

**Zydus Wellness (BD) Pvt Limited.  
Auditor's Report & Financial Statements  
For the year ended March 31, 2023**



## INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of**  
Zydu Wellness (BD) Pvt Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Zydu Wellness (BD) Pvt Limited** which comprise the statement of financial position as at **March 31, 2023**, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at **March 31, 2023**, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethical Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.





### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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





# Ali Zahir Ashraf & Co.

Chartered Accountants

Navana Zahura Square, Suite No-C/11, Level-11, 28 Kazi Nazrul Islam Avenue, Banglamotor, Dhaka-1000  
Mobile: +8801841747490, E-mail: info@azacabd.com, azacabd@gmail.com

going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

## We also report the following:

- a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account; and
- d) The expenditure was incurred for the purpose of the company's business.
- e) The information and explanation required by us have been received and found satisfactory.

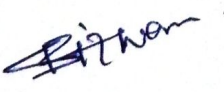



Place, Dhaka, Bangladesh  
Dated: May 16, 2023

*Shahjahan*

Md. Shahjahan, ACA  
Partner, Ali Zahir Ashraf & Co,  
Chartered Accountants  
Enrolment No. 2014 (ICAB)  
DVC #2305162014AS223027



**Zydus Wellness (BD) Pvt Limited**  
**Statement of Financial Position as at March 31, 2023**

Particulars	Note No.	in Taka	
		As at March 31	
		2023	2022
<b>ASSETS:</b>			
<b>Non-current assets:</b>			
Financial assets:			
Loans	4	2,55,21,917	-
Other financial assets	5	1,44,000	-
Assets for tax [net]	6	8,79,350	-
		<b>2,65,45,267</b>	-
<b>Current assets:</b>			
Financial assets:			
Trade receivables	7	36,42,604	-
Cash and cash equivalents	8	4,77,956	5,54,815
Loans	9	49,66,303	-
Other current assets	10	6,81,753	1,66,175
		<b>97,68,616</b>	7,20,990
<b>Total</b>		<b>3,63,13,883</b>	7,20,990
<b>EQUITY AND LIABILITIES:</b>			
<b>EQUITY:</b>			
Equity share capital	11	3,62,59,400	9,99,400
Other equity	12	(39,66,913)	(13,35,260)
		<b>3,22,92,487</b>	(3,35,860)
<b>LIABILITIES:</b>			
<b>Non-current liabilities:</b>			
Provisions	13	5,18,783	-
<b>Current liabilities:</b>			
Financial liabilities:			
Trade payables	14	12,84,052	10,56,850
Other current liabilities	15	20,46,571	-
Provisions	16	1,71,990	-
		<b>40,21,396</b>	10,56,850
<b>Total</b>		<b>3,63,13,883</b>	7,20,990
<b>Significant Accounting Policies</b>	3		
<b>Notes to the Financial Statements</b>	1 to 26		
For and on behalf of the Board		As per our report of even date <b>For Ali Zahir Ashraf &amp; co.</b> Chartered Accountants	
			
<b>Md. Shihab Rizwan</b> Director	<b>Abhijeet Sahu</b> Director	<b>Ketankumar Bhut</b> Director	<b>Md. Shahjahan, ACA</b> Partner
Place: Dhaka, Bangladesh Date: May 16, 2023	Place: Dubai, U.A.E Date: May 16, 2023	Place: Dubai, U.A.E Date: May 16, 2023	Enrolment No. 2014 (ICAB) Place: Dhaka, Bangladesh Date: May 16, 2023



Zydus Wellness (BD) Pvt Limited

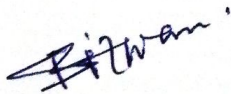
Statement of Income and Other Comprehensive Income for the year ended March 31, 2023

Particulars	Note No.	in Taka	
		Year ended	Period ended
		March 31, 2023	March 31, 2022
<b>INCOME:</b>			
Revenue from operations	17	1,22,41,090	-
Other income	18	4,88,219	-
<b>Total Income</b>		<b>1,27,29,309</b>	<b>-</b>
<b>EXPENSES:</b>			
Employee benefit expense	19	1,14,80,650	-
Finance expense	20	41,402	1,995
Other expenses	21	38,38,909	13,33,276
<b>Total Expenses</b>		<b>1,53,60,961</b>	<b>13,35,271</b>
<b>Loss before Tax</b>		<b>(26,31,652)</b>	<b>(13,35,271)</b>
Less: Tax expense:			
Current tax		-	-
Deferred tax		-	-
		-	-
<b>Loss for the period</b>		<b>(26,31,652)</b>	<b>(13,35,271)</b>
<b>Other Comprehensive Income for the period [net of tax]</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the period [net of tax]</b>		<b>(26,31,652)</b>	<b>(13,35,271)</b>
<b>Basic earnings per equity share [EPS] [in taka]</b>	22	<b>(0.73)</b>	<b>(13.36)</b>
<b>Diluted earnings per equity share [EPS] [in taka]</b>	22	<b>(0.87)</b>	<b>(13.36)</b>
<b>Significant Accounting Policies</b>	3		
<b>Notes to the Financial Statements</b>	1 to 26		

For and on behalf of the Board

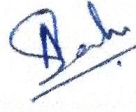
As per our report of even date

For Ali Zahir Ashraf & Co.  
Chartered Accountants



Md. Shihab Rizwan  
Director

Place: Dhaka, Bangladesh  
Date: May 16, 2023



Abhijeet Sahu  
Director

Place: Dubai, U.A.E  
Date: May 16, 2023



Ketankumar Bhut  
Director

Place: Dubai, U.A.E  
Date: May 16, 2023



Md. Shahjahan, ACA  
Partner

Enrolment No. 2014 (ICAB)  
Place: Dhaka, Bangladesh  
Date: May 16, 2023



**Zydus Wellness (BD) Pvt Limited**  
**Statement of Cash Flow for the year ended March 31, 2023**

Particulars	in Taka	
	Year ended	Period ended
	March 31, 2023	March 31, 2022
<b>A. Cash flows from operating activities:</b>		
Loss before tax	(26,31,652)	(13,35,271)
Adjustment for:		
Interest income	(4,88,219)	-
Finance expense	41,402	1,995
Operating loss before working capital changes	(30,78,469)	(13,33,276)
Adjustments for:		
Increase in trade receivables	(36,42,604)	-
Increase in other assets	(6,59,579)	(1,66,175)
Increase in trade payables	2,27,202	10,56,850
Increase in other liabilities	27,37,344	-
Net cash used in operating activities	(44,16,106)	(4,42,601)
Direct taxes paid [net of refunds]	(8,79,350)	-
Net cash used in operating activities	(52,95,456)	(4,42,601)
<b>B. Cash flows from investing activities:</b>		
Interest received	4,88,219	-
Loan to other than related party	(3,04,88,220)	-
Net cash used in investing activities	(3,00,00,001)	-
<b>C. Cash flows from financing activities:</b>		
Proceeds from issue of equity share capital	3,52,60,000	9,99,410
Finance expense	(41,402)	(1,995)
Net cash generated from financing activities	3,52,18,598	9,97,415
<b>Net [decrease]/ increase in cash and cash equivalents [A+B+C]</b>	<b>(76,859)</b>	<b>5,54,815</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5,54,815</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4,77,956</b>	<b>5,54,815</b>

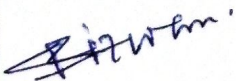
**Notes to the Cash Flow Statement**

- The above cash flow statement has been prepared under the "Indirect method" as set out in IAS-7 "Statement of Cash Flows".
- All figures in brackets are outflows.
- Cash and cash equivalents comprise of:

Particulars	Note No.	in Taka	
		As at March 31	
		2023	2022
a Balances with banks	8	4,77,956	5,54,815
<b>Total</b>		<b>4,77,956</b>	<b>5,54,815</b>

For and on behalf of the Board

As per our report of even date  
For Ali Zahir Ashraf & co.  
Chartered Accountants



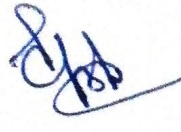
**Md. Shihab Rizwan**  
Director

Place: Dhaka, Bangladesh  
Date: May 16, 2023



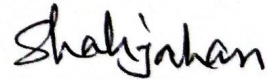
**Abhijeet Sahu**  
Director

Place: Dubai, U.A.E  
Date: May 16, 2023



**Ketankumar Bhut**  
Director

Place: Dubai, U.A.E  
Date: May 16, 2023

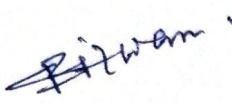


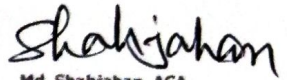


**Md. Shahjahan, ACA**  
Partner

Enrolment No. 2014 (ICAB)  
Place: Dhaka, Bangladesh  
Date: May 16, 2023



**Zydus Wellness (BD) Pvt Limited**  
**Statement of Changes in Equity for the year ended March 31, 2023**

a Equity share capital:			
	No. of Shares	Amount in Taka	
<b>Equity Shares of Taka 10/- each, Issued, Subscribed and fully paid-up:</b>			
Shares issued during the period	99,940	9,99,400	
<b>As at March 31, 2022</b>	<b>99,940</b>	<b>9,99,400</b>	
Shares issued during the year	35,26,000	3,52,60,000	
<b>As at March 31, 2023</b>	<b>36,25,940</b>	<b>3,62,59,400</b>	
<b>b Other equity:</b>			
in Taka			
	Capital Reserve	Retained Earnings	Total
<b>Reserve</b>	10	-	10
Less: Loss for the period	-	(13,35,271)	(13,35,271)
<b>As at March 31, 2022</b>	<b>10</b>	<b>(13,35,271)</b>	<b>(13,35,261)</b>
Less: Loss for the year	-	(26,31,652)	(26,31,652)
<b>As at March 31, 2023</b>	<b>10</b>	<b>(39,66,923)</b>	<b>(39,66,913)</b>
For and on behalf of the Board		As per our report of even date	
		<b>For Ali Zahir Ashraf &amp; co.</b>	
		Chartered Accountants	
			
<b>Md. Shihab Rizwan</b> Director	<b>Abhijeet Sahu</b> Director	<b>Ketankumar Bhut</b> Director	<b>Md. Shahjahan, ACA</b> Partner
Place: Dhaka, Bangladesh Date: May 16, 2023	Place: Dubai, U.A.E Date: May 16, 2023	Place: Dubai, U.A.E Date: May 16, 2023	Enrolment No. 2014 (ICAB) Place: Dhaka, Bangladesh Date: May 16, 2023





**Note: 1 - Company overview:**

Zydus Wellness (BD) Pvt Limited (the "Company") is a company limited by shares. The Company was incorporated in Bangladesh on November 18, 2021 under the Companies Act, 1994 with the Registrar of Joint Stock Companies & Firms, Bangladesh and the certificate of incorporation number is C-176352/2021. The Company operates as an integrated consumer Company with business of marketing and distribution of wellness products. These financial statements were authorised for issue in accordance with a resolution passed by Board of the Directors at its meeting held on May 16, 2023.

**Note: 2 - Basis of Preparation:****1 Statement of compliance:**

- A** The financial statements have been prepared in accordance with recognition and measurement principles of International Financial Reporting Standards (IFRS) and as per requirements of the Companies Act 1994 and other applicable laws and regulations.
- B** The title and format of financial statements follow the requirements of IFRS which are to some extent different from the requirement of Companies Act 1994; however, such differences are not material and in the view of management, IFRS format gives a better presentation to its intended users. Furthermore, as the Company has limited user of financial statements certain disclosures required by IFRS are not provided.

**2 Basis of measurement**

These financial statements have been prepared on going concern basis under the historical cost convention. Accrual basis of accounting has been followed consistently in preparing the financial statements.

**3 Functional and presentational currency**

The financial statements are prepared and presented in Bangladesh Taka ("Taka"), which is the company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

**4 Use of estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and the associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

In particular, information about significant area of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements reflected in measuring fair value of Land and Building, calculation of deferred tax liabilities and gratuity provision.

**5 Compliance of local law**

Books of accounts have been kept and the accounts have been prepared in compliance of the local Companies Act, 1994 and the Securities and Exchange Rules 1987.

**Regulatory and legal compliance**

The Company complied with requirement of the following regulatory and legal authorities:

- The Companies Act, 1994;
- The Labor law, 2006 with subsequent amendments in 2013;
- The Income Tax Ordinance 1984;
- The Value Added Tax and Supplementary Duty Act 2012;
- Income Tax Rules - 1994;
- VAT and supplementary Duty Rules 2016.

**6 Statement of cash flows**

Statement of cash flows has been prepared in accordance with the IAS 7: Statement of cash flows under the indirect method.

**7 Going concern**

The company has adequate resources to continue in operation for foreseeable future. For this reason the directors continued to adopt going concern basis in preparing the Financial Statements. The current credit facilities and resources of the company provide sufficient fund to meet the present requirements of its existing businesses and operations.

**8 Reporting period**

The financial period of the Company is from April 1, 2022 to March 31, 2023 and comparative period is from inception i.e. November 18, 2021 to March 31, 2022.

**Note: 3 - Significant accounting policies :**

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the periods presented, unless otherwise stated.

**1 Property, plant and equipment****A Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment loss if any.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

**B Subsequent costs**

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the profit and loss account as incurred.

**C Derecognition**

Property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its continued use. Gain or loss on disposal are determined by comparing the disposal proceeds with the carrying amounts and recognized in the statement of comprehensive income as per provisions of IAS 16: Property, plant and equipment.

**D Depreciation**

Depreciation on fixed assets is charged on straight line method. Depreciation continues to be charged on each item of fixed assets until the written down value of such fixed assets is reduced to Taka one.

**2 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-derivative financial instruments of the Company comprise accounts and other receivables, cash and cash equivalents and payables and are shown at transaction cost.

**A Financial Assets**

The Company initially recognizes receivables and deposits on the date they are originated. All other financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

The Company derecognizes a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include cash and cash equivalents, trade and other receivables.

**(i) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, cash at banks which are held and available for use by the Company without any restriction except as otherwise disclosed.

**(ii) Trade and other receivables**

Trade and other receivables represent the amounts due from customers for delivering goods or rendering services. Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to the uncollectible nature of any amount so recognized.

**B Financial Liabilities**

A financial liability is recognized when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits. The Company initially recognizes financial liabilities on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include trade and other payables, accrued expenses and loans and borrowings.

**(i) Loans and borrowings**

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from reporting date are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from reporting date, unpaid interest and other charges are classified as current liabilities.

**(ii) Trade and other payables**

The Company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

**(iii) Advances, deposit and prepayments**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustment or charges to other accounts heads such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss.



### 3 Impairment

#### A Financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

#### B Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The Company assesses yearly whether there is any indication that an asset or a Cash Generating Unit (CGU) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or CGU. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognizing an impairment loss, if and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

### 4 Inventories

Inventories include a range of raw materials, work in progress and finished goods. Initially they are recognized at cost and subsequently at the lower of cost and net realizable value in accordance with IAS 2: Inventories. Cost is determined on Moving Average Method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operation capacity. Inventories are valued at the lower of cost and net realizable value at the reporting date. Net realizable value is the estimated selling price in the ordinary course of the business, less the estimated cost of completion and the estimated costs necessary to make the sale.

### 5 Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment or stock, etc. Refundable deposits are measured at initial transaction value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges and charges for the period are shown in profit and loss account.

### 6 Provision

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of that obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### 7 Contingencies

Contingencies arising from claim, lawsuit, fines, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

### 8 Foreign currency translations and transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Bangladesh Taka at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized in the Statement of Comprehensive Income in accordance with IAS 21 "The effects of Changes in Foreign Currency Rates."

### 9 Revenue recognition

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods.

### 10 Bad-Debts

The Company has not recognized any bad debt on receivables in the period under audit since they have been outstanding for a short period.

### 11 Finance income and expenses

Finance income mainly comprises interest income on guarantee margin deposited in bank.  
Finance expense comprises interest expense on bank overdraft, short term loan, long term loan, commission and charges.  
All interest income and expense are recognized as it accrues/occurs in profit or loss, using effective interest method.

### 12 Borrowing cost

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying assets are recognized in profit or loss using effective interest method unless capitalization is permitted under IAS 23: Borrowing Costs.

### 13 Employee Benefits:

#### A Short term obligations:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

#### B Leave encashment:

The Company operates unfunded leave encashment scheme, i.e. if its employees do not avail leave during their service, they will be entitled to encash privilege leave at the time of separation from the Company subject to maximum 60 days, at the rate of one month's Gross pay for 30 days of privilege leave. This scheme is qualified as other long term employee benefits.

#### C Defined Benefit Plans:

##### Gratuity:

The Company operates an unfunded gratuity scheme, provision in respect of which is made annually covering all its eligible employees. This scheme is qualified as defined benefit plan. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. When the benefits of the plan are improved, the portion of the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense increased benefit related to past service by employees is recognised in profit and loss on a straight line basis over actuarial gains and losses, are recognised immediately in other comprehensive income. Relevant tax impacts of such remeasurements are also recognised under other comprehensive income.



Note: 4 - Loans:		in Taka	
		As at March 31	
		2023	2022
[Unsecured, Considered Good unless otherwise stated]			
Loan to other than related party		2,55,21,917	-
<b>Total</b>		<b>2,55,21,917</b>	<b>-</b>
<b>Note:</b>			
a. Above loan has been given for business purposes.			
b. The loan to other than related party is receivable within 4 years along with applicable interest.			
Note: 5 - Other financial assets::		in Taka	
		As at March 31	
		2023	2022
[Unsecured, Considered Good unless otherwise stated]			
Security deposits		1,44,000	-
<b>Total</b>		<b>1,44,000</b>	<b>-</b>
Note: 6 - Assets for tax [net]:		in Taka	
		As at March 31	
		2023	2022
Advance payment of tax [Net of provision for taxation of Nil (as at March 31, 2022: Nil)]		8,79,350	-
<b>Total</b>		<b>8,79,350</b>	<b>-</b>
Note: 7 - Trade receivables:		in Taka	
		As at March 31	
		2023	2022
Unsecured - Considered good		36,42,604	-
<b>Total</b>		<b>36,42,604</b>	<b>-</b>
Note: 8 - Cash and cash equivalents:		in Taka	
		As at March 31	
		2023	2022
Balances with banks		4,77,956	5,54,815
<b>Total</b>		<b>4,77,956</b>	<b>5,54,815</b>
Note: 9 - Loans:		in Taka	
		As at March 31	
		2023	2022
[Unsecured, Considered Good unless otherwise stated]			
Loan to other than related party *		49,66,303	-
<b>Total</b>		<b>49,66,303</b>	<b>-</b>
* Refer note 4 for details.			
Note: 10 - Other current assets:		in Taka	
		As at March 31	
		2023	2022
Advance against services		3,65,086	1,66,175
Prepaid expenses		3,16,667	-
<b>Total</b>		<b>6,81,753</b>	<b>1,66,175</b>
Note: 11 - Equity share capital:		in Taka	
		As at March 31	
		2023	2022
<b>Authorised:</b>			
50,00,000 [as at March 31, 2022: 50,00,000] Equity shares of Taka 10 each		5,00,00,000	5,00,00,000
		<b>5,00,00,000</b>	<b>5,00,00,000</b>
<b>Issued, subscribed and fully paid-up:</b>			
36,25,940 [as at March 31, 2022: 99,940] Equity shares of Taka 10 each		3,62,59,400	9,99,400
<b>Total</b>		<b>3,62,59,400</b>	<b>9,99,400</b>
A. The reconciliation in number of Equity shares is as under:			
Number of shares at the beginning of the year		99,940	-
Add: Shares issued during the year [Refer Note -23]		35,26,000	99,940
Number of shares at the end of the year		<b>36,25,940</b>	<b>99,940</b>
B. Details of Shareholder holding more than 5% of total Equity shares of the Company			
Zydus Wellness Products Limited			
Number of shares		36,25,931	99,931
% to total share holding		<b>99.99%</b>	<b>99.99%</b>
C. Number of shares held by Holding Company			
Zydus Wellness Products Limited		<b>36,25,931</b>	<b>99,931</b>



		in Taka	
		As at March 31	
		2023	2022
<b>Note: 12 - Other equity:</b>			
		in Taka	
		As at March 31	
		2023	2022
<b>Capital Reserve:</b>			
Balance as per Balance Sheet		10	10
		10	10
<b>Retained Earnings:</b>			
Balance as per last Balance Sheet		(13,35,271)	-
Less: Loss for the year		(26,31,652)	(13,35,271)
Balance as at the end of the year		(39,66,923)	(13,35,271)
<b>Total</b>		<b>(39,66,913)</b>	<b>(13,35,260)</b>
<b>Note: 13 - Provisions:</b>			
		in Taka	
		As at March 31	
		2023	2022
Provision for employee benefits		5,18,783	-
<b>Total</b>		<b>5,18,783</b>	<b>-</b>
<b>Note: 14 - Trade payables:</b>			
		in Taka	
		As at March 31	
		2023	2022
Payable against services		12,84,052	10,56,850
<b>Total</b>		<b>12,84,052</b>	<b>10,56,850</b>
<b>Note: 15 - Other current liabilities:</b>			
		in Taka	
		As at March 31	
		2023	2022
Payable to statutory authorities		20,46,571	-
<b>Total</b>		<b>20,46,571</b>	<b>-</b>
<b>Note: 16 - Provisions:</b>			
		in Taka	
		As at March 31	
		2023	2022
Provision for employee benefits		1,71,990	-
<b>Total</b>		<b>1,71,990</b>	<b>-</b>
<b>Note: 17 - Revenue from operations:</b>			
		in Taka	
		Year ended	Period ended
		March 31,	March 31,
		2023	2022
Other operating income		1,22,41,090	-
<b>Total</b>		<b>1,22,41,090</b>	<b>-</b>
<b>Note: 18 - Other income:</b>			
		in Taka	
		Year ended	Period ended
		March 31,	March 31,
		2023	2022
Finance income:			
Interest income on financial assets measured at amortised cost		4,88,219	-
<b>Total</b>		<b>4,88,219</b>	<b>-</b>
<b>Note: 19 - Employee benefit expense:</b>			
		in Taka	
		Year ended	Period ended
		March 31,	March 31,
		2023	2022
Salaries, wages and bonus		1,11,53,567	-
Contribution to provident and other funds		3,27,083	-
<b>Total</b>		<b>1,14,80,650</b>	<b>-</b>
<b>Note: 20 - Finance expense:</b>			
		in Taka	
		Year ended	Period ended
		March 31,	March 31,
		2023	2022
Bank commission and charges		41,402	1,995
<b>Total</b>		<b>41,402</b>	<b>1,995</b>



**Note: 21 - Other expenses:**

	in Taka	
	Year ended	Period ended
	March 31,	March 31,
	2023	2022
Insurance	45,238	-
Rent	6,98,643	-
Legal and professional fees [*]	8,78,995	13,33,276
Traveling expenses	10,30,825	-
Net loss on foreign currency transactions and translation	3,26,105	-
Analytical and testing charges	8,59,103	-
<b>Total</b>	<b>38,38,909</b>	<b>13,33,276</b>
[*] Legal and professional fees include:		
a Payment to the Statutory Auditors [excluding Taxes]:		
As an Auditor		
<b>Total</b>	<b>34,500</b>	<b>11,500</b>
	<b>34,500</b>	<b>11,500</b>

**Note: 22 - Calculation of Earnings per equity share [EPS]:**

	in Taka	
	Year ended	Period ended
	March 31,	March 31,
	2023	2022
The numerators and denominators used to calculate the basic and diluted EPS are as follows:		
A Loss attributable to Shareholders	(26,31,652)	(13,35,271)
B Basic and weighted average number of Equity shares outstanding during the period	36,25,940	99,940
C Nominal value of equity share	Taka 10	Taka 10
D Basic EPS	Taka (0.73)	Taka (13.36)
D Diluted EPS	Taka (0.87)	Taka (13.36)

**Note: 23 - Related Party Transactions:**

**A Name of the Related Parties and Nature of the Related Party Relationship:**

- a Ultimate Holding Company:** Zydus Lifesciences Limited [Formerly Known as Cadila Healthcare Limited] [India]
- b Parent of holding Company:** Zydus Wellness Limited [India]
- c Holding Company:** Zydus Wellness Products Limited [India]
- d Fellow Subsidiaries/ Concerns:**
- Liva Nutritions Limited [India]
  - Liva Investment Limited [India]
  - Zydus Healthcare Limited [India]
  - German Remedies Pharmaceuticals Private Limited [India]
  - Zydus Animal Health and Investments Limited [India]
  - Dialforhealth Unity Limited [India]
  - Dialforhealth Greencross Limited [India]
  - Violo Healthcare Limited [India]
  - Zydus Pharmaceuticals Limited [India]
  - Biochem Pharmaceutical Private Limited [India]
  - Zydus Strategic Investments Limited [India]
  - Zydus VTEC Limited [India]
  - Zydus Foundation [India]
  - M/s. Recon Pharmaceuticals and Investments, a Partnership Firm [India]
  - Aldac Healthcare (Myanmar) Limited [Myanmar]
  - Zydus Healthcare Philippines Inc. [Philippines]
  - Zydus Lanka (Private) Limited [Sri Lanka]
  - Zydus International Private Limited [Ireland]
  - Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]
  - Zydus Pharmaceuticals (USA) Inc. [USA]
  - Zynext Ventures USA LLC, USA
  - Zydus Wellness International DMCC [Dubai]
  - Zydus Healthcare (USA) LLC [USA]
  - Sentyni Therapeutics Inc. [USA]
  - Zydus Noveltch Inc. [USA]
  - Heron Pharmaceuticals LLC [USA]
  - Viona Pharmaceuticals Inc. [USA]
  - Zydus Therapeutics Inc. [ZTI] [USA]
  - Zydus Healthcare S.A. (Pty) Ltd [South Africa]
  - Simayla Pharmaceuticals (Pty) Ltd [South Africa]
  - Script Management Services (Pty) Ltd [South Africa]
  - Zydus France, SAS [France]
  - Laboratorios Comib S.L. [Spain]
  - Etna Biotech S.R.L. [Italy]
  - Zydus Nikkho Farmaceutica Ltda. [Brazil]
  - Zydus Pharmaceuticals Mexico SA De CV [Mexico]
  - ZyVet Animal Health Inc. [USA]
  - Zydus Worldwide DMCC [Dubai]
  - Zydus Netherlands B.V. [the Netherlands]
  - Nesher Pharmaceuticals (USA) LLC [USA]
  - Zydus Pharmaceuticals UK Ltd., UK
  - Zynext Ventures Pte. Ltd., Singapore
- e Directors:**
- Mr. Abhijeet Sahu
  - Mr. Ketankumar Bhut
  - Mr. Biswamoy Biswas
  - Md. Shihab Rizwan

Director  
 Director  
 Director up to December 8, 2022  
 Director w.e.f. December 8, 2022

**B Transactions with Related Parties:**

The following transactions were carried out with the related parties in the ordinary course of business:

- a Details relating to parties referred to in Note 23 - A [a, b, c and d]

Nature of Transactions

**Sales:**

**Service:**

Zydus Wellness Products Limited

**Issue of equity shares:**

Zydus Wellness Products Limited  
 Liva Nutritions Limited

**Outstanding receivable:**

Zydus Wellness Products Limited

	in Taka			
	Holding Company		Fellow Subsidiaries	
	Year ended	Period ended	Year ended	Period ended
	March 31,	March 31,	March 31,	March 31,
	2023	2022	2023	2022
<b>Sales:</b>	1,22,41,090	-	-	-
<b>Service:</b>	3,52,60,000	9,99,310	-	90
<b>Issue of equity shares:</b>	-	-	-	-
<b>Outstanding receivable:</b>	36,42,604	-	-	-

- b Details relating to persons referred to in Note 23-A [e] above:

(i) Salaries and other employee benefits

in Taka	
Year ended	Period ended
March 31,	March 31,
2023	2022
24,53,796	-



**Note: 24 - Financial instruments:****(i) Fair values hierarchy:**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data relying as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**(ii) Fair value of instruments measured at amortised cost:**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed.

Financial assets: The carrying amounts of other financial assets [other than derivatives], loans, cash and cash equivalents are considered to be the approximately equal to the fair

Financial liabilities: Fair values of other financial liabilities and trade payables are considered to be approximately equal to the carrying values.

**Note: 25 - Financial risk management:****(i) Financial instruments by category:**

Particulars	As at March 31, 2023				As at March 31, 2022			
	FVTPL	FVTOCI	Amortised Cost	Total	FVTPL	FVTOCI	Amortised Cost	Total
<b>Financial assets</b>								
Trade receivables	-	-	36,42,604	36,42,604	-	-	-	-
Cash and cash equivalents	-	-	4,77,956	4,77,956	-	-	5,54,815	5,54,815
Loans	-	-	3,04,88,220	3,04,88,220	-	-	-	-
Other financial assets	-	-	1,44,000	1,44,000	-	-	-	-
<b>Total</b>	-	-	<b>3,47,52,780</b>	<b>3,47,52,780</b>	-	-	<b>5,54,815</b>	<b>5,54,815</b>
<b>Financial liabilities</b>								
Trade payables	-	-	12,84,052	12,84,052	-	-	10,56,850	10,56,850
<b>Total</b>	-	-	<b>12,84,052</b>	<b>12,84,052</b>	-	-	<b>10,56,850</b>	<b>10,56,850</b>

in Taka

**(ii) Risk Management:**

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

The Company's risk management is managed in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

**A. Credit risk:**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from loans and advances to related parties, trade receivables, bank deposits and other financial assets. The Company periodically assesses the financial reliability of the counter party taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual customer limits are set accordingly.

i. Loans to related parties: They are given for business purposes. The Company reassesses the recoverability of loans periodically. Interest recoveries from these loans are regular and there is no event of defaults.

ii. Trade receivable: The Company trades with recognized and credit worthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant.

Financial assets for which loss allowances is measured using the expected credit loss:

Particulars	As at March 31	
	2023	2022
<b>Trade receivables:</b>		
Less than 180 days	36,42,604	-
<b>Total</b>	<b>36,42,604</b>	<b>-</b>

in Taka

**B. Liquidity risk:**

a Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

b Management monitors rolling forecasts of the Company liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which it operates. In addition, the Company liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities:**

The tables below analyse the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	As at March 31, 2023				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
<b>Non-derivatives financial liabilities</b>					
Trade payables	12,84,052	-	-	-	12,84,052
<b>Total</b>	<b>12,84,052</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,84,052</b>

in Taka

Particulars	As at March 31, 2022				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
<b>Non-derivatives financial liabilities</b>					
Trade payables	10,56,850	-	-	-	10,56,850
<b>Total</b>	<b>10,56,850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,56,850</b>

in Taka

**C. Foreign currency risk:**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar currency. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company's operations in foreign currency creates natural foreign currency hedge. This results in insignificant net open foreign currency exposures considering the volumes and operations of the Company.

**a Foreign currency risk exposure:**

The Company's exposure to foreign currency risk at the end of the reporting period is expressed as follows:

**Sensitivity:**

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Movement in Rate *	Impact on PAT	Movement in Rate *	Impact on PAT
USD	8%	2,91,408	0%	-
USD	(8%)	(2,91,408)	0%	-

\* Holding all other variables constant



**Note: 26:**

Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

**Signatures to Significant Accounting Policies and Notes 1 to 26 to the Financial Statements**

For and on behalf of the Board

As per our report of even date

**For Ali Zahir Ashraf & co.**

Chartered Accountants



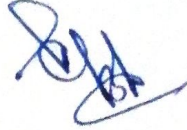
**Md. Shihab Rizwan**  
Director

Place: Dhaka, Bangladesh  
Date: May 16, 2023



**Abhijeet Sahu**  
Director

Place: Dubai, U.A.E  
Date: May 16, 2023



**Ketankumar Bhut**  
Director

Place: Dubai, U.A.E  
Date: May 16, 2023



**Md. Shahjahan, ACA**  
Partner

Enrolment No. 2014 (ICAB)  
Place: Dhaka, Bangladesh  
Date: May 16, 2023

