expired.

Wherever the Company believes that they have the legal right to offset financial assets and financial liabilities, the financial assets and financial liabilities are offset and the net amount is reported in the balance sheet.

t) MSME

There are no Micro, Small & Medium Enterprises to whom the company owes dues. The Micro, Small & Medium Enterprises have been identified on the basis of information available with the company.

u) Expenditure in Foreign Currency

Particulars	31st March 2022	31st March 2021
Advertisement	-	-
Subscriptions	-	-
	-	-

v) Earnings in Foreign Currency

Particulars	31st March 2022	31st March 2021
Rendering of Services:		
Treatment	85.23	-
	85.23	-

w) Contingent Liabilities and Commitments

Particulars	31st March 2022	31st March 2021
Guarantee given to ECL Finance Limited		
(₹ Lakhs)		
For Loans taken by the Parent Company	3,000	3,000
For Loans taken by Promoter Group Company	5,500	5,500
	8,500	8,500

x) Capital Advance

Particulars	31st March 2022	31st March 2021
Contracts remaining to be executed on capital account and not provided for:	-	-
	-	-

Capital Work In Progress includes capital advances. (Refer Note No. 5B)

y) Details of Transactions with Related Parties

Disclosure of transactions with the related parties are given below:

i. List of Related party where control exists

Sl No	Name of the Related Party	Relationship
1	Katra Holdings Limited, Mauritius	Ultimate Holding Company
2	Kerala Ayurveda Limited	Holding Company
3	Mason and Summers Leisure Private Limited	
4	Katra Holding Private Limited	Companies under common control
5	Global Agri Systems Private Limited	
6	Global Nutri Food Private Limited	
7	Katra Phytochem (India) Private Limited	
8	Ayurvedic Academy Inc., USA	
9	Suveda Inc, USA	
10	Ayu Natural Medicine Clinic PS, USA	
11	CMS Katra Holdings LLC, USA	Fellow Subsidiaries
12	CMS Katra Nursing LLC, USA	
13	Nutraveda Pte Ltd. Singapore	
14	Ramesh Vangal	Individual owning directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual.

ii. Transaction during the year with Related Parties

Particulars	31st March 2022	31st March 2021
(₹ Lakhs)		
Sale of Goods/Services		
Kerala Ayurveda Limited	-	-
Katra Holding Private Limited	8.97	-
Katra Phytochem (India) Private Limited	-	-
Ayurvedic Academy Inc., USA	-	-
Purchase of Goods/Services		
Kerala Ayurveda Limited	-	35.86
Mason and Summers Leisure Private Limited	-	-
Interest Paid		
Kerala Ayurveda Limited	25.11	14.94

iii. Balances outstanding at the end of the year.

		(₹ Lakhs)	
S. No.	Particulars	31st March 2022	31st March 2021
1	Payables		
	Kerala Ayurveda Limited	-	87.45
	Katra Phytochem (India) Private Limited	121.03	-
2	Advance		
	Mason and Summers Leisure Private Limited	16.72	16.72
3	Receivables		
	Katra Holding Private Limited	150.87	141.90
	Ayurvedic Academy Inc., USA	35.34	34.32
	Global Agri Systems Private Limited	-	-
	Global Nutri Food Private Limited	-	-
	Kerala Ayurveda Limited	179.15	-
4	Advance from Holding Co.		
	Kerala Ayurveda Limited	-	397.76

Note 5B: Capital Work In Progress – Ageing Schedule

As on March 31, 2022

Particulars	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Project In Progress	-	-	-	-	-
(ii) Other Capex	-	-	211.37	-	211.37
(iii) Projects Temporarily Suspended	-	-	-	-	-
Total	-	-	211.37	-	211.37

As on March 31, 2021

Particulars	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Project In Progress	-	-	-	-	-
(ii) Other Capex	-	211.37	-	-	211.37
(iii) Projects Temporarily Suspended	-	-	-	-	-
Total	-	211.37	-	-	211.37

Note 8B : Trade Receivable – Ageing Schedule

As on March 31, 2022

Particulars	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered Good	-	9.17	6.24	21.73	117.51	41.07	195.71
(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	-	9.17	6.24	21.73	117.51	41.07	195.71

As on March 31, 2021

Particulars	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered Good	-	0.07	21.73	117.51	40.05	-	179.35
(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	-	0.07	21.73	117.51	40.05	-	179.35

Note 17A: Trade Payables – Ageing Schedule

As on March 31, 2022

Particulars	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	129.05	-	-	-	129.05
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	129.05	-	-	-	129.05

As on March 31, 2021

Particulars	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	99.54	1.61	1.87	-	103.02
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	99.54	1.61	1.87	-	103.02

Note 27 : Financial Ratios

Particulars	in times/ %	Numerator	2022	2021	Denominator	2022	2021	March 31, 2022	March 31, 2021
Current Ratio	in times	Current Assets	460.47	562.98	Current Liabilities excluding current maturities of long-term borrowings	188.66	268.53	2.44	2.10
Debt - Equity Ratio	in times	Non-Current + Current Borrowings	372.24	992.97	Total Equity	584.80	572.57	0.64	1.73
Debt Service Coverage Ratio	in times	Earnings available for debt services	135.92	(45.57)	Debt Service	214.38	229.18	0.63	(0.20)
Return on equity	in %	Profit/ (Loss) after Tax	12.23	(93.50)	Average total equity	578.69	619.32	2.11	15.10
Inventory turnover	in times	Cost of Goods Sold	41.27	28.95	Average Inventory	13.95	17.17	2.96	1.69
Trade Receivable turnover	in times	Revenue from operations	529.98	288.90	Average trade receivables	187.53	181.01	2.83	1.60

NOTES TO FINANCIAL STATEMENTS

2022

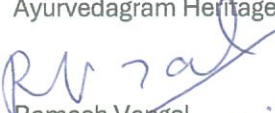
Particulars	in times/ %	Numerator	2022	2021	Denominator	2022	2021	March 31, 2022	March 31, 2021
Net Capital Turnover	in times	Revenue from Operations	529.98	288.90	Working Capital	76.45	85.61	6.93	3.37
Trade Payable Turnover	in times	Purchases	55.44	35.41	Average Trade Payables	116.04	56.76	0.48	0.62
Net Profit Turnover	in %	Profit/ (Loss) after Tax	12.23	(93.50)	Total Income	529.98	288.90	2.31	32.36
Return on Capital Employed	in %	Profit before Interest & Tax	(72.18)	(164.32)	Capital Employed	803.16	1,304.72	8.99	12.59
Return on Investment	in %	Net Profit after Tax	12.23	(93.50)	Average Investment	-	-	-	-

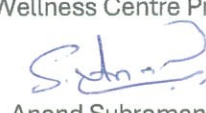
Note 28: Other Statutory Information

- (i) The Company has not obtained any term loans.
- (ii) The Company does not have any Benami property, where any proceedings has been initiated or pending against the Company for holding any Benami property.
- (iii) The Company does not have any transactions with struck-off companies.
- (iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (Funding Party) with the understanding that the Company shall:
 - c) 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
 - d) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (viii) The Company does not have any such transactions 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 Income Tax Act, 1961.

The previous year figures have been reclassified wherever necessary to conform to current year classification.

For and on behalf of the Board of Directors
Ayurvedagram Heritage Wellness Centre Private Limited


Ramesh Vangal
Director
DIN:00064018


Anand Subramanian
Director
DIN:00064083

Bengaluru, May 27, 2022

